

From: Simon Jones, Corporate Director, Growth, Environment and Transport

To: Roger Gough, Leader of the Council

Subject: Transport for the South East – KCC Participation

Key decision 22/00023

Classification: **Unrestricted**

Electoral Division: All divisions

Summary: Kent County Council (KCC) was a founding member of Transport for the South East (TfSE), participating and funding TfSE since 2017 (decision ref 16/00120). The Council took a further decision (ref: 20/00010) in July 2020 to support a TfSE proposal to Government for Statutory Powers. These decisions were taken by the Leader as they concern the decision to participate in a partnership. TfSE applied in July 2020 for powers and in October 2020 received a refusal from Government Ministers, highlighting that no further Sub-national Transport Bodies (STBs) would be made statutory for the foreseeable future.

TfSE has continued to receive funding from Government since October 2020, for the undertaking of studies on the region's transport networks, and KCC has continued to participate in those. The studies will continue into 2022, and KCC will be tasked by TfSE with considering their outcomes; adopting a proposed Strategic Investment Plan (SIP) to begin delivering the outcomes; and supporting TfSE in their future stages of work.

TfSE, given its lack of statutory status, has also been reviewing its function and role. KCC has provided feedback as part of that process. It is important, ahead of the 2022/23 Financial Year, that KCC decide whether to continue to participate in TfSE in the same way and through the same means that it has to date given the changed circumstances for TfSE in comparison to its former plan to become a Statutory body on which past Council Decisions were based. It is strongly recommended that KCC continue its role in TfSE to ensure it can support the organisation in finalising its Strategic Investment Plan and defining its role in the face of any forthcoming reforms to local transport and local government more generally than the Government plans.

Recommendation: The Leader is asked to agree to:

1. Kent County Council continuing to participate in a non-statutory voluntary Sub National Transport Body (SNTB) for the South East, known as Transport for the South East (TfSE), at the cost, for the purposes, and with the membership, set out in the accompanying report; and
2. Delegate to the Corporate Director Growth, Environment and Transport to take, in consultation with the Cabinet Member for Highways and Transport, the actions necessary to implement the decision subject to the Council's decision-making procedures.

The Record of Decision is appended at Appendix A.

1. Background

- 1.1 Kent County Council (KCC) is the largest single constituent Member of Transport for the South East (TfSE) and provides an annual contribution of £58,000 towards its operating costs. Match funding is provided by other participating County Councils and Unitary Authorities, whilst the Department for Transport (DfT) provides the main portion of funding, set in 2021/22 Financial Year to £1.625m.
- 1.2 The first Key Decision was taken by the Leader on 8 December 2018 (16/00120) which agreed to KCC's participation in the TfSE Sub-national Transport Body (STB) as an informal non-statutory body, and to further work to establish TfSE as a formal statutory body.
- 1.3 The culmination of the action taken by KCC through this decision, in partnership with TfSE was the application to the Secretary of State for Transport for TfSE to be granted Statutory Status. KCC's Leader took a further decision on 10th July 2020, as follows:
 - 1.3.1 Consent to Transport for the South East's Proposal to Government for powers in addition to the general powers of a Sub-national Transport Body and endorse the Transport Strategy for the South East as part of this proposal.
 - 1.3.2 Participate in, and cooperate with, Transport for the South East in accordance with the powers requested from Government and those powers operating concurrently with Kent County Council as Highway Authority and Local Transport Authority.
- 1.4 TfSE was unsuccessful in securing these powers, and hence the decision KCC took to participate in and cooperate with TfSE as a statutory body has not come to fruition and will not do so for the foreseeable future. TfSE initially considered making a further bid in due course; however, as part of a review of its function and role no further bid is under consideration at the current time. Nonetheless Government has continued to provide funding to TfSE for research on topics ranging from EV charging to decarbonisation.
- 1.5 Consequently, a decision is now sought on KCC's continued participation in TfSE given the former course of action was unsuccessful.

