



# Strategic Transport Leadership Board

9 June 2023

# Agenda Item 9: Business unit update

Recommendation:

It is recommended that the Board

- a) Notes the funding announcements for bus and active travel
- b) Notes EEH is making representations to Chiltern Railways over timetable changes which negatively impact parts of the region
- c) Notes technical responses to a number of consultations and that EEH will present a draft response to the RIS3 consultation to Board in Julyy
- d) Agrees the EEH response to Western Gateway's consultation

#### 1. Key points to note

- 1.1. This paper provides an update on recent funding announcements, including a second wave of bus service improvement plan funding. It also details the significant number of consultations since the Board last met in March.
- 1.2. There have been two welcome funding allocations benefitting authorities in the EEH region, the first for bus service improvement plans, the second for active travel.
- 1.3. These have however, again highlighted the opportunity for a more cohesive (and less competition-based) long-term approach to funding to support regional connectivity and which provides greater clarity on how settlements are determined.
- 1.4. This paper also details changes made to Chiltern Railways timetable, which while benefiting some areas, has significant disbenefits for Aylesbury, Princes Risborough and High Wycombe.
- 1.5. From section five onwards information is provided on consultations including the infrastructure levy and from National Highways and Great British Railways.

# 2. Bus service improvement plan (BSIP) funding

- 2.1. The government has recently committed £300 million additional funding to directly support bus services to April 2025. Of that, £160 million will go to local transport authorities and £140 million to operators via bus service operators grant.
- 2.2. The original BSIP allocation in April 2022, saw only four EEH authorities out of 12 receive any money. The EEH Board provided a strong steer that such an allocation put bus services in danger and risked creating unequal service offers and disparities from one authority area to the next.
- 2.3. Following this, EEH and other STBs have consistently raised the BSIP funding issues with DfT. It is therefore welcome that 'BSIP +' funding has now been allocated to all EEH authorities, albeit considerably smaller than what the funding bids asked for.

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- 2.4. The BSIP+ mechanism will differ from the established BSIP process, as it will allow local authorities to decide which services to tender, providing the flexibility to be used to support existing services as long as this can be justified. This is welcomed as it is considered that funding new services would then need to be commercial would be a challenge without longer term funding assurance.
- 2.5. Allocations in the EEH region are outlined below with a total of  $\pm 9,300,385$  received across the region:
  - Bedford Borough Council: £546,757
  - Buckinghamshire Council: £1,310,333
  - Cambridgeshire and Peterborough Combined Authority: £2,314,172
  - Central Bedfordshire Council: £350,457
  - Hertfordshire County Council: £1,488,381
  - Milton Keynes Council: £654,193
  - North Northamptonshire Council: £569,412
  - Oxfordshire County Council: £963,741
  - Swindon Borough Council: £415,830
  - West Northamptonshire Council: £687,109
- 2.6. Some authorities have raised questions on the allocation and the flexibility on how the funding can be applied as well as other questions and these are being followed up by EEH with the DfT.
- 2.7. In addition to the BSIP+ funding a further £200 million has been made available to continue the £2 single bus fare cap in England, outside London, until 31 October 2023. After this time it will be replaced with a £2.50 fare cap until 30 November 2024. Following this the Government will review its effectiveness to establish future bus fares.
- 2.8. To further support work on buses a Regional Bus Summit is being hosted by EEH in September this year which will bring together transport officers, operators and professionals as well as the DfT to determine the strongest opportunities to improve passenger transport connectivity across the region.
- 2.9. Holding the summit in September will allow us to take account of the new funding and ensure the Board has well developed options that have been tested in terms of feasibility.

# 3. Active travel funding

- 3.1. On 19 May, the Department for Transport announced the allocations of the recent Active Travel Fund 4 bids. The total funding pot was £200 million, with bids being reviewed by Active Travel England.
- 3.2. The follow was allocated in the EEH region:
  - Bedford Borough Council £263,130
  - Buckinghamshire Council £477,199
  - Cambridgeshire and Peterborough Combined Authority £3,896,590
  - Central Bedfordshire Council £252,605
  - Hertfordshire County Council £4,620,803
  - Milton Keynes £1,182,516
  - West Northamptonshire Council £673,314
  - Swindon Borough Council £381,500
- 3.3. On 9 March it was announced that the overall funding for active travel across the parliamentary term would reduce from  $\pm 3.8$  billion to  $\pm 3$  billion. While disappointing, the funding to support sustainable and active travel modes is welcomed.



3.4. There have been some questions on allocations raised by officers, in terms of how these were calculated, and these are being taken forward by EEH on their behalf with Active Travel England.

