

21 May 2015

Annual Meeting of the City Council

Name of Cabinet Member:

Councillor Mrs Lucas - Cabinet Member for Policy and Leadership

Director Approving Submission of the report:

Executive Director of Resources

Ward(s) affected:

Not applicable

Title:

Changes to the governance arrangements of the West Midlands Integrated Transport Authority.

Is this a key decision?

No

Executive Summary:

This report details changes to the governance arrangements of the West Midlands Integrated Transport Authority and seeks approval to the establishment of the Centro Members Joint Committee.

Recommendations:

That the City Council:-

- (1) Notes the changes to the terms of reference of the West Midlands Integrated Transport Authority and endorses the changes to the governance arrangements as detailed in Appendix 1 to this report.
- (2) Approves the reduction in membership of the Transport Delivery Committee of the Integrated Transport Authority as per the amended Scheme of Delegation and the change in name to set out in the Authority's amended terms of reference.
- (3) Authorises the Assistant Director of Legal and Democratic Services to agree and enter into such documents as are necessary to give effect to these decisions

List of Appendices included:

Appendix 1 – Revisions to the Constitution of the Integrated Transport Authority-
Terms of Reference and Scheme of Delegation for the Transport Delivery
Committee of the ITA.

Background Papers

None

Other useful documents:

None

Has it been or will it be considered by Scrutiny?

No

**Has it been or will it be considered by any other Council Committee, Advisory
Panel or other body?**

No

Will this report go to Council?

Yes – Annual Meeting – 21 May 2015

Report title: Changes to the governance arrangements of the West Midlands Integrated Transport Authority.

1. Context (or background)

- 1.1 During 2013-14 it was acknowledged that the proposals for Centro Members were interim and would be reviewed, particularly the number of Members. On 23 October 2013 Centro decided to seek approval for the new Integrated Transport Authority (ITA) governance arrangements from the Secretary of State for Transport .
- 1.2 At the ITA AGM on the 18th July 2014 it was also confirmed that this was an interim arrangement that would be re-assessed within the first six months of operation with a view to reducing its overall membership.
- 1.3 To oversee the operational transport matters/ delivery of the ITA's Transport Policy and Strategy the Authority agreed on 18 July 2014 to create a 'Delegated Transport' Joint Committee of the ITA and the 7 Metropolitan Districts and these changes were agreed in January 2015.
- 1.4 A Review of the Delegated Transport Joint Committee, Centro Members has been undertaken, in line with 1.1 and 1.2 above, and subsequently agreed by the ITA at its meeting of the 28th January 2015. The principles adopted in the review looked to reinforce its role in overseeing delivery/ operational matters whilst ensuring greater efficiency and maintaining where possible political and geographical proportionality.
- 1.5 The Review amended the ITA terms of reference and scheme of delegation and the name and number of members. The name of the Joint Committee will change from Centro Members to the Transport Delivery Committee of the ITA to better reflect its role.
- 1.6 Membership of the Transport Delivery Committee of the ITA will reduce from 27 to 19, 7 from Birmingham with 2 from each of the other six metropolitan districts. The ITA also recommended that Local Authorities be encouraged to appoint members on a politically balanced basis, where this is feasibly possible.
- 1.7 The ITA also noted a request by the Vice Chair that Local Authorities should consider that one of their appointees should be the Cabinet Member with responsibility for Transportation.
- 1.8 The appointment of Coventry's representatives to the Transport Delivery Committee of the ITA is dealt with in the report on "Appointments to Outside Bodies" also submitted to the Annual Meeting of the City Council on 21 May, 2015.

2. Options considered and recommended proposals

- 2.1 If the amended terms of reference and scheme of delegation are not adopted this will not reflect the most efficient use of the Transport Delivery Committee to assist with effective delivery and operations of the metropolitan region's Transport Policy and Strategy.

2.2 The ITA considered a number of options for the size of the Transport Joint Committee and agreed that 19 members provided the greatest opportunity to deliver the role most effectively and efficiently whilst maintaining geographical and political proportionality.

3. Comments from Executive Director of Resources

3.1 Financial implications

The reduction in the number of members representing the Council will result in an initial saving of £3,900 and further changes to overall costs may arise as a result of the proposed revised scheme of delegation. Any saving will be achieved within the ITA budget, and these will help deliver planned ITA budget savings. These savings are required to match the lower ITA levy levels already agreed with and budgeted for by the Council.

