

**Strategic transport issues:
Potential for high level joint working in
South East England**

Final Report

**Prepared for
South East England Councils**

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Executive Summary

Project objective and approach

SEEC commissioned this scoping report to inform discussions about the potential added value of all-tier local government joint working on strategic transport issues and to gauge support from South East local authorities. Any possible joint working would need to complement, not duplicate, existing local authority relationships with Department for Transport and providers and would be much more light-touch than past arrangements such as the Transport Board. A three stage approach was used:

- i. First, gathering views from council members and officers on the possible added value of potential joint working on strategic transport issues.
- ii. Second, systematically examining and critiquing the potential form and function of possible transport high level working arrangements.
- iii. Finally, bringing together these elements in a cogent, coherent way to inform options for members to consider.

How viewpoints and perspectives were considered

To make sure that this scoping report gained effective input from South East local authority members and officers, views were gathered in a number of ways during March and April 2011:

- i. A questionnaire was circulated to councils to gather views and help stimulate debate on pros, cons and degree of support for joint working. Input was sought from Leaders and Chief Executives at all tiers of local government.
- ii. A discussion was held with the Directors of Economy, Environment, Planning and Transport in the upper tier authorities.
- iii. A discussion workshop was held with a number of Heads of Transport and District council officers.

Discussion was mainly focused around four key areas:

- A) Focus of possible collective joint working, including benefits and risks.
- B) Learning from past experience.
- C) Light touch strategy and resourcing.
- D) How joint working might operate?

Around 30% of SEEC member councils responded, giving all-tier feedback and particularly strong input from upper tier authorities. The views gathered from South East councils informed and shaped the conclusions and recommendations.

Key messages and factors considered

Key messages distilled from the wide range of local authorities' views include:

- i. A middle ground view that seems to support working on a case by case basis on issues of genuine strategic importance.
- ii. Strategic issues need to be defined but could include taking an overview of transport investment, lobbying on specific issues and attracting a fair share of national and European funding.
- iii. Prioritisation of transport schemes should be avoided.
- iv. There is no desire to recreate the previous transport board structure.

Using my specialist transport experience, I considered how some kind of joint working might potentially perform using an impact, function and form analysis, which helped to inform option design. These three key factors were:

- i. **Impact:** *Are there examples of transport issues that might be considered strategic and / or cross boundary in nature at the South East level and which could benefit from joint working?* In this area I concluded there are key transport issues where a collective approach to lobbying for funding could have benefits in attracting investment to the South East – for example working with national government and European institutions, and on particular important transport issues and projects.
- ii. **Function:** *What kind of joint working, if any, will help maximise joint local authority influence and effectiveness on strategic transport matters?* In this area I concluded there would be benefits in having a mechanism to agree a collective position on key issues to support lobbying activity. I also concluded that decisions on whether or not a transport issue should be considered at SE level should be based on the scale and / or impact that the issue is likely to have.
- iii. **Form:** *Who should be represented in any joint working arrangement to arrive at credible common positions?* In this area I concluded in addition to all tiers of local government working together, there could be benefits in bringing other partners into collective lobbying – for example working with LEPs and transport operators as required.

Options and recommendations

Based on the evidence gathered as feedback from local authorities and my own analysis of impact, function and form, I considered three options:

- i. Option 1: No transport-specific joint working.
- ii. Option 2: An informal working arrangement with light touch terms of reference.
- iii. Option 3: An all tier standing committee with detailed terms of reference that makes recommendations to SEEC membership.

Reviewing these against the needs of SEEC and local authorities, I conclude that there are benefits and value in limited joint working on genuinely strategic transport matters. My recommended approach for any joint working is Option 2 – an informal all-tier local authority working arrangement for strategic, cross boundary issues on a case-by-case basis. This approach would be based on a light touch terms of reference to guide practical working arrangements and provide guidance on the type of strategic issues that SEEC could become involved in. The approach could be developed through SEEC's existing structures, engaging LEPs or other partners as appropriate, and would not require any additional permanent staffing – rather it would draw on member and officer expertise from local authorities as required. Such an approach would:

- i. Allow a clear set of issues to be identified and agreed by the local authorities and other partners as appropriate, e.g. LEPs, for progression in a joint but flexible way at South East level without tying them to a particular way of working.
- ii. Enable local authority members to collectively advocate shared views on investment needs and other related policy issues to decision makers including Government as appropriate.
- iii. Provide political oversight and steer for any necessary joint technical work, reducing the possibilities of wasteful and duplicative work at officer level on issues of clear strategic and cross boundary significance.
- iv. Create a mechanism for members to decide if they wish to appoint a transport lead spokesperson and / or develop a light touch strategy / lobbying document to help promote South East investment needs.

1. Background

South East England Councils (SEEC) commissioned this report to explore potential benefits of high level, member-led, cross-boundary and all-tier working arrangements on strategic transport issues. The work has considered potential value and benefits of such an arrangement and tested the level of support from local authorities.