# 4. Chiltern timetable changes

- 4.1. On 21 May, Chiltern Railways changed the time of almost every train in their timetable. This has resulted in changes to rail connectivity across their network, with some areas having improved train services and others having decreased rail connectivity.
- 4.2. These changes mainly impact Buckinghamshire and Oxfordshire in the EEH region.
- 4.3. Improvements have focused on the Chiltern Main Line between Birmingham and London, with improved services to/from Birmingham, Banbury, Bicester Village and Bicester North and Haddenham and Thame Parkway. There are more direct trains to/from Oxford from Buckinghamshire stations on the Main Line (Princess Risborough, High Wycombe and Beaconsfield) during the daytime.
- 4.4. The main disbenefits from the timetable changes are felt on the lines to/from Aylesbury, both via Amersham, and Princess Risborough.
- 4.5. Firstly, there are very few direct trains in the timetable between Aylesbury and London via Princess Risborough Monday to Friday. This means that to travel by train between Aylesbury and High Wycombe, there is a need to interchange, waiting up to 15 mins during the daytime. It is understood that this may in part be related to needing to enable better operation of HS2 works trains on this line.
- 4.6. Secondly, the number of direct trains to/from Aylesbury and London via Amersham has dropped from half-hourly to hourly during part of the Monday-Friday daytime (between 11am and 2pm Aylesbury to London and 11am and 1pm London to Aylesbury).
- 4.7. The net impact of this is that there is reduction in direct trains to London from Buckinghamshire, compared to the specification set out in the Chiltern contract agreed in 2022. This is particularly marked between Aylesbury to London in the off-peak (10 am to 4 pm), with nine arrivals into London during this time from Aylesbury, compared with 17 as set out in the contract.
- 4.8. Aylesbury and Wycombe are key economic centres which require improved (not reduced) connectivity. EEH will be making representations to Chiltern Railways and others to ensure that adverse effects of these are reduced and mitigated as far as possible.

# 5. National Networks Policy Statement consultation response

- 5.1. The Department for Transport consulted on an update to the National Networks National Policy Statement (NNNPS).
- 5.2. The updated draft national networks national policy statement outlines sections relating to:
  - The need for new or expanded infrastructure
  - How the impacts of developments are to be assessed and mitigated
  - The policies against which the Secretary of State makes decisions on applications for development consent orders on Nationally Significant Infrastructure Projects on the rail and strategic road networks.
- 5.3. Current guidance was published in 2015, ahead of developments in government policy such as net zero and the Transport Decarbonisation Plan. Reflecting more recent publications the document has been updated to identify a range of challenges that national networks face, including with regards network performance, economic growth, adapting to climate change, supporting net zero and enhancing safety.
- 5.4. The draft NNNPS also contains planning guidance for strategic rail freight interchanges (SRFIs), seeking to ensure that SRFIs are appropriately located and that the operational rail connection elements are brought forwards in a timely manner.
- 5.5. EEH provided a technical response on the draft NNNPS, which included:

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• Welcoming the acknowledgement that challenges are not just overcrowding and congestion but include social, environmental and economic considerations.

• Supported notion that the transport system is considered as a whole, acknowledging that most journeys begin on a local network.

• That impacts of nationally significant infrastructure projects (NSIPs) on the local networks should be considered and the strategic and local transport networks should be equally supported and funded.

• That the cumulative effects that multiple NSIPs have on communities and transport systems in close proximity must be considered.

• Welcoming consideration of future proofing of the network and the wider function that roads play, for all users, including public transport and active travel.

• Consideration should be given to the role of technology in future proofing and the opportunities that innovation can bring.

• The Development Consent Order process is complex and often subject to lengthy timescales. We welcome early engagement.

• The draft consultation documentation does not provide information or detail about how delays in the consent process will be prevented.

#### 6. Infrastructure levy consultation response

- 6.1. The Department for Levelling Up Housing and Communities consulted on plans for introduction of a new Infrastructure Levy, which is part of a proposed change to how contributions for infrastructure are secured from new development (as per the Levelling Up and Regeneration Bill current going through parliament).
- 6.2. The main aspects of the consultation are:
  - Detailed proposals to set up a new infrastructure levy from developers to local planning authorities, based on a proportion of Gross Development Levy (GDV) at completion of development. It is proposed that this would replace the current Community Infrastructure Levy (CIL) system, and in some instances (depending on definitions around development size) negotiated S106 agreements.
  - Proposals for Local Planning Authorities to produce a new 'Infrastructure Delivery Strategy,' which would set out detail on infrastructure requirements linked to development, as well as some parameters of how the proposed new Levy would be applied. Local Authorities would be encouraged to borrow against future levy receipts to help develop/ deliver identified required infrastructure, using mechanisms such as the public loans board.
  - Proposals for how 'integral' infrastructure (such as transport measures secured through S278 agreements) could be better defined, as well as proposals for setting out when S106 agreements would be appropriate under the new system.
- 6.3. The EEH technical response focused on potential considerations for transport infrastructure funding, given our role as the sub-national transport body.
- 6.4. In summary, while EEH can see the benefits of having clearer infrastructure strategies for local areas, particularly if they link closely to regional and local transport strategy; there are concerns that need further review before any new system is brought in as highlighted below:
  - Concerns over pre-determining infrastructure requirements through an "Infrastructure Delivery Strategy" to be delivered as 'integral' infrastructure, prior to detailed planning assessments.
  - Concern that a local authorities would become infrastructure deliverers and take on associated risks.