2. Transport for the South East

- 2.1 TfSE is comprised of 16 Local Transport Authorities (LTAs) and 5 Local Enterprise Partnerships (LEPs). There are also other bodies co-opted onto the board – the Chair of the South Downs National Park to represent protected landscapes and two district council representatives for all the Local Planning Authorities in the region. Network Rail, National Highways and Transport for London (TfL) are non-voting members of the Board. The constituent authorities are:

- East Sussex County Council (lead authority and Accountable Body)
- West Sussex County Council
- Kent County Council
- Medway Council
- Hampshire County Council
- Surrey County Council
- Brighton and Hove City Council
- Southampton City Council
- Portsmouth City Council
- Isle of Wight Council
- The Berkshire unitary authorities through the Berkshire Local Transport Body (LTB) which includes West Berkshire, Wokingham, Windsor & Maidenhead, Bracknell Forest, Reading and Slough.
- Five LEPs within the TfSE area are also included: South East LEP (SELEP), Enterprise M3, Coast to Capital, Solent, and Thames Valley Berkshire.

3. TfSE's planned activity

- 3.1 TfSE has been undertaking a series of area studies on transport movement and connectivity across the region. In addition, these are supplemented by thematic studies on freight and future forms of mobility (e.g., ranging from digital connectivity as a mode to drones and autonomous vehicles etc). Government has also given TfSE further funds late on in the 2021/22 Financial Year to undertake research in partnership with other Sub National Transport Bodies about Electric Vehicles, decarbonisation and how they can support Local Authorities with future Bus Service Improvement Plans.
- 3.2 The studies will generate a set of outline proposals to apply across the region to begin delivering the outcomes identified in the TfSE Transport Strategy, adopted in July 2020. The proposals will be described and promoted in a Strategic Investment Plan (SIP) that TfSE will then submit to Government for consideration.
- 3.3 KCC continues to review the work undertaken by TfSE, advising on the strategic priorities for movement in Kent in the context of the sub-region. Once a draft SIP has been prepared and published for consultation by TfSE, KCC will need to decide whether it supports the proposals TfSE promotes in the SIP and whether KCC wishes to be party to implementing the SIP through KCC's statutory function as a Local Transport and Highway Authority. We anticipate that these decisions will need to be taken in accordance with the Council's decision-making procedures in late 2022 / early 2023.
- 3.4 Alongside the completion of the study work by TfSE, the organisation has also undertaken a review of its functions to establish a plan for what the organisation should focus on and be capable of in the future. The plan envisages TfSE substantially increasing its functions into areas such as more developed transport modelling, planning and delivery such as options development, case development, scheme, and proposal consultations, through to procurement and contract management. Such ambitions will be reliant on significant increases in Government grant funding towards levels akin to Transport for the North (which

has a current funding of a core grant for 2021/22 of £8.54m with further funding drawn from Northern Powerhouse Rail funds held by DfT). It is conceivable that Government funding of an expanded TfSE may be contingent on increases in funding from member constituent authorities such as KCC.