ABOUT THIS WORK

- 1.1. SEEC is committed to making the case for funding and investment in the South East to maintain global economic competitiveness and tackle long-standing socio-economic problems. One element of this is ensuring the South East has a strong voice when competing with other areas of the country for scarce infrastructure funding.
- 1.2. The Department for Transport (DfT) stresses that it is keen to maintain strong individual relationships with the local transport authorities across the South East. However, DfT is also potentially interested in engaging with local authorities in a more strategic way on cross-boundary matters to get a “joined-up” view from local partners on a limited range of clearly strategic issues. At the core of any strategic relationship would be the principles of the “localism” agenda, but recognising that some major transport investments have an impact on more than one locality.
- 1.3. To support SEEC’s aims in making the case for funding and investment into the South East given the challenging financial environment, the central focus of this report is to look at the potential benefits and opportunities for joint all-tier local authority working on transport and infrastructure issues. The ultimate aim is to generate options concerning possible joint working arrangements for elected Members to consider. These are in section 5.

ABOUT THE CONSULTANT

- 1.4. I was commissioned to carry out this project by SEEC because of my detailed knowledge and wide experience of strategic and cross-boundary transport issues across the South East. This is based upon my having worked with the South East’s local authorities over a number of years on such matters.
- 1.5. I have conducted this work on an independent basis. The analysis, conclusions and recommendation contained within the report are my own based upon the information and evidence gathered.
- 1.6. I am grateful for the inputs received from councillors and officers to this work, each of which has helped to shape the conclusions and recommendations of this report.

2. How this report was produced

This report was produced during spring 2011. Input was sought from Leaders and Chief Executives at all tiers of local government in South East England, plus the Directors of Environment in the upper tier authorities. Discussions were also held with a sample group of Heads of Transport and district council officers. This helped ensure that views from all tiers of local government informed recommendations.

OBJECTIVE: TO EXPLORE THE VALUE OF, AND SUPPORT FOR, JOINT WORKING ON STRATEGIC TRANSPORT ISSUES

- 2.1. SEEC's objective for this project was to take a fresh look at the potential benefits and added value of any joint working on transport and gauge support from councils. A starting point was that any future strategic joint working should look fundamentally different from past arrangements - there is no desire to recreate the former Regional Transport Board given the different funding and political environments of today. Any new joint working arrangement would need to fully recognise the desire of individual local authorities and the DfT to maintain strong and direct relationships in working together on transport planning and investment issues as well as newly emerging relationships, such as with Local Enterprise Partnerships (LEPs).
- 2.2. Initial discussions between SEEC and the DfT however also indicate the DfT sees potential benefits to a joint working arrangement on a limited range of strategic, cross boundary transport matters that impact beyond individual local authority or LEP areas.
- 2.3. It is for these reasons that the project's starting point was that any joint working arrangement would look very different from past approaches, with a voluntary all tier working relationship based squarely on localism principles.

HOW THE PROJECT LOOKED AT THESE ISSUES

- 2.4. To look at these issues in a coherent way I employed a three stage approach supported by evidence gathering:
 - i. First, examining the "added value" of potential joint working.
 - ii. Second, systematically examining and critiquing the potential form and function of possible transport high level working arrangements.
 - iii. Finally, bringing together these two elements in a cogent, coherent way to inform options.
- 2.5. I also considered options against SEEC's four key principles:
 - i. Striving for a fair funding deal for the South East.
 - ii. Promoting the South East's position as a leading global economy.
 - iii. Acting as single democratic voice for South East interests.
 - iv. Monitoring the pulse of the South East.

- 2.6. Other factors considered included potential to work with emerging Local Enterprise Partnerships (LEPs), some of which cross previous regional boundaries. While commissioned by SEEC, with its all tier remit, I have taken care to include the views of upper tier councils who hold transport responsibilities.
- 2.7. In this way the report considers the interests of the South East Strategic Leaders (SESL, with a focus on upper-tier, including unitary, authorities) to ensure completeness in my analysis, and consequent conclusions and recommendations.
- 2.8. At the SESL meeting in March, Leaders supported working with SEEC to explore whether there is a need for a regional cross tier forum on transport issues. SESL members currently handle transport issues affecting upper tier authorities in the South East through links with the South East Directors' group and through a Memorandum of Understanding with the CBI.

3. Viewpoints and perspectives

To make sure that the project considered as wide a range of thoughts as possible, a questionnaire was circulated to SEEC member authorities to gather views and help stimulate debate on pros, cons and level of support for joint working. An all-tier officer workshop was also held, followed by a discussion with the South East Directors of Economy, Environment, Planning and Transport from upper tier authorities.

WHAT DID THE QUESTIONS COVER?

3.1. The circulated questions covered four main issues:

- A) Focus of possible collective joint working, including benefits and risks.
- B) Learning from past experience.
- C) Light touch strategy and resourcing.
- D) How joint working might operate.

HOW WERE RESPONSES SOUGHT?

3.2. Three main methods were used to source responses from local authorities:

- i. Questionnaire to all SEEC leaders and chief executives in March 2011.
- ii. A workshop in late March 2011 with Heads of Transport / Transport Policy Managers drawn from a range of upper tier Local Transport Authorities and officers representing District councils.
- iii. A discussion with the South East Directors of Economy, Environment, Planning and Transport in early April 2011.

3.3. Views were gathered under “Chatham House” rules, so contributions are not attributed to individuals.

WHO RESPONDED?

3.4. Overall, a total of 21 SEEC member authorities representing all tiers provided input to the discussion process. This represents nearly 30% of the SEEC member authorities, which is considered satisfactory given the timescale for the project.

