



Transport Delivery Overview & Scrutiny Committee

Date	26 February 2024
Report title	Deeper Devolution Deal - Transport Implementation Plan
Portfolio Lead	Transport - Councillor Mike Bird
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Report has been considered by	TfWM Planning Group - 5 February 2024

Recommendation(s) for action or decision:

The Transport Delivery Overview & Scrutiny Committee is recommended to:

- (1) Review progress on delivering against the Deeper Devolution Deal transport implementation plan.
- (2) Scrutinise the risks emerging on a number of deal elements and endorse the proposed mitigations being taken to manage these, as set out in paragraphs 2.8-2.10.

1. Purpose

- 1.1 To update members on the Deeper Devolution Deal - Transport Implementation Plan and other elements of the Deeper Devolution Deal. This is a 6 monthly update to the Transport Delivery Overview & Scrutiny Committee.

2. Background

- 2.1. On Wednesday 15 March 2023, the WMCA agreed a new trailblazing Deeper Devolution Deal (DDD) with government.

Transport commitments

- 2.2. A reminder to members that the Deeper Devolution Deal builds on significant transport powers and funding from the previous two devolution deals (2015 and 2017). The Deal commitments are intended to provide further autonomy to the WMCA to establish itself as a leader in transport innovation in the UK and improve the transport offer to its citizens.
- 2.3. The transport elements support the delivery of our Local Transport Plan (LTP) outcomes to **level up accessibility, electrify transport and reduce traffic**. Building on the West Midlands' strengths in transport innovation, as the country's first future transport zone, and its close partnership working with government, the deal provides: -



Transport Implementation Plan

- 2.4. TfWM has committed resources to develop and deliver the transport elements of the deal and it is supported by an implementation plan. An overview of the plan was reported to this Committee on 4th September 2023.
- 2.5. TfWM continue to coordinate delivery across the combined authority, local authority partners and with government. TfWM has established a working relationship with the Department for Transport's (DfT) Devolution Division to discuss deal progress and deliver on deal commitments. Plan oversight has been undertaken quarterly by TfWM Planning Group (previously Strategy Board) and Strategic Transport Officers Group (STOG).
- 2.6. The section below sets out progress made on a number of areas but also highlights key risks resulting from a shift in Government transport policy in regard to the Plan for Drivers and Network North publications. Overall progress is set out below:

Rail partnership with Great British Rail (GBR)

- The West Midlands Rail Executive/Great British Rail Transition Team Partnership Oversight Group met in November 2023.

- Positive progress has been made with delivery of the rail Pay-As-You-Go (PAYG) ticketing pilot. The scope of the pilot has now been agreed and a public announcement was made on 1st February 2024¹.
- The King's Speech announced that pre-legislative scrutiny of a Draft Rail Reform Bill would take place, and this may also ease the passage of legislation when it is eventually introduced.

Infrastructure

- Through the Network North announcement, the WMCA will receive increased allocations for CRSTS 1&2. The indicative allocation for the West Midlands is as follows:
 - CRSTS2: £2,648bn.
 - Including an early draw down in CRSTS 1 for:
 - £100m extra for WBHE metro and Arden Cross cost pressures.
 - £250m revenue (over 5 years).
- A revised Business Case with DfT and Department of Levelling Up, Housing and Communities (DLUHC) to unlock the £60m funding committed in the DDD by DLUHC to support the Metro extension is in development.

Bus and Bus Services

- The BSOG Governance Review and Scheme was shared with local authorities and approved at WMCA Board on 13 October. WMCA is waiting for the draft Statutory Instrument Order from DfT before circulating to LAs for their approvals.
- DfT have provided advice on how to strengthen activity in order to tackle anti-social behaviour on bus services across the West Midlands. This has resulted in National Express WM amending their Conditions of Carriage to reflect the delegation of power to Transport Safety Officers (TSO) to act for and on behalf of the Company.

Transport Planning and Innovation

- Birmingham (NEC) was awarded World ITS Congress hosting status on 16th October 2023. The successful bid was a collaboration between TfWM, DfT, Intelligent Transport Systems UK (ITS UK) and the NEC Birmingham. The contractual paperwork is now under development.
- Funding has now been released by DfT for stage gate 1 of Coventry CC's VLR project and the first gateway stage of the Dudley VLR Innovation Centre element of the programme.
- A revised Local Transport Plan (LTP) is in development by WMCA with new analytical work from consultants. An update on the LTP area strategies was reported to this Committee in January 2024.
- TfWM are still undertaking technical work to produce a Local, Last Mile Freight and Logistics Action Plan and are working with partners including Aston University to support with the development of the evidence base. An initial plan has been drafted, capturing current WMCA activity on last mile logistics, and continues to be developed with the aim of having a final draft document ready in the summer.
- As part of the emerging Last Mile Freight & Logistics Action Plan, TfWM's Innovation Team have secured funding with Warwick Manufacturing Group (WMG) to develop a Last Mile Logistics project with WMG. This would see trials using the electric bike delivery vans on campus at Warwick University.

¹ <https://www.gov.uk/government/news/tap-in-tap-out-train-travel-is-on-track-for-the-west-midlands-and-greater-manchester>

Roads

- TfWM has now appointed technical consultant team to develop detailed options for a Local Roads and Transport Network Service for the West Midlands Key Route Network (KRN).
- TfWM continue to digitise Traffic Orders across the West Midlands as part of the Rules of the Road project, and this has now emerged as a priority for the government. Digitised traffic orders will be required through the Automated Vehicles Bill and we are hopeful funding can be secured to further continue this work, as a national leader in this space.
- TfWM are also working with Birmingham City Council on a dynamic traffic management and digitising street space project. TfWM has been successful in securing grant funding to develop a new dynamic TRO through the Regulatory Pioneer Fund.