- That the proposed new levy is based on value of developments at completion which could delay payment of contributions to local authorities and hence infrastructure delivery. It means payments are uncertain until later stages of the planning/ development process. There are concerns how inflation/market fluctuations would be addressed.
- Concern that the proposals for councils to borrow against future levy receipts are unrealistic, given the greater financial risk that this would give to local authorities.
- Pre-determining types/ sizes of development that could still negotiate S106 funds be set locally.
- That the government's 'right to require' proposals for affordable housing could mean less funding for infrastructure and could impact the viability of marginal land.
- Uncertainty around how the new system would operate in two-tier local authority areas, where issues with the current community infrastructure levy system have been identified and questions who would be responsible for infrastructure delivery.
- The implications on resources and administrative time for local authorities to be able to set up and administer a new complex system, given on-going resource constraints.

# 7. Great British Railways consultation response

- 7.1. Great British Railways Transition Team (GBR TT) consulted their proposed new framework for the rail industry which, subject to further legislation, would result in the creation of Great British Railways, which will have oversight of both rail infrastructure and services. It does not set out the exact structure of the new rail industry, given this is subject to further legislation.
- 7.2. The EEH response has been made in the context of the previously agreed Board position that any new primary legislation on rail reform should recognise the role of sub-national transport bodies as partner organisations. It also reflects the board position agreed in March 2023 that EEH should work with others to explore how a new 'Wider South -East Rail' partnership could be established.
- 7.3. Key points highlighted in the response include:
  - The need for any new system of train planning for rail services to take into account regional and local priorities identified in relevant strategies, for example ensuring that STBs are appropriately engaged in decisions on forward plans for timetable changes.
  - The need to ensure that better planning for rail stations includes sub-national and local partners as part of the process, recognising the role that many stations have as multi-modal interchanges.
  - Support for ensuring that decisions on rail services and infrastructure take into account wider social and economic benefit, recognising that STBs and local partners are well placed to help guide this process.
  - The opportunity for new partnership arrangements, including the proposed wider south-east partnership, to be a key part of the new rail industry framework.

# 8. London Travelcard consultation response

- 8.1. Sub-national transport bodies in the wider South East England's Economic Heartland (EEH), Transport East (TE) and Transport for the South East (TfSE) have undertaken a joint response to Transport for London's engagement on the withdrawal of paper one day travelcard products, as well as 'add-on' travelcards for rail tickets.
- 8.2. Day Travelcards provide unlimited travel of all Transport for London (TfL) services (including bus and Underground) and National Rail services within London and can also be added to train tickets purchased to travel to London. This makes it a convenient product for those travelling from areas outside of London, including many residents from across our STB regions who access work or other key services within London, as one ticket covers all travel requirements creating seamless integrated journeys on a single ticket.



- 8.3. Furthermore, discounts available through National Railcards can be applied to Day Travelcards bought outside of London.
- 8.4. The withdrawal of this product would result in all users without weekly, monthly or annual season tickets to use Pay As You Go (PAYG) oyster or bank card contactless to use TfL services.
- 8.5. Our joint response has highlighted the following points:
  - That removing the ability to add-on Travel Card seems like a step backwards to integrated ticketing and clearer user-oriented fare structures which is promoted in most STB bus and transport strategies.
  - It does not support the post-Covid emerging flexible ways of working as it directly disbenefits non-regular commuters.
  - Unfairly disbenefits those without contactless payment methods or those who are less confident with technology as they would need to purchase and pre-load either an Oyster Card or buy a more expensive single journey tickets.
  - Would mean higher cost of travel on TfL services than current as Travel Cards would be purchased separately.
  - Overall the proposals reduce ticketing choice for those travelling into London
- 8.6. The three STBs are requesting a meeting with TfL to discuss these proposals.

#### 9. National Transport Strategy consultation response

- 9.1. In spring the Institute of Civil Engineers (ICE) launched a consultation on whether England could benefit from having a national transport strategy.
- 9.2. EEH's response a 'light touch' approach to a national strategy which brought together national topic-specific strategies alongside sub-national transport body regional strategies.
- 9.3. The response made clear that regional funding allocations are one of the biggest opportunities to improve the way strategic transport is planned and delivered in England. It would allow STBs to provide to government a realistic pipeline of investment agreed by the region, while meeting the policy objectives set out in any national transport strategy.

# 10. Western Gateway STB consultation response

- 10.1. Western Gateway STB has recently undertaken a consultation on their 'Making the Right Choices, Issues and Opportunities for the Strategic Transport Plan 2025-2050'. EEH's response is included in Annex 1 and the Board is invited to agree this response.
- 10.2. The strategy impacts both Swindon and Oxfordshire within the EEH region. The response reflects our shared challenges and opportunities such as: net zero, rural connectivity; regional connectivity; and freight.

# 11. Road Investment Strategy consultation – planned response

- 11.1. National Highways and DfT have recently published their Road Investment Strategy RIS3 consultation documents.
- 11.2. The consultation runs to 13 July for the initial DfT report and 11 August for the National Highways Consultation.
- 11.3. EEH plans to prepare a response which will be brought to the Board in July 2023. The Transport Officer Group will be engaged through the development of our response.

Suzanne Winkels Technical Programme Manager June 2023

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