3.5. Some authorities contributed views in more than one way (for example, both in person at the officer workshop and/or the Directors’ meeting, and in writing – sometimes with more than one written response per council).

3.6. The table overleaf shows the total number of inputs received, but does not add up to 21 because of some authorities choosing to contribute in more than one way.

Type of input	County	Unitary	District
Written	2	1	8
Officer workshop	6	3	2
South East Directors of Environment	6	4	N/A

A) FOCUS OF POSSIBLE JOINT WORKING

- 3.7. The South East's local authorities no longer have a regional budget to plan against for transport as happened through the former RTB, and there is no longer a member forum or dedicated officer team working on strategic transport issues across local authority boundaries.
- 3.8. Against this background, two sets of questions raised were fundamental: firstly, what issues might benefit from being addressed through a strategic, cross-boundary and all-tier local authority approach? Secondly, the format that any joint working might take.
- 3.9. A comparison of any future way of working with the former Regional Transport Board indicates a number of potential differences:

Strategic, member-led joint working: Developed / led locally and collectively	Regional Transport Board: Developed and led regionally
<ul style="list-style-type: none"> • Could be established to promote the strategic transport interests of local authorities and LEP partners to DfT. 	<ul style="list-style-type: none"> • Was established to enable DfT to source advice concerning choices about major transport schemes.
<ul style="list-style-type: none"> • All tiers of local government represented. 	<ul style="list-style-type: none"> • All tiers of local government represented.
<ul style="list-style-type: none"> • Would work alongside existing individual relationships, not impose ways of working. 	<ul style="list-style-type: none"> • Was directive concerning the prioritisation process for major schemes above £5m in value.
<ul style="list-style-type: none"> • Reflective of the locally determined and flexible geographies of the South East - and substantial appetite for local working. 	<ul style="list-style-type: none"> • Strictly based on the South East statistical and former government office regional boundaries.
<ul style="list-style-type: none"> • Any advice offered to DfT on future major investments based on locally determined choices. 	<ul style="list-style-type: none"> • Collective prioritisation of major transport projects.
<ul style="list-style-type: none"> • The South East's local authorities and LEPS decide the key transport issues to raise when engaging with DfT. 	<ul style="list-style-type: none"> • DfT set the broad parameters for working under the former Regional Funding Advice arrangements.

- 3.10. A way of working that complements and builds upon the existing strong relationships of local councils with the DfT and not challenging these relationships is a clear principle underpinning any possible new joint approach.
- 3.11. But the key issue at this stage is actually not the detailed architecture of a joint working arrangement (in terms of how an arrangement might operate), as this would be a decision for SEEC members to take.

- 3.12. Rather, it is about considering the added value and benefits of agreeing a range of collective positions on matters of genuine strategic significance. This in turn raises questions about the “scale” and “type” of issue that might need to be addressed in this way.

Views on those issues that might benefit from being addressed through a strategic, cross-boundary and all-tier local authority approach

- 3.13. To stimulate debate, some examples were developed and considered during discussions with officers as to where joint working might add value to existing local relationships with government and other partners. These examples, which generated varied levels of support, included:
- i. Lobbying to maximise Government funding coming into the South East, to ensure that key investments can be made to support recovery and growth. This would complement local and sub-regional voices, where necessary adding further collective weight to ensure a strong voice for the South East that could compete with lobbying from other areas of the country.
 - ii. Challenging government perceptions that the South East is universally prosperous and universally well linked to London and other markets.
 - iii. Ensuring all-tier oversight in making sure funds are secured and key issues tackled on matters concerning transport.
 - iv. Ensuring a strong collective voice in engaging with the Mayor of London and Transport for London on matters of joint concern.
 - v. Creating the opportunity for SEEC members to collectively engage with the transport industry and key government departments and agencies, for example the Department for Transport, Highways Agency and Network Rail to ensure a strong voice on issues of national and pan-regional significance.
 - vi. Establishing Member-level task and finish / project focused groups on an all-tier basis to address specific issues of common strategic concern, on transport investment and policy and arguing for (and providing advice) to government on such matters.
 - vii. Sharing good practice, innovation and experience.
 - viii. Working flexibly to bring in outside expertise to inform issues, perhaps on a case-by-case basis.
- 3.14. A number of authorities raised concerns (to greater or lesser degrees depending upon the individual situation) that there may be some gap at the strategic level in dealing with government. It was important at the outset that any future arrangement ensures that the principles of localism are applied to the management of the transport system.
- 3.15. A number of authorities noted the emerging Local Enterprise Partnerships as one way to deal with key issues, although no responses addressed how LEPs might need to work together across boundaries to deal with greater scale issues.
- 3.16. But there was also a clear message that reasons and benefits for joint working need to be clearly agreed and not simply create a “solution looking for a problem”. Some articulated concerns that this gap could not always be met by individual local authorities, or emerging Local Enterprise Partnerships (which at present do not give 100% coverage of the South East in any case).

- 3.17. The responses received from local authorities (members and officers) set out a range of views on joint working, many of which may be viewed as reflecting their own local circumstances. Also a **discussion option** of a “strategic transport forum” was probably interpreted in different ways by various councils, and may have led to concerns that former approaches may be reinvented. This is not the intention, as Section 2 explains.
- 3.18. Some respondents saw little role for formal joint working at all, while one respondent supported joint working to address transport and all major infrastructure issues. However, most responses lay between these two positions and advocated limited joint working on a very few, genuinely strategic topics.