3.2 Legal implications

These amendments follow directly from commitments to the Secretary of State for Transport and a recommendation of the ITA at its 18th July 2014 AGM. Changes to the ITA Scheme of Delegation, name change of the Delegated Transport Committee and the appointments made by the individual districts need to be agreed by full council meetings within each member district.

Report author:

Hugh Peacocke, Governance Services Manager

Directorate: Resources

Tel and email contact: 02476 83 3080, email Hugh.peacocke@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Carol Bradford	Solicitor	Resources	06/03/15	24/04/15
Adrian West	Members and Elections Team Manager	Resources	06/03/15	05/05/15
Jenni Venn	Assistant Director, Policy, Partnership and Performance	Chief Executives	06/03/15	11/03/15
Michelle Salmon	Governance Services Officer	Resources	06/03/15	06/03/15
Mike Waters	Head of Transport Strategy	Place	09/03/15	24/04/15

Names of approvers for submission: (Officers and Members)				
Finance: Paul Jennings	Corporate Finance Manager	Resources	06/03/15	09/03/15
Legal: Helen Lynch (on behalf of Christine Forde)	Council Solicitor	Resources	06/03/15	12/05/15
Director: Chris West	Executive Director, Resources	Resources	06/03/15	09/03/15
Councillor Mrs Lucas	Cabinet Member for Policy and Leadership		06/03/15	29/04/15

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Revisions to the ITA Constitution - Terms of Reference and Scheme of Delegation

PART 2 - RESPONSIBILITY FOR FUNCTIONS

The Authority has a statutory responsibility as Local Transport Authority for the West Midlands to set out and ensure the implementation of policies to co-ordinate and promote the use of public transport in the West Midlands. The ITA Policy and Strategy Team provides the Authority with expert professional advice to enable it to make appropriate and informed decisions.

Centro (PTE) delivers the Authorities public transport policies and in partnership with the Local Authorities, its sustainable travel policies.

The Authority is responsible for:

- Formulating a long-term strategic vision for the West Midlands public transport system that is based on the vision of an integrated public transport system that contributes to the economic development of the West Midlands through a network of high volume public transport corridors.
- Developing and championing the business case for a rapid transit network, including Midland Metro.
- Developing and championing the 'Vision for Rail' as part of the development of the rail network, in partnership with Network Rail and train operating companies.
- Operating a concessionary fares scheme and implementing the government's National Concessionary Scheme and any local variations.
- Championing and developing Smartcard integrated ticketing technology within the region.
- Developing bus travel, by championing the modernisation of the bus network in the region through a culture that focuses on bus passengers and their needs through the Transforming Bus Travel partnership.
- Financially supporting subsidised bus services that are socially necessary, but not commercially viable.
- Providing an annual grant to enable the West Midlands Special Needs Transport Ltd to operate a 'Ring & Ride' service for people who have difficulty in using other public transport facilities.
- Developing sustainable policies for the promotion and encouragement of safe, efficient and economic transport facilities and services to, from and within its area, in partnership with public transport operators, the police and district councils.

- Providing sustainable integration between public transport modes, including through the provision of interchanges, in order that a seamless network is developed across the region.
- Promoting and publicising the public transport network through the provision of travel information as part of the 'Network West Midlands' initiative.
- Constructing and maintaining bus stations and public transport infrastructure.

In order to carry out effective decision making in respect of these responsibilities, the West Midlands Integrated Transport Authority has, along with the seven West Midlands metropolitan district councils, established a Delegated Transport Joint Committee to which it has delegated areas of decision making authority that the joint committee (and/or the joint committee's own sub-committees) can exercise to ensure delivery on behalf of the full Authority. This Committee is named the 'Transport Delivery Committee of the ITA'.

The ITA will have the ability to determine the composition and the scheme of allowances of the Transport Delivery Committee, or any other body established by the ITA.

