

**Manchester City Council
Report for Resolution**

Report to: Economy Scrutiny Committee – 16 December 2015
Subject: Update on Transport Elements of GM Devolution Agreement
Report of: Dave Newton, Transport Strategy Director, TfGM

Summary

This report provides a summary for Members of the progress being made to deliver against the transport elements of the Greater Manchester Devolution Agreement, which provided for new powers/arrangements relating to bus franchising; local rail stations management and highways managements in Greater Manchester.

Recommendations

Members are recommended to note, and comment on as appropriate, the contents of this report.

Wards Affected:

All

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Background documents (available for public inspection):

Greater Manchester Devolution Agreement, GMCA, November 2014

1.0 Introduction

1.1 As Members will recall, the 2014 Greater Manchester Devolution Agreement contained Government support for three key elements that will support the delivery of GMCA's transport policy objectives:

- the extension of bus franchising powers to Greater Manchester;
- highways reform in Greater Manchester; and
- local management of rail stations in Greater Manchester; and

1.2 It is intended that these reforms will be supported by the establishment of a multi-year transport funding settlement for Greater Manchester, which is currently the subject of review with DfT and HMT.

1.3 This report summarises the nature of each transport reform area and work underway to realise their potential in support of Greater Manchester sustainable and inclusive growth agenda.

2.0 Bus Franchising

2.1 The Devolution Agreement stated that, "the government stands ready to support legislation if Greater Manchester conclude, following consultation they will take forward, that they wish to move to a franchised model of bus service delivery." Since then, the Government has committed in the Queens Speech to bring forward a Buses Bill, which will provide the option for combined authority areas with directly-elected mayors to be responsible for the running of their local bus services.

2.2 It is currently expected that the Bill will be laid before Parliament in early 2016 with the intention of securing Royal Assent before the end of 2016, so as to be on the statute before the first elections for the new mayors in 2017. The Bill will set out the requirements for any area seeking to utilise these powers.

2.3 Initial work undertaken by TfGM indicates that bus franchising would offer benefits to Greater Manchester in enabling the city region to promote an integrated transport offer for residents, businesses and visitors. Critically, in this regard, franchising would provide a mechanism to establish a simplified and integrated fares and ticketing system across the local public transport system.

2.4 A new model of fares and ticketing will also allow Greater Manchester to determine a travel pricing system that best meets our objectives for modal shift and customer satisfaction, whilst also ensuring a sustainable financial footing. TfGM is aware of the Committee interest in this area of policy and a further report will be brought back to Members at the appropriate stage of the policy development process if a decision is taken to utilise the Buses Bill provisions.

2.5 In addition, a unified bus network organised through a franchising system would be supported by one marketing and information programme. This would allow TfGM to better promote travel choices to different travel markets,

enabling, for example, new opportunities to promote bus travel to Manchester city centre.

- 2.6 The franchising model would also allow bus services to be planned alongside other public transport modes, so as to enable integrated timetable planning and to ensure that public transport capacity is best utilised across the conurbation.
- 2.7 TfGM is currently developing this high level analysis of the benefits and reviewing options for the deployment of franchising in Greater Manchester, so as to inform future decision-making by GMCA and the elected mayor. Further advice on this process will be prepared by TfGM once the Bill has been published.

3.0 Rail station devolution

- 3.1 The Greater Manchester Agreement (2014) affirmed the proposal for TfGM to take on additional responsibility for the management and operation of the 97 rail stations in GM.
- 3.2 Since then, TfGM has been progressing work to further explore the benefits and opportunities that rail station devolution may bring and to agree the principles of the proposal with DfT.
- 3.3 A TfGM team has been mobilised to progress option evaluation for the potential transfer of responsibility and develop a strategic and financial case for a transfer. This work is taking cognisance of the currently ongoing competition to renew the Northern and Transpennine franchises in April 2016.

4.0 Highways

- 4.1 The Greater Manchester Growth Deal in July 2014 included a commitment in principle for Greater Manchester to identify a Key Route Network (KRN) of local authority roads, to establish unified management in the interests of the city region's growth agenda. This commitment was warmly welcomed by DfT. As such, it has presented opportunities for Greater Manchester to both strengthen the case for highways investment in the city region; and gain a unique influence over Highways England's operations and spending priorities on the Greater Manchester motorway network.
- 4.2 The city region approach to developing a public transport network for GM has brought significant benefits by allowing a system to be developed that supports commuting markets to Greater Manchester's key growth points in a manner that is blind to municipal boundaries. This approach has helped to expand the travel horizons of residents, allowing them to respond to changing employment markets and to continue to play a full economic role. Critically, the city region approach has enabled Greater Manchester (and other metropolitan areas) to promote a consistent commuter infrastructure as a major asset to potential new businesses and investors.

- 4.3 Through the establishment of a KRN for Greater Manchester, based on around 600 km of roads or 7% of all GM roads, the city region will be able to apply this same approach to consistency and infrastructure development across that part of the highway system that will help determine our economic success over the next 20 years. This allows Greater Manchester to promote a core highways network, alongside the clearly identified motorway network, to complement the rail, Metrolink and bus systems that will continue to enhance the city region's attractiveness.
- 4.4 Locally, these benefits will be derived from consistent performance monitoring and reporting across the KRN to shape network management policies that support strategic traffic movements, adjacent communities' needs and GMCA's modal shift policies. This will inform integrated corridor planning approaches to enable a coordinated approach to future highways investment.
- 4.5 GMCA became the accountable body for the KRN on 1 April 2015. TfGM, on behalf of GMCA, commenced monitoring of the performance and effectiveness of the KRN from this date and performance management regimes for the KRN will be fully in place by April 2016. Work is now in progress to establish an initial action plan for the KRN and this will be supported by a Highway Strategy and delivery plan for later years, to be produced in 2016.
- 4.6 The Devolution Agreement built on the establishment of the KRN to provide a unique opportunity for Greater Manchester to establish shared network management and development arrangements with Highways England that reflect the strong interdependency between the performance of the motorway system and the proposed KRN in supporting Greater Manchester's productivity.
- 4.7 The DfT and Highways England recognise that the clear, coordinated focus of the KRN proposal will bring significant benefits in managing traffic in support of economic growth in Greater Manchester. Consequently, a Memorandum of Understanding has been established between Highways England and TfGM (signed in May 2015) which creates a joint GM Highways Strategy Board with representation from TfGM, Highways England, GM Police and the GM LEP and supporting working groups to advise the Board on Operational (day-to-day), tactical (1-5 years) and strategic (5 years plus) matters.