B) LEARNING FROM PAST EXPERIENCE

- 3.19. Asked for views on what could be learned from previous approaches to joint working, two main groups of comments were received.

Views about past experience

- 3.20. A very clear message of not recreating the former Regional Transport Board was set out by almost all respondents. Of those who indicated support for some form of joint working arrangement, there was also an almost unanimous view that collective prioritisation of major transport projects should not form a part of any new arrangements.
- 3.21. It was also suggested that the former Regional Transport Board arrangements had indirectly constrained potential for additional funding and maximising South East investment by having to work within a set budget.

C) LIGHT TOUCH STRATEGY AND RESOURCING

- 3.22. Views were also gathered on the possible merits or otherwise of promoting the South East as a leading global economy through a light touch strategy giving a clear, cogent and coherent picture of the challenges and opportunities that relate to transport and support the case for investment. Questions also covered resources that might be available to support development of any strategy and a credible, consistent relationship with the DfT. Once again, some examples were circulated to stimulate officer debate:
- i. Summarising the strategic outcomes – on housing, employment, development and environment - against which the South East’s transport system needs to deliver, notwithstanding the currently challenging economic environment.
 - ii. Promoting a clear, cogent and coherent case for the specific transport investments / major schemes needed to deliver for the South East and positioning the South East as ready to deliver well planned major schemes.
 - iii. Emphasising the need to intelligently co-ordinate all partners, transport and otherwise, in ensuring that transport investments support the aspirations of the South East.

Views on light touch strategy

- 3.23. A limited number of views were submitted on these questions, and the perceived need for such a strategy varied. However, on balance, the views submitted indicated potential support for a light touch “prospectus” type document that could help support the South East’s case to government.

Views on resourcing

- 3.24. Most respondents did not directly address the issue of resourcing either a light touch statement or a joint working arrangement. However, of those who did respond, concerns were expressed both about the current capacity of the small SEEC support team to undertake extensive additional work on transport issues and the capacity of local authorities to commit resources to joint working. The South East Directors have indicated that they would feed into a political forum if members chose to set one up, including assisting with wider government relationships.

D) HOW ANY JOINT WORKING MIGHT OPERATE?

- 3.25. The questions under this theme concerned options for joint working if it is decided that such an arrangement is needed. Five examples, based on early questionnaire responses, were circulated to officer groups to stimulate debate:

Some different possible approaches to joint working

- i. No joint working arrangements at all.
 - ii. An informal working arrangement with no formal terms of reference.
 - iii. An all tier forum with terms of reference that makes recommendations to SEEC Membership.
 - iv. A constituted all tier board with a clear general mandate to make directive decisions on behalf of SEEC.
 - v. A standalone or arms length transport delivery agency possibly modelled on the design of “Integrated Transport Authorities”.
- 3.26. Involving a range of organisations in joint working could help to maximise the chances of success in influencing strategic policies and securing limited funds for transport. A set of questions therefore covered whom to engage with. Options to stimulate debate included:
- i. Any participation from organisations outside local government could be on a standing or ad-hoc basis.
 - ii. These might include national road and rail network operators.
 - iii. Engaging other key perspectives via, for example, the Local Enterprise Partnerships in line with the recent Local Transport White Paper¹.

¹ Creating Growth, Cutting Carbon: Making Sustainable Local Transport Happen, Department for Transport, January 2011.

- 3.27. Several characteristics that any joint working approach might include were also set out to stimulate discussion. They are included here for completeness although no specific comments were received concerning them:
- i. **OWNERSHIP:** An all-tier joint working arrangement on strategic and cross-boundary transport matters should be owned by the SEEC Members and seen to be owned by them.
 - ii. **STRATEGIC AND EFFECTIVE:** Making sure SEEC's voice is high level and credible on key strategic and cross boundary transport policy issues; and effective in making the case and securing money for major schemes in the medium to long term.
 - iii. **ACCOUNTABILITY:** That joint working represents the interests of all tiers of local government in a way that is clearly accountable to the SEEC Membership and with meetings held in public.
 - iv. **CLARITY OF PURPOSE:** That any joint working arrangement is based on achieving clearly defined objectives that support SEEC's desired outcomes from the outset.
 - v. **FLEXIBLE:** A joint working arrangement on transport could cover all modes of transport and engage other organisations such as LEPs, transport operators and delivery agencies as and when needed.
 - vi. **BALANCE:** Both geographical and political balance of any joint working arrangement needs to be reflective of the current political balance of the SEEC Members; also political balance across all tiers (County, Unitary and District councils).

Views on models of joint working

- 3.28. Discussions and written inputs showed that overall there was clearly no appetite for a "Board" or "Standalone Delivery Agency". Local authorities shared a view that neither of these models would fit with localism and a Board might be viewed as a return to the past as a few respondents noted.
- 3.29. All supported one of three models – no joint working, an informal working arrangement, or a non-decision making forum. This report, therefore, focuses on these as potential options in Section 5.