Matters Reserved for Determination by the West Midlands Integrated Transport Authority

The following functions of the West Midlands Integrated Transport Authority will remain *reserved matters* for determination by the Authority only:

- Setting its revenue budget for transport, including approving estimates of income and expenditure of Centro pursuant to s15 (1)(b) of the Transport Act 1968, determining the grants to be made to passenger transport companies to s13 of the Transport Act 1968, and the issue of a levy pursuant to the Transport Levying Bodies Regulations 1992;
- Determining the borrowing limits of the West Midlands Integrated Transport Authority in relation to transport matters, pursuant to s3 of the Local Government Act 2003;
- Approving borrowing by the West Midlands Integrated Transport Authority, pursuant to s12 (3) of the Transport Act 1968, and lending money to Centro;
- Developing policies for the promotion and encouragement of safe, sustainable, efficient and economic transport facilities and services and producing a Local Transport Plan/ Transport Strategy;
- Making a written request to the Secretary of State for Transport to authorise Centro to purchase compulsorily any land which Centro requires for the purposes of its business;
- Considering and approving the creation and development of Bus Quality Contract Schemes;
- Formulating general policies with respect to the availability and convenience of public passenger services pursuant to s9A (5) - (7) of the Transport Act 1968;

- Formulating policies in regards to a devolved rail franchise and West Midlands Rail;
- Appointment of Chair and Vice Chair of the Transport Delivery Committee;
- Responsibility for management and oversight of the Integrated Transport Authority Pension Fund;
- Monitoring the West Midlands Integrated Transport Authority's transport budget, pursuant to s15A (2) of the Transport Act 1968;
- Allocation and prioritisation of any central government grants and any other form of funding;
- Transportation Policy and strategy in respect of the functions detailed in Paragraph 12 above;
- Appointment of Centro (PTE) Chief Executive/ Senior Operating Officer and the ITA Strategic Director;
- To determine a Scheme of allowances for ITA and the Transport Delivery Committee of the ITA.

Any of the functions set out above may be referred to the Transport Delivery Committee of the ITA for it to make recommendations for consideration and determination by the West Midlands Integrated Transport Authority.

Delegation from the West Midlands Integrated Transport Authority to the Transport Delivery Committee of the ITA

The following functions of the West Midlands Integrated Transport Authority will be referred to the Transport Delivery Committee of the ITA in order for it to *make recommendations* to the ITA for decision:

- Oversee Centro's delivery of ITA Policies that promote and encourage safe, sustainable, efficient and economic transport facilities and services; and then securing appropriate level of rail services through rail devolution.
- Policy issues as determined by the ITA within the Work Programme.
- The Centro elements of the ITA's revenue budget and levy;
- Bus Quality Partnership Schemes.
- Appointment of Centro Directors.

The following functions of the West Midlands Integrated Transport Authority will be delegated to the Transport Delivery Committee of the ITA, with regular Performance Reports being submitted to the ITA, in order for it to *determine*, subject to the Transport Delivery Committee of the ITA exercising these functions in accordance with any transport policies of the Authority, the Local Transport Plan/ Strategy and the Authority's agreed transport budgets:

- Monitoring and overseeing the activities and performance of Centro (including the power pursuant to s15 (6) of the Transport Act 1968) to give to Centro such directions as appears to the Transport Delivery Committee of the ITA to be appropriate to secure the policy objectives of the West Midlands Integrated Transport Authority;
- Ensuring that Centro secures the provision of appropriate public passenger transport services under s9A (3) of the Transport Act 1968;
- Considering and approving the creation and development of:
 - Ticketing Schemes under s135 - 138 of the Transport Act 2000; and
 - Concessionary Travel Schemes under s93 - 104 of the Transport Act 1985;
- Determining what local bus information should be made available, and the way in which it should be made available, under s139 - 143 of the Transport Act 2000;
- Ensuring that Centro implements those actions delegated to it for promoting the economic, social and environmental well-being of the West Midlands, under s99 of the Local Transport Act 2008;
- Monitoring Centro's expenditure against its approved budget
- Approving Centro minor works capital programme and the agreed Centro budget for the scheme concerned;
- Monitoring Centro's performance against the agreed Local Transport Plan/ Transport Strategy;
- Formulating, developing and monitoring procedures for public consultation of, and lobbying for, the West Midlands Integrated Transport Authority's transport policies;
- Considering issues arising from the implementation of schemes for the introduction of Smartcards;
- Authorising the disposal, acquisition and development of any land within any budget agreed by the West Midlands Integrated Transport Authority;
- Determining the operation, performance, contract management and development of tendered bus services, bus stations/stops, and passenger transport services, under s10 (1) of the Transport Act 1968 and within the agreed Centro budget.