



**05/20**

Purpose: For Decision

# Delegated decision report

## **DECISION UNDER DELEGATED POWERS**

### **DECISION CANNOT BE TAKEN BEFORE 2 JULY 2020**

Title **TRANSPORT FOR THE SOUTH EAST (TfSE) – FORMAL CONSENT FOR PROPOSAL TO GOVERNMENT**

Report of **CABINET MEMBER FOR INFRASTRUCTURE AND TRANSPORT**

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### EXECUTIVE SUMMARY

1. This report is to inform members of the Transport for South East (TfSE) proposal to Government to become a statutory body and to seek formal approval from members for submission of this proposal to Government.
2. A draft TfSE Proposal to Government was agreed by Cabinet on 13 June 2019.
3. It is recommended that the Cabinet Member for Infrastructure and Transport: provides formal consent for the submission of the proposal to Government, which forms the basis of Transport for the South East becoming a statutory Sub-national Transport Body.

### BACKGROUND

4. Further to the approval of the draft proposal from the Local Transport authorities, including the Isle of Wight Council on 13 June 2019, the Transport for South East (TfSE) Shadow Board approved a Proposal to Government On 19 September 2019. In addition to the approval from the constituent Local Transport Authorities, a period of formal consultation, ran from 7 May to 31 July 2019, with approximately 100 responses from stakeholders. A copy of the proposal is attached as Appendix A (the Proposal)
5. The Proposal to Government is the basis of a request for statutory status for TfSE, with the intention of the request to be approved by Parliament. This would be in line with Transport for the North (TfN) which was the first Sub National Transport Body (STB) which achieved statutory status in April 2018.

6. The statutory basis for STBs is set out in Part 5A of the Local Transport Act 2008 as amended by the Cities and Local Government Devolution Act 2016, which states that “the Secretary of State may by regulations establish a sub-national transport body for any area in England outside Greater London” (s102E(1)). It goes on to set the conditions and limits for such arrangements.
7. The twin purposes for creating an STB are to facilitate the development of transport strategies and so promote economic growth for the area.
8. The legislation requires a new STB to be promoted by, and have the consent of, its constituent authorities, and that its Proposal to Government has been the subject of consultation within the area and with neighbouring authorities. TfSE has completed the formal consultation and is now seeking the formal consent of its constituent authorities prior to submitting the Proposal to Government.

### STRATEGIC CONTEXT

9. The principles of TfSE align with a number of the Isle of Wight Council’s own priorities as per the 2019-2022 Corporate plan, in particular the following three strategic goals which are linked to the vision of TfSE;
  - (a) improve productivity and attract investment to grow our economy and better compete in the global marketplace
  - (b) improve health, safety, wellbeing, quality of life, and access to opportunities for everyone; and
  - (c) protect and enhance the South East’s unique natural and historic environment.

### Transport for the South East - Background

10. An STB is a body corporate, which may only be established by the Secretary of State if it is considered that:
  - (a) its establishment would facilitate the development and implementation of transport strategies for the area; and
  - (b) the objective of economic growth in the area would be furthered by the development and implementation of such strategies.
11. Sixteen upper tier authorities in the South East have been working together since 2016 to develop a proposal for an STB. They are Bracknell Forest; Brighton and Hove; East Sussex; Hampshire; Isle of Wight; Kent; Medway; Portsmouth; Reading; Slough; Southampton; Surrey; West Berkshire; West Sussex; Windsor and Maidenhead; and Wokingham.
12. The existing Shadow Partnership Board also includes arrangements for involving the five Local Enterprise Partnerships (Coast to Capital, Enterprise M3, Solent, South East, and Thames Valley Berkshire); two National Park Authorities (South Downs and New Forest); 46 Boroughs and Districts in East Sussex, Hampshire, Kent, Surrey and West Sussex; and the transport industry and end user voice in its governance.
13. These efforts have been acknowledged by the Department for Transport with £1.6m awarded to TfSE in grant funding over the last two financial years to fund the development of the emerging Transport Strategy for the South East.

14. To achieve statutory status, TfSE is required to develop a Proposal to Government, which needs to demonstrate the strategic case for the creation of a sub-national transport body and set out how TfSE will fulfil the statutory requirements for such a body as outlined in the enabling legislation.
15. The Proposal should also identify the types of powers and responsibilities that the STB will be seeking, as well as identifying the proposed governance structures.
16. The legislation requires that a new sub-national transport body will be promoted by, and have the consent of, its constituent authorities, and that the proposal has been the subject of consultation within the area and with neighbouring authorities.