Views on form of joint working

- 3.30. A clear message was received that Local Enterprise Partnerships would need to have a clearly defined role within any joint working arrangement. DfT has also recognised this in a letter to LEP Chairs emphasising the role of LEPs in working with partners to define strategic transport priorities for their areas.
- 3.31. Although there was a strong emphasis from upper tier / transport authorities on their particular role and responsibilities on transport, District Councils also identified the importance of their role in place shaping and planning, and the need to ensure this is well integrated with transport issues.
- 3.32. I also sought views from the Highways Agency, Network Rail and the Confederation of Passenger Transport as key partners of local government in providing a transport system that supports a strong and stable economy. All these bodies have indicated initial interest in contributing to further discussions about joint working, though each would require more detail on any proposal before forming any final views.

4. Key factors considered in framing options and recommendations

This section sets out the key factors I have considered in informing my options and recommendations. These factors are based on an impact, function and form analysis approach to option selection.

KEY FACTORS CONSIDERED IN ARRIVING AT CONCLUSIONS AND OPTIONS

- 4.1. I have used the following three factors - based upon the views and evidence gathered and my own analysis of possible functions in light of the feedback received in the consultation process - to assist in formulating options for joint working, and to help frame and underpin my recommendations towards the end of this report.

“IMPACT” FACTOR

- **Factor 1:** Are there examples of transport issues that might be considered strategic and / or cross boundary in nature at the South East level and which could benefit from joint working?

“FUNCTION” FACTOR

- **Factor 2:** What kind of joint working, if any, will help maximise joint local authority influence and effectiveness on strategic transport matters?

“FORM” FACTOR

- **Factor 3:** Who should be represented in any joint working arrangement to arrive at credible common positions?

Factor 1 (Impact): *Are there examples of transport issues that might be considered strategic and / or cross boundary in nature at the South East level and which could benefit from joint working?*

- 4.2. During the consultation process, different perceptions emerged about what transport matters qualify as “strategic” in nature. I have set out three examples of strategic / cross boundary issues where I see collective South East consideration and potential lobbying would be beneficial. Other examples could also be considered.

Lobbying for funds for the South East

- i. Joint working could support local authorities’ lobbying for transport funds to deliver key investments that support the economic prosperity of the South East. A key part of this is ensuring that the South East fights its case for transport investment on a basis equal to London and other parts of England with existing joint working arrangements.

- ii. Those parts of England that have retained joint working beyond the LEP level will be able to promote investment cases based not only on LEP areas but the benefits across wider areas more readily. So monitoring performance on the securing of funds and influence on transport policies could support SEEC's principles of striving for a fair funding deal for the South East and monitoring the pulse of the South East.

European funding and policy

- iii. The "old" South East geography remains recognised by the European Commission for funding bids² (though this does not preclude bids covering other geographies). Joint working could support efforts to tap into European funds and influence EU policy. Bids for funding in line with the EU's transport White Paper³ will often need to reflect the former Government Office geography covered by SEEC, regardless of the different LEP and BIS areas that are developing.

Specific transport issues

- iv. There are a range of high level issues affecting different forms of transport where local authorities may want to develop a collective view. These could include issues such as the economic case for channelling funds to the South East to help support early economic recovery, airport capacity in the South East, or major rail or road schemes with substantial cross boundary impact. On topics such as these, there could be benefit in collective engagement with Government, transport operators and ensuring a strong voice in debates involving other areas of the country and Mayor of London. There could also be a role on wider policy matters in engaging with bodies such as the European Commission and the Committee of the Regions.

Factor 2 (Function): *What kind of joint working, if any, will help maximise joint local authority influence and effectiveness on strategic transport matters?*

- 4.3. During the consultation process, different views were expressed about the benefits and need for joint working but on balance some kind of informal arrangement for joint working seemed to have some support.

Ability to attain and maintain collective positions at the right levels

- i. To effectively lobby organisations such as those identified above and to exert influence on strategic transport issues, there appears to be benefit in having a mechanism to help local authority members to arrive at a collective position. I believe some form of terms of reference would be useful in defining the type of issue that qualifies as "strategic" and / or "cross-boundary". I do not contend that all collective positions on transport issues need to be resolved using a South East geography. Many issues could involve a small number of local authorities working together, possibly including on LEP boundaries, depending on the likely significance and impact of the issue.

² Such as Trans-European Transport Network, and Structural Funds bids.

³ Roadmap to a Single European Transport Area - Towards a competitive and resource efficient transport system: European Commission, March 2011.

Impact and scale

- ii. However, on those matters of greatest impact and significance to SEEC members that cross more than one local authority or LEP area, a pan South East geography is in my view appropriate for forming collective positions. This could be particularly important when contrasted with the strong single voice that the Mayor of London can provide for his concerns.

Factor 3 (Form): *Who should be represented in any joint working arrangement to arrive at credible common positions?*

- 4.4. During the consultation process, a limited number of views were expressed on the question of who should be represented in any joint working arrangement. However there was a clear message that local government and LEPs have important roles in the future.

Organisations that South East local authorities need to influence

- 4.5. Assuming there is local authority interest in engaging collectively on the topics outlined above, I have considered which organisations SEEC members may need to influence. These break down into four key groups: firstly, central government; secondly, London; thirdly, the European institutions; and finally, national road, rail, seaport and airport operators.

Central government

- i. The key department to influence is the Department for Transport as local government funder and ultimate decision maker on major transport investments. A collective role for SEEC members could be to promote the South East as a leading global economy requiring continued investment to support economic growth. The Department for Communities and Local Government, the Department for Business, Innovation and Skills, and HM Treasury are also of course key departments with strong interests on transport, and wider infrastructure.

