

**EXPLANATORY MEMORANDUM TO
THE WEST MIDLANDS INTEGRATED TRANSPORT AUTHORITY (DECREASE IN
NUMBER OF MEMBERS) ORDER 2014**

2014 No. 1180

1. This explanatory memorandum has been prepared by the Department for Transport and is laid before Parliament by Command of Her Majesty.

2. **Purpose of the instrument**
 - 2.1 This instrument, made under section 29(2) of the Local Government Act 1985 (the Act), decreases the number of members of the West Midlands Integrated Transport Authority from 27 to 7.
 - 2.2 It does this by changing the number of members assigned to each of the seven constituent councils of the WMITA in Schedule 10 of the Act to one.

3. **Matters of special interest to the Joint Committee on Statutory Instruments**
 - 3.1 Section 29(3) of the Act requires the Secretary of State, in making any alteration in the number of members to be appointed by the constituent councils of an integrated transport authority, to have regard to the number of local government electors in the areas of those councils. The number of members laid down when this instrument was made (with Birmingham Council appointing 10 members, Solihull 2 and the other 5 councils 3 each) is broadly in proportion to the number of electors in the respective council areas. Section 29(3) does not however make the maintenance of those proportions a requirement in determining the number of members of the Authority. In deciding to reduce the number of members to one per council, the Secretary of State has had due regard to the matters specified in section 29(3) but has concluded that, as a matter of law, he is entitled also to have regard to other considerations and has decided, for the policy reasons explained in paragraph 7 of this Memorandum and in the particular circumstances of this case, to attach greater weight to those other considerations.

4. Legislative Context

4.1 Section 29(2) of the Act authorises the Secretary of State to alter the number of members appointed to an ITA by a constituent council as set out in Schedule 10 of the Act.

4.2 These regulations are subject to negative resolution procedure.

5. Territorial Extent and Application

5.1 This instrument applies to England.

6. European Convention on Human Rights

6.1 The Minister of State for Transport, Baroness Kramer, has made the following statement regarding Human Rights:

In my view the provisions of the West Midlands Integrated Transport Authority (Decrease in Number of Members) Order 2014 are compatible with the Convention rights.

7. Policy background

- ***What is being done and why***

7.1 Integrated Transport Authorities (previously Passenger Transport Authorities) are a type of joint authority established with responsibilities for transport strategy and passenger transport across metropolitan areas. The ITAs in Greater Manchester, Merseyside, South Yorkshire, Tyne and Wear and West Yorkshire have been dissolved as part of the move to Combined Authority status in those areas, with the Combined Authorities taking on the role of the ITA. The West Midlands ITA is the only remaining ITA.

7.2 The membership of ITAs is taken from councillors from each of the constituent local authorities in the integrated transport area. In this case the local authorities concerned are Birmingham City Council, Coventry City Council, Dudley Metropolitan Borough Council, Sandwell Metropolitan Borough Council, Solihull Metropolitan Borough Council, Walsall Council and Wolverhampton City Council. The ITA is served by a passenger transport executive (Centro) that has responsibilities to deliver the policies of the ITA.

7.3 The constituent councils of the West Midlands ITA, the ITA and the 3 Local Enterprise Partnerships in the area voluntarily submitted a joint request to

Government to change the number of members of the ITA from 27 to 7. The local proposal is that the local authority leaders will be nominated as the ITA members. In their request they gave a number of reasons for this change, including:

- a more streamlined decision making process;
- a reduction in the running costs of the ITA;
- a more strategic focus on the role of transport in supporting economic growth through effective collaboration between the leaders of the local authorities (who would take on the ITA transport role in addition to their existing responsibilities for economic growth issues);
- a reduction in the fragmentation of transport issues in the area by bringing the ITA responsibilities on strategy and passenger transport together with the responsibilities of the leaders on other transport issues e.g. roads;
- better transport links with the Local Enterprise Partnerships in the area (given the leaders role on the LEPs and the ITA).

7.4 The leaders are already appointed to an ITA Shadow Board to trial the proposed changes. The proposed legislative change would formalise this arrangement.

7.5 As noted above at 3.1, the Secretary of State has given due regard to the number of local government electors in deciding whether to bring about the change to the membership of the West Midlands ITA. The key matter that was considered was the reduction in the number of members sent from Birmingham City Council. Birmingham has significantly more electors than the other local authorities in the ITA area, and has therefore had more ITA members than the other authorities. Changing this to one member per local authority would alter the current population balance. But Birmingham City Council has taken a leading role in proposing the ITA membership change, reflecting a desire to equalise the role of the authorities in taking forward transport strategy and priorities in the area. Transport does not neatly prescribe to administrative boundaries and facilitating the range of movements across the area requires a collegiate approach. For example, it will be important that the benefits of HS2 are extended across the West Midlands conurbation, and not just focussed on Birmingham. In matters such as these the Government is minded to take a localist approach and accept the request of the local authorities. The one member per authority approach is the same as adopted for the combined authorities established in the other five ITA areas.

7.6 Given the potential impact on the role of minority parties in the move to the new governance arrangements, the Secretary of State has asked the local authorities to establish an overview and scrutiny committee to hold the ITA

to account. The membership of this committee should be drawn from the constituent councils, and represent the political balance across those councils. This follows the arrangements adopted for the combined authorities established in other former ITA areas.

8. Consultation outcome

- 8.1 Section 29(4) of the Act requires the Secretary of State to consult the ITA's constituent councils before making any order to alter the number of members. As noted above, the request to alter the ITA membership was at the request of all the constituent local authorities. The councils, and the LEPs and the ITA, as signatories of the original request to change the ITA membership, were consulted on the final form of the Order. They responded to confirm their commitment to proceed with the Order as drafted, and to agree to the establishment of overview and scrutiny arrangements.
- 8.2 As part of the local consideration of this issue, the local bodies undertook a review of transport governance arrangements, proposing a number of alternative governance models. To assist them in coming to a conclusion, they undertook a local consultation of interested bodies including chambers of commerce, transport operators, local authorities, Local Enterprise Partnerships, Network Rail, Highways Agency and Passenger Focus. Individual interviews with the consultees were carried out to elicit responses to questions around options for governance reform, including the proposed approach now being taken forward. The majority view was that there was a need for a more coherent approach to transport governance with a significant proportion having concerns about the operation of the ITA. It was also identified that there was a need for a more joined up approach across transport, planning and economic growth issues, and better links with the business community. The preferred approach was fed back to all parties for further views, but there were no further comments. The final proposal was cleared by full council in each local authority, and through the ITA. These were public meetings with the relevant papers being available on-line.
- 8.3 This is a local proposal, with support from all councils, which was subject to open council proceedings and followed consultation with those parties most affected by the changes (e.g. the bodies mentioned in 8.2). As such, it was deemed that there has been sufficient local scrutiny of the issue and there was little added value in additional consultation wider than the statutory consultation required.

9. Guidance

- 9.1 There is no guidance associated with this Order.

10. Impact

- 10.1 An Impact Assessment has not been prepared for this instrument as it has no impact on businesses, charities or voluntary bodies.
- 10.2 The move to a smaller ITA brings with it opportunities for operational efficiencies that could lead to reduced costs.

11. Regulating small business

- 11.1 The legislation does not apply to small business.

12. Monitoring & review

- 12.1 The success criteria for this instrument will be the judgement made locally by the local authorities concerned on how, through these ITA governance changes, the delivery of transport in their areas has improved.

13. Contact

- 13.1 Carl Sutcliffe at the Department for Transport can answer any queries regarding this instrument. Tel: 020 7944 4683. Email: carl.sutcliffe@dft.gsi.gov.uk.