Single Settlement

- 2.7. Although not formally part of the transport implementation plan, TfWM officers are actively engaged in the development of the Single Settlement. The Single Settlement MOU, setting out the principles for how the settlement will be agreed and implemented at the next Spending Review, was published at the Autumn Statement².

Risks and mitigations

- 2.8. National BSOG reforms continue to be delayed by DfT, meaning policy making power associated with BSOG (beyond the Mayoral function to make payments to bus operators) cannot yet be devolved to the region. In response, TfWM continue to offer to act as a national pilot area, in with BSIP ambitions, where potential BSOG reforms options could be tested and applied across the bus network. This could strengthen our ability to effectively support the local bus network.
- 2.9. The government has reaffirmed commitment to establishing GBR but legislation will not be passed during this Parliament session. There is a risk that GBR may not have full legislative powers. However, the established rail partnership between GBR and WMRE has a joint ambition to deliver a better integrated and more locally accountable rail network.
- 2.10. Government are reassessing the case for publishing updated Local Transport Plan guidance³. This has an impact on a central element of the LTP, which is to adopt the DfT's preferred approach to quantifying transport carbon reductions to inform progress towards targets. In response, and aligned to a future Single Settlement, TfWM are seeking meetings with officials to discuss this and Local Transport Plan guidance further.

3. Strategic Aims and Objectives

- 3.1. The report aligns with WMCA aims to: -
- 1. Promote inclusive economic growth in every corner of the region
 - 2. Ensure everyone has the opportunity to benefit.

²

https://assets.publishing.service.gov.uk/media/655d0945d03a8d001207fe19/Memorandum_of_Understanding_for_the_Single_Settlements_with_Greater_Manchester_and_West_Midlands_Combined_Authorities_FINAL.pdf

³ <https://questions-statements.parliament.uk/written-questions/detail/2024-01-25/h11939>

- 3. Connect our communities by delivering transport and unlocking housing and regeneration schemes.
 - 4. Reduce carbon emissions to net zero and enhance the environment
 - 5. Secure new powers and resources from central government
 - 6. Develop our organisation and be a good regional partner.
- 3.2. TfWM has invested heavily in our network since the first devolution deal was agreed. However, the pandemic has shifted patterns and behaviours, with patronage remaining below pre-pandemic levels. The bus industry, in particular, is facing acute challenges.
- 3.3. The deal gives the region a greater set of tools to face these challenges and create an integrated transport system that is fit for the future.

4. Financial Implications

- 4.1. A key principle of Devolution Deal negotiations was that WMCA would not accept any additional powers or accountabilities that cannot be either accommodated within existing resources or came with new funds to support them.
- 4.2. As outlined above, the majority of the commitments already have committed resource and funding to enable these to progress. There are some commitments that require further scoping work and discussions with DfT and other partners to fully understand the requirements and financial implications. As these develop there will need to be discussions around the requirements and funding source.
- 4.3. It is noted that some elements of funding may need to be fed into discussions on the single settlement due to be implemented from 2025/26.

5. Legal Implications

- 5.1. Responsibility for developing and reviewing the Local Transport Plan was transferred to WMCA by the West Midlands Combined Authority Order 2016 which conferred on WMCA all the functions of the former West Midlands Integrated Transport Authority.
- 5.2. The devolution of the statutory function of administering Bus Service Operators Grant under section 154 (1) of the Transport Act 2000 will require a statutory Order. The process for this is for WMCA to carry out a governance review and develop a scheme to demonstrate that the devolution of this function will improve the efficiency and effectiveness of the delivery of this service. This scheme has now been approved by WMCA Board and submitted to the Secretary of State for consideration.
- 5.3. The making of the Order will require the consent of each of the 7 Constituent Authorities and also a unanimous vote of their Members present and voting at the WMCA Board.
- 5.4. The other proposals set out in the Deeper Devolution Deal will require further legal consideration as they are progressed particularly in relation to procurement.

6 Equalities Implications

- 6.1. The WMCA is committed to improving diversity, equality and inclusion. As individual schemes and programmes are developed, they will be subjected to detailed Equality Impact Assessments to demonstrate and quantify the implications on our diverse communities across the West Midlands.

7. Inclusive Growth Implications

- 7.1. The implementation of the Deeper Devolution Deal Transport Implementation Plan will have implications for all eight fundamentals of the West Midlands Inclusive Growth Framework. We will use the greater control over investments and powers to the region to generate inclusive and sustainable economic growth for all our residents and communities.
- 7.2. The continued development of the LTP and the LTP motives for change, have been heavily informed by the WMCA Inclusive Growth Framework. The LTP is of most positive relevance to the Connected Communities fundamental of this framework.
- 7.3. As detailed schemes and programmes are developed further, a full consideration of the inclusive growth implications will be made in line with the Local Transport Plan and the WMCA Inclusive Growth Framework.

8. Geographical Area of Report's Implications

- 8.1. The report applies to the constituent WMCA area. However, TfWM and DfT have committed to work together to identify any cross-boundary bus service issues in regard to the future devolution of commercial BSOG.

9. Other Implications

- 9.1. N/A.

10. Schedule of Background Papers

TDOSC 04/09/2023 [Deeper Devolution Deal - Transport Implementation Plan](#)
WMCA Board 13/10/2023 [Deeper Devolution Deal Ratification](#)