London

- ii. The Mayor of London is a powerful single voice on behalf of the capital. He also directly chairs a powerful, executive sub-national transport implementation agency, Transport for London. These arrangements continue to provide London with a single and powerful conduit to Whitehall in influencing transport policies and funding to the benefit of Greater London.

European institutions

- iii. The European institutions, particularly the European Commission, operate the key funding streams and propose Europe wide transport policies. A key route to influence could continue to be through the South East representatives on the Committee for the Regions.

National road, rail, seaport and airport operators

- iv. Local government does not control all the elements of the transport network and so must work with others to ensure that the system works effectively, whether within one local authority or across a wider area. So there is a need to engage with, and influence, the investment and operational decisions of partner organisations whose networks directly impact upon the prosperity of individual areas and the South East more widely. These include:
 - o The Highways Agency.
 - o Network Rail; along with the train operating companies who operate both passenger and freight services.
 - o Bus operators.
 - o Operators of the South East's airports and ports, some of which form the key linkages between the UK and its trading partners in Europe and the world.
- v. Transport bodies such as the Freight Transport Association and Road Haulage Association are also important to engage with at national and European level. There are also groups promoting and delivering sustainable transport solutions such as Sustrans. Many of these groups have existing relationships with local government but currently have no consistent engagement on "big picture" South East issues.

CONCLUSIONS

- 4.5. Taking into account the messages drawn from consultation and my analysis above, my key conclusions that inform the options and final recommendations are:
 - i. There are benefits in influencing and lobbying some organisations on a basis wider than a single locality or LEP area on those policy and funding matters of greatest strategic and cross boundary significance - including central government, EU, London and transport operators.
 - ii. SEEC and its member authorities would benefit from a way of working that enables them to arrive at collective positions on high level transport matters of the greatest strategic impact and significance that cross either local authority boundaries or LEP areas.
 - iii. That high level transport matters that could benefit from collective positions being arrived at using a South East geography include (but are not limited to) lobbying for funds from central government and Europe and working with organisations on investment planning and phasing including major road and rail investments.
 - iv. Finally, that a range of organisations other than local authorities should be engaged in any joint working arrangement to maximise benefit to the South East.

5. Defining potential options

Having considered the views put forward by local authority members and officers, and considered the benefit and value of a joint working arrangement, this section moves on to how options might be defined and how these are shaped by the inputs received.

KEY MESSAGES FROM LOCAL AUTHORITIES

- 5.1. I have distilled the following key messages from the consultation outlined in section 3, while having regard to the tests of impact, function and form outlined at section 4.
- 5.2. A wide range of views were submitted. At the strategic level, these ranged from:
- i. A desire to ensure that the South East's local authorities could have a mechanism for promoting key messages about a limited number of genuinely strategic transport funding and policy concerns in a strong collective way;
 - ii. To a view that no collective working at South East level is needed – rather, a preference to let Local Enterprise Partnerships deal with these matters – though such comments were exclusive to those areas with a LEP approved by government.
- 5.3. However, a “middle ground” seemed to have support from many authorities. I would characterise this as a working on a “case-by-case” basis on issues of genuine strategic significance but within agreed and tightly defined terms of reference.
- 5.4. Unanimous amongst respondents was that any joint working arrangement must be purely strategic in nature. However, interpretations differed as to the meaning of “strategic” and this is likely to have impacted on the views both of those who are supportive of a joint working arrangement, and those who are not. Interpretations of “strategic” included:
- i. Taking an “overview” of strategic transport investment and need across the South East
 - ii. Existing bodies coming together to advise on specific topics and projects.
 - iii. A body to draw investment into the South East from national or European sources.
- 5.5. It was also clear from the feedback that collective prioritisation should be avoided, and that the Local Enterprise Partnerships (for those areas covered by them) should be engaged in joint working.
- 5.6. The Highways Agency, Network Rail and Confederation of Passenger Transport were also interested in understanding more details on any proposal for joint working. The Department for Transport has already informally expressed an interest in a strategic level arrangement for issues stretching beyond single localities.

HOW DO THESE MESSAGES HELP SHAPE THE OPTIONS?

- 5.7. The feedback received from local authority members and officers was unanimous in not supporting either a transport board or fully fledged delivery agency. This conclusion was supported by my impact, function and form analysis. Bearing in mind SEEC's desire that any options should be all-tier, I therefore developed three options covering:
- i. Option 1: No transport-specific joint working.
 - ii. Option 2: An informal working arrangement with light touch terms of reference.
 - iii. Option 3: An all tier standing committee with detailed terms of reference that makes recommendations to SEEC membership.

