

Special Economy and Enterprise Overview and Scrutiny Committee

20 December 2016



NECA Transport Activity

Report of Ian Thompson, Corporate Director, Regeneration and Local Services

Purpose of the Report

1. To provide Members of the Economy and Enterprise Overview and Scrutiny Committee with a brief overview of the transport activity undertaken by the North East Combined Authority (NECA).

Background

2. The North East Combined Authority (NECA) was established in April 2014 as a new legal body that brought together the seven councils which serve County Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland.
3. NECA was created to assist with the coordination of economic development, transport and skills across the seven authorities, with the aim of creating better conditions for economic growth.
4. The legal Order creating the new combined authority conferred upon NECA the statutory role of 'Transport Authority' for the whole area. This had the effect of transferring certain transport functions from the County Council to NECA. These functions primarily related to public transport (bus services) and the duty to prepare a Local Transport Plan.

Delegation back to DCC

5. Under the Constitution and Operating Agreement of the Combined Authority, the operational delivery of public transport was delegated back to both Durham and Northumberland Councils; with Nexus retaining responsibility for delivering public transport across Tyne & Wear.
6. The above delegation allowed Durham to retain control over its budget and the delivery of public transport functions; with a requirement to make an annual report to NECA covering its activity in this area.

NECA Transport Activity

7. NECA provides a role both in relation to strategic transport issues and also in the coordination of local transport, ensuring that transport decisions are joined up across the NECA area and are aligned to the wider economic strategy.

Strategic Transport

8. Acting as a single voice for the region, NECA can provide a useful advocacy role on key strategic transport issues, helping to influence investment decisions at a national or sub-national level.
9. NECA provides representation on the board and working groups of Transport for the North and Rail North; and also plays a coordinating role in liaison with the Department for Transport (DfT) and national agencies such as Highways England, Network Rail and HS2. NECA are also active members in wider partnership groups, such as the Consortium of East Coast Authorities.
10. Key strategic issues for the NECA cut across road, rail, ports and airports and include:
 - Capacity and line speed improvements to the East Coast Main Line (potentially through the reopening of the Leamside Line)
 - Working with franchise holders to improve rail travel across the North
 - Investment in the strategic road network and key junctions (A66, A69, A1, A19)
 - The impact of air passenger duty and Heathrow capacity on the north's airports
 - Maximising the benefits of HS2 and influencing further investment in high speed rail.

Local Transport

11. At a local level, NECA has various transport responsibilities to enable transport matters to be addressed across the combined authority area including:
 - Preparation of a Local Transport Plan
 - Preparation of a Bus Strategy
 - Powers to make a Quality Partnership Scheme or Quality Contract Scheme and powers to make joint and through Ticketing Schemes
12. The NECA transport team have recently published a 'Transport Manifesto' <http://www.northeastca.gov.uk/local-transport-plan> and are currently developing a full Transport Plan for the whole of the combined authority area. It is anticipated this will be published in 2017/18.
13. The NECA Transport Plan will set out the high level objectives and a framework for transport investment decisions. It is anticipated that there will also be a need for local delivery plans for each of the constituent authorities.
14. The three public transport delivery areas of Nexus, Northumberland and Durham are developing a joint bus strategy for NECA, and looking at emerging opportunities presented by the government's Buses Bill in relation to enhanced partnership working or the possibility of bus franchising. Work is also ongoing in relation to young people's fares, ticketing and technology improvements on public transport.

15. The NECA transport team work closely with the North East Local Enterprise Partnership (NELEP) in relation to programme management and developing a forward pipeline of major transport capital investments funded through the Local Growth Fund.
16. A number of transport funding streams are allocated through competitive processes, with bidding often restricted to upper tier transport authorities. This means that NECA have taken on a stronger coordination role for initiatives such as the Sustainable Transport Fund. Our previous sustainable transport work called “Local Motion” has been rebranded under the “Go Smarter” campaign, with funding and coordination provided by the NECA transport team.
17. NECA are also coordinating bids on behalf of the region for car clubs, electric vehicle infrastructure and clean vehicle technology. In addition, they coordinate a NECA wide freight partnership, bringing together public and private sector operators to raise standards, improve safety and cut the costs of moving freight.

Governance, costs and funding of NECA transport activity

18. The Northeast Leadership Board is supported by the Transport North East Committee (TNEC) with representation of two members from each constituent authority. A Tyne & Wear Sub Committee (TWSC) was also established to give direction and oversight to the activity of Nexus. NECA also has its own Overview and Scrutiny arrangements to ensure accountability and transparency of decision-making.
19. At officer level, the NECA transport support comprises a team of 10 staff with a total budget of £1.1m (proposed reduction to £0.9m in 2017/18). These costs are funded through a combination of top-slicing the Local Transport Plan allocation and a contribution from NELEP resources. The LTP top-slice equates to £68,000 per local authority.
20. The DfT make an annual allocation for local transport issues through the LTP Integrated Transport Block and Maintenance Block. Since the formation of NECA, this funding has been pooled across the seven authorities and given direct to NECA.
21. The highways maintenance allocation is passported straight back to the constituent authorities. The Integrated Transport block funding is top sliced as above, with the remainder currently being distributed amongst the constituent authorities in line with DfT’s notional allocation.

Recommendations

22. Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment upon the information provided during the presentation of this report.

Background Paper(s)

NECA website: <http://www.northeastca.gov.uk/>

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Appendix 1: Implications

Finance – DCC make a contribution of £68k pa towards the running of the NECA core transport team.

Government give LTP transport funding direct to NECA, and also restrict many of the competitive funding initiatives to bids from NECA as the statutory transport authority for the whole area.

Staffing – None

Risk – None

Equality and Diversity – NECA has the same statutory duties as other local authorities in relation to considering equality and diversity

Accommodation – None

Crime and Disorder – None

Human Rights – None

Consultation – None

Procurement – None

Disability Discrimination Act – None

Legal Implications – The statutory role of Transport Authority transferred from DCC to NECA.