## CONSULTATION

17. The Proposal to Government incorporates comments received from partner and stakeholder organisations, following a 12-week consultation period. The consultation document was on the TfSE website and was promoted in the regular e-newsletter. A simple consultation questionnaire was shared with all consultees, along with an offer for the TfSE secretariat to attend appropriate meetings.
18. The consultation resulted in 96 responses from a variety of stakeholders, including local interest groups and members of the public. Seventy respondents completed the questionnaire template provided by TfSE, with a further 26 submitting letters or emails.
19. The overall findings of the consultation exercise are positive, with 92 respondents offering support for the principle of establishing a sub-national transport body for the south east. There were many, varied reasons for this support including:
  - (a) Opportunity for TfSE to speak with 'one-voice' to identify regional priorities and influence the investment decisions of central government and national agencies;
  - (b) Greater focus on integrated transport solutions, developing multi-modal solutions that improve the end user experience;
  - (c) Offering a greater level of democratic accountability; and
  - (d) The ability to accelerate delivery of long-term, strategic infrastructure schemes.
20. The following provides a summary of the changes to the proposal following the public consultation:
  - (a) The proposal has been strengthened to ensure that social inclusion and environmental protection, including reducing emissions, are clearly recognised as a priority for TfSE. This will reflect the recent work on the development of the Transport Strategy, including the revised vision, goals and objectives. Further information has been included in the proposal on issues such as future transport technology, mobility as a service and smart and integrated ticketing, all of which will help to demonstrate that TfSE is not pursuing economic growth at the expense of the environment.

## FINANCIAL / BUDGET IMPLICATIONS

21. There are no significant financial implications arising from the creation of TfSE
22. TfSE has established an annual subscription of £58,000 per county and £30,000 per unitary. DfT has awarded grant funding of £1,600,000 over the last two financial years, which is to be used towards the cost of the development of the Transport Strategy. There is a reasonable expectation that DfT will allocate some core revenue funding for TfSE once it has achieved statutory status, on the basis that the constituent authorities will continue to make contributions. TfSE will also seek further capital funding from the DfT to take forward its technical work programme.
23. The Isle of Wight Council annual unitary subscription of £30,00 per annum, is currently shared between Highways Contract Management Team and Planning Services. This has already been included within current budgets for both departments.

## CARBON EMISSIONS

24. The TfSE vision specifically refers to becoming a net-zero carbon region by 2050. Two of the specific functions sought by TfSE are creation of clean air zones and the power to charge in connection with these zones. This is recognition of the potential need to coordinate air quality improvement across local authority boundaries
25. The long-term vision of TfSE will complement the Climate Emergency Action Plan currently being developed to meet the Isle of Wight Council's net zero target of 2030.

## LEGAL IMPLICATIONS

26. The statutory framework governing the creation and the constitution of STBs is contained in Part 5A (sections 102E to 102U) of the Local Transport Act 2008.
27. An STB can only be created by the Secretary of State, and if created it would become an authority in its own right. The Secretary of State can only create an STB by responding to a proposal put forward by the relevant constituent authorities.
28. Table 1 within the Proposal sets out the specific statutory powers and responsibilities that are proposed to be vested in TfSE as an STB.

## EQUALITY AND DIVERSITY

29. The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

30. An Equality Impact Assessment has been undertaken and there are no adverse impacts arising from the report.

## OPTIONS

31. Option 1 – To approve the submission of the Proposal to Government. On the basis that all 16 statutory authorities provide formal consent, a final decision will be made by the TfSE Shadow Board in July 2020 to proceed with submitting the Proposal to Government in September 2020.
32. Option 2 – Not to provide formal consent and confirm this to the TfSE Shadow Board. Without consent from all statutory authorities TfSE will not be able to submit the Proposal to Government to establish as an STB.

## RISK MANAGEMENT

33. There are few risks to the council connected with TfSE; the proposal sets out key strategy, influencing and consultative roles for the new body. None of these activities are inherently risky. There are opportunities that by joining together across the South East there are better outcomes for the council through the influence of TfSE.
34. The only consideration is that the Isle of Wight has some unique transport challenges when compared to the rest of the TfSE region, due to the geographical constraints of the Island such as reliance on ferry travel. To ensure that these considerations are taken into account in the development of any future TfSE strategy it will be ensured that Isle of Wight Council will be represented at all future meetings, either directly or through Solent Transport.

## EVALUATION

35. The formation of a statutory sub-national South Eastern Transport Body would allow for authorities in the region to speak with 'one voice' on key strategic priorities.
36. By working strategically across the South East, with local authorities, local enterprise partnerships and government, the Transport Body will influence how and where money is invested in order to best deliver transport improvements for the travelling public; improving productivity, quality of life and the environment.
37. If approval is not granted it would delay the submission of the proposal to Government as consent is required from all constituent local transport authorities. The related feedback would need to be considered by TfSE Shadow Board to agree the way forward.

RECOMMENDATION

38. Option 1 – To approve the submission of the Proposal to Government. On the basis that all 16 statutory authorities provide formal consent, a final decision will be made by the TfSE Shadow Board in July 2020 to proceed with submitting the Proposal to Government in September 2020.

APPENDICES ATTACHED

39. [Appendix A](#) – TfSE Final Proposal to Government

BACKGROUND PAPERS

40. Minutes of Cabinet – 13 June 2019  
<https://www.iow.gov.uk/Meetings/committees/cabinet/13-6-19/minutes.pdf>

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*Director of Neighbourhoods*

(CLLR) Ian Ward  
*Cabinet Member for Transport and Infrastructure*

Decision

Signed

Date

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