OPTION 1: NO TRANSPORT-SPECIFIC JOINT WORKING

- 5.8. Option 1 is based upon there being no transport-specific working arrangements at all on a South East-wide basis. This is broadly reflective of the current situation in the South East, although other parts of England such as the North East do retain some form of joint working on transport.
- 5.9. The advantages of option 1 might include the following:
- i. Each local authority individually and directly cultivates relationships with government and others.
 - ii. Each local authority sets out its distinctive case for resources direct to government on its own merits, in a way that competes against the needs of other areas.
 - iii. Successes – but also failures – are transparent in how an authority conducts itself in dealing with government, and other policy and funding partners.
- 5.10. The disadvantages of option 1 might include the following:
- i. It may be difficult to get the voice of an individual area heard within central government when competing nationally against 29 other LEPs or other local transport authorities when competing against, for example major city structures such as Transport for Greater Manchester.
 - ii. The duplication of officer time across the South East's 19 local transport authorities and 7 Local Enterprise Partnerships in campaigning on issues of clear cross boundary and strategic significance may be substantial.
 - iii. It may be difficult to form cross boundary agreement on policy positions or funding priorities if no mechanism exists to enable authorities to form common positions.
 - iv. An opportunity lost to share good practice, information and knowledge across authorities and LEP areas.
- 5.11. In terms of SEEC and its current operation, option 1 would reflect a broad continuation of the current situation and would not immediately impact SEEC's resourcing or those of member authorities. If an issue of strategic significance arose at short notice that SEEC wanted to consider, the only forum would be the SEEC Executive or All-member meeting but such a discussion would have to pull in officer support on an ad hoc basis.

OPTION 2: AN INFORMAL WORKING ARRANGEMENT WITH LIGHT TOUCH TERMS OF REFERENCE

- 5.12. Option 2 is based upon SEEC members, and other partners as necessary, working together on an informal, “case-by-case” basis with very limited support from authorities’ own officers working with SEEC’s small existing officer team.
- 5.13. The advantages of option 2 might include the following:
- i. Each local authority individually and directly cultivates relationships with government and others but also has a ‘structured’ opportunity to work with others on a case by case basis for major cross boundary issues.
 - ii. Each local authority sets out its distinctive case for resources direct to government on its own merits in competing against the needs of other areas but has a structure to come together to compete jointly for resources or to influence national and international policy as necessary.
 - iii. Relationships can be built up between areas over time to enable productive joint working as needed, including District Councils.
 - iv. Light touch terms of reference could specify the type of high level, strategic issues that SEEC members may want to become involved in, reassuring members there is no desire to duplicate councils’ own work.
 - v. A structure allowing SEEC to agree collective views on high level, important issues. This could also support a SEEC spokesperson role on transport.
- 5.14. The disadvantages of this option might include the following:
- i. An informal arrangement might become dominated by a single set of interests if the light touch terms of reference are not well crafted.
 - ii. Local authorities may be unwilling or unable to provide in kind expertise to assist the small SEEC officer team.
- 5.15. Should option 2 be taken forward, a proportion of time commitment would be required at officer level (both within the existing small SEEC support team and the member authorities) to enable collective positions to be taken on a small number of strategic, cross-boundary issues.
- 5.16. At member level, if there were a very few strategic issues identified to focus on, these could be considered by the existing SEEC Executive as a regular transport item on their agenda – perhaps once every six months – or at all-member meetings. Terms of reference could help specify how such items of business would be sought as definitions of “strategic” do vary according to the needs and issues of each area.
- 5.17. A further step could be the ad-hoc formation of a group of transport lead members to take forward work on a task and finish basis supported by parallel officer arrangements that could feed into the SEEC Executive. While this would ensure member oversight, there would be still be a degree of risk that the “big picture” in terms of key overall objectives on transport policy and funding might be lost in dealing with the specific topic at hand.

OPTION 3: AN ALL TIER STANDING COMMITTEE WITH DETAILED TERMS OF REFERENCE THAT MAKES RECOMMENDATIONS TO SEEC MEMBERSHIP

- 5.18. Option 3 is based upon there being a non-decision making but standing committee type arrangement, with detailed terms of reference, that can make recommendations to the SEEC membership.
- 5.19. The advantages of option 3 might include the following:
- i. Each local authority individually and directly cultivates relationships with government and others but also has a 'structured' opportunity to work together with others on major cross boundary issues.
 - ii. Each local authority sets out its distinctive case for resources direct to government on its own merits in competing against the needs of other areas but has a structure to come together to compete jointly for resources or to influence national and international policy as necessary.
 - iii. A collective position could be reached on matters of strategic and / or cross boundary importance based upon terms of reference that enable common positions to be agreed and maintained. This could also allow a committee chairman to speak as a single influencing voice on behalf of all SEEC members.
 - iv. A committee can bring together the different interests in transport in one setting; all tiers of local government in the South East would have the opportunity to engage with one another and other parts of public and private sectors and central government in considering and agreeing the key funding needs and policy positions necessary to compete with other parts of England, and to impact with Whitehall and Europe.
 - v. Relationships can be built up between areas over time to enable a strong and productive joint working as needed.
- 5.20. The disadvantages of this option might include:
- i. Authorities who do not sit on the committee may feel their influence is limited.
 - ii. This option may require a greater, though still limited, level of resourcing than the other options.
 - iii. Possible perception that the arrangement is too similar to the past.
- 5.21. Were a standing committee to be established under option 3, the balance of political, geographical and all-tier representation would need to follow SEEC's existing templates. It would also need consideration of issues additional to those in options 1 or 2, for example:
- i. A committee would require some form of limited co-ordinating resource to ensure focus of both member and officer activities towards the terms of reference of activity; this resource would probably need to sit within the SEEC support team as well as drawing on expertise from within local authorities.
 - ii. This resource could also have a role in developing and maintaining a credible, robust relationship with DfT and other external partners as well as with the local authorities.

- iii. It would require detailed terms of reference to set agreed ground rules and for any member-led activity on transport. This would need to include a reporting line for any recommendations; consider whether a remit covered transport only or included other infrastructure; and how to resolve issues where there is no consensus on the way forward.
- iv. A committee would offer a more regular opportunity to have a range of inputs from outside local government to gain a rounded picture of the issues and opportunities. The SEEC Executive, with its more general terms of reference (for example, not specialist transport lead members) and local government only representation, may not be the best means with which to make option 3 work most effectively.
- v. If a committee was established to bring together such expertise it would need to meet on a cycle designed to input in a timely manner to the SEEC Executive and SEEC All-member meetings.
- vi. Membership of a standing committee might offer around 15-20 places to include representatives of Local Transport Authorities; District authorities, as the Local Planning Authorities; Local Enterprise Partnerships. Also, Network Rail and the Association of Train Operating Companies, the Highways Agency, Bus operators (via the Confederation of Passenger Transport) and, on a more ad-hoc basis, port and airport operators on particular proposals. Members could also consider whether there would be a role for the Department for Transport in attending committee meetings.

6. Final recommendations

My recommendations and some concluding comments are briefly set out in this final section of the report.

- 6.1. I recommend that SEEC considers the advantages and disadvantages of the three options set out in Section 5 against their needs and aspirations. My final advice is set out below.

MAIN CONCLUSION

- 6.2. Based on the evidence gathered, and my analysis against the needs of SEEC and local authorities in the South East, I conclude that there is a need for limited joint working on genuinely strategic transport matters. Given that different authorities had different interpretations of “strategic”, it is helpful to consider what this covers.
- 6.3. “Strategic” can be defined in several ways but it usually concerns issues of long term timescale, and covering a wide area, often national or pan-regional. Such issues include major road or rail investment or airport capacity, for which the DfT has recently started a new workstream. But “strategic” can also be defined in terms of impact, and in terms of whom authorities wish to influence and what they hope to achieve. On “impact”, where a proposed transport investment or policy impacted beyond one LEP area or one upper tier authority area, this might be one way of defining “larger than local” projects that SEEC may want to take an interest in on a collective basis.

BENEFITS AND VALUE OF JOINT WORKING

- 6.4. Based on my analysis I believe there are benefits to be gained from some joint working at a South East level. These are:
- i. The ability to fight for, and secure, scarce national and European financial resources for the South East’s transport investment needs to promote economic recovery, and in the medium term, economic growth and prosperity.
 - ii. To ensure that a clear, all-tier political oversight on strategic, cross boundary transport matters could be maintained by Members on issues that stretch beyond the scope of one local authority area or more than one Local Enterprise Partnership.
 - iii. To argue for, and provide advice to government on, transport policy changes - for example, major rail investments or airport capacity issues.
 - iv. The opportunity for elected members to collectively engage with the transport industry and key government departments and agencies e.g. Department for Transport, Highways Agency, and Network Rail.
 - v. The ability for local authorities to engage with other key partners, for example LEPs, to come together in an open, supportive way to collectively argue the interests of the South East on those matters of most strategic importance such as funding.
 - vi. A clear route for DfT to engage with the South East on issues of strategic significance.

RECOMMENDED OPTION

- 6.5. My recommended option for the form of any joint working on this limited range of issues is **Option 2** - an informal working arrangement for strategic, cross boundary issues on a case-by-case basis with a light touch terms of reference to guide practical working arrangements. Such an approach would:
- i. Allow a clear set of issues to be identified and agreed by local authorities and other partners as appropriate, e.g. LEPs, for progression in a joint but flexible way at South East level without tying them to a particular way of working.
 - ii. Enable local authority members to collectively advocate shared views on investment needs and other related policy issues to decision makers including Government as appropriate
 - iii. Provide political oversight and steer for any necessary joint technical work, reducing the possibilities of wasteful and duplicative work at officer level in working to members across the South East on issues of clear strategic and cross boundary significance.
 - iv. Create a mechanism for members to decide if they wish to appoint a transport lead spokesperson and / or develop a light touch strategy / lobbying document to help promote South East investment needs.
- 6.6. I am **not** recommending or advocating any of the following activities under any of the three options:
- i. Collective prioritisation of transport investments at South East level unless there is political agreement to produce a single South East wide development plan / strategy against which to prioritise; or unless DfT reinstates regional budgets. In my view, collective prioritisation without these prerequisites would be all but impossible to achieve.
 - ii. Duplication of activities best carried out by Local Authorities or LEPs.
 - iii. Large, costly resourcing arrangements.

CONCLUDING COMMENTS

- 6.7. Finally, I would like to take the opportunity to make three brief personal comments concerning any future strategic level transport working.
- i. The decisions made about any working across boundaries are being made today, but will impact for many years in the future. In reaching decisions now, I suggest that the longer term outlook be borne in mind for transport investment once the current financial situation passes, to make sure that whatever model is chosen can be robust, responsive and flexible for the longer term.
 - ii. The promotion of a deliverable set of well argued, well supported projects and the avoidance of a “wish lists” approach continues to be highly desirable given the limited resources available at any one time for development of major schemes and their promotion to the DfT.
 - iii. As lead times are long and competition for funds intense, a short, sharp and clear statement of key development issues that need to be partially or wholly addressed via transport investments may be a useful way of getting key messages across to Government. A “prospectus” could bring together locally determined priorities in a high level way.