4. Implications for KCC

- 4.1 The DfT has demonstrated that it considers TfSE has value, even without statutory status and powers, given the continued grant funding. In particular, the DfT benefits from a streamlined means of communication with the region's transport authorities, through a single point of contact of TfSE and relied on TfSE on a small number of occasions to co-ordinate submission of priorities from constituent authorities, such as with National Highways Road Investment Strategy 3 pipeline.
- 4.2 However, it is also the case that outside of these occasions, KCC maintains its own dialogue with the DfT on the multitude of projects and issues that are either of national interest (e.g., road freight and port's traffic) or are benefiting from government funding (e.g., active travel, ZEBRA bus funding). Furthermore, as a statutory body, were KCC not a member of TfSE, the DfT and other bodies such as Network Rail and National Highways would still have an obligation to consider our adopted policies and plans.
- 4.3 Given this, there is a risk that non-participation in TfSE could potentially see the Council's influence in lobbying for schemes on the Strategic Road Network and railway network diluted. This could arise because KCC would be a small area alone in comparison to TfSE as a whole, albeit still the largest County Council in the country and a statutory body that must be regarded as such through any statutory process.
- 4.4 Alongside involvement in TfSE, it remains the case that the best route for KCC to articulate and secure future funding and investment in its transport network is to continue to adopt and implement its own policies and plans as it has done such as the Vision Zero Road Safety Strategy, the Bus Service Improvement Plan, and the next iteration of KCC's statutory Local Transport Plan (LTP) currently in development.
- 4.5 Until TfSE's Strategic Investment Plan (SIP) is published, and further clarity arises from the planned Levelling Up White Paper proposed reforms on local transport government and local government more generally, it is recommended that KCC remain a constituent member of TfSE. This will include participating in the remaining study work and supporting TfSE with its exploration of how its future organisation and operations can be tailored to provide the best support to realising our county-wide priorities to the benefit of the sub-region.

5. Legal implications

- 5.1 As TfSE will remain a non-statutory informal and voluntary group that KCC participates in, there are no legal implications of the planned decision.

6. Financial implications

- 6.1 KCC contributes £58,000 per year to fund the development of TfSE. KCC's expected contribution for the 2021/22 Financial Year is expected to remain at this level. Up to and including 2021/22 Financial Year, KCC will have contributed a total of £214,000 exclusive of officer time. Beyond this forthcoming Financial Year, future decisions by KCC will be required relating to the adoption and delivery of the SIP and hence future financial implications to KCC will be set out in any future decision report(s).
- 6.2 KCC's contribution is matched by other constituent members as shown in the table below.

Type of authority	Contribution per annum	Total
County Councils (Kent, East Sussex, West Sussex, Surrey, Hampshire)	£58,000	£290,000
Unitary authorities (Medway, Brighton and Hove, Isle of Wight, Portsmouth, Southampton)	£30,000	£150,000
Other member authorities (Berkshire Local Transport body)	£58,000 (shared between the authorities)	£58,000

7. Equalities implications

- 7.1 The KCC Equalities Impact Assessment (EqIA) for the revised Proposal to Government is attached at Appendix B.

8. Data Protection implications

- 8.1 A Data Protection Impact Assessment is not required as this decision does not require the processing of personal data.

9. Conclusion

- 9.1 TfSE continues its work towards establishing a Strategic Investment Plan (SIP) which will set out the proposals needed across the sub-region to deliver the Transport Strategy outcomes TfSE adopted in 2020. TfSE is evaluating and planning its future role and operations given the current lack of statutory status and powers. KCC was a founding member of TfSE and continues to play an active part in the sub-regional transport body. It is strongly recommended that KCC continue this role, including funding TfSE to ensure it can support the organisation in finalising its Strategic Investment Plan and defining its role in the face of any forthcoming reforms to local transport and local government more generally than the Government plans.

10. Recommendation

- 10.1 The Leader is asked to agree to:

1. Kent County Council continuing to participate in a non-statutory voluntary Sub National Transport Body (SNTB) for the South East, known as Transport for the South East (TfSE), at the cost, for the purposes, and with the membership, set out in the accompanying report; and
2. Delegate to the Corporate Director Growth, Environment and Transport to take, in consultation with the Cabinet Member for Highways and Transport, the actions necessary to implement the decision, subject to the Council's decision-making procedures;

The Record of Decision is appended at Appendix A.

11. Background Documents

Appendices:

- Appendix A: Proposed Record of Decision
- Appendix B: Equalities Impact Assessment (EqIA);
<https://democracy.kent.gov.uk/documents/s109804/TfSEEqIA.doc.pdf>

Previous Committee reports:

- ROD 16/00120:
<https://democracy.kent.gov.uk/documents/s88382/1600120%20-%20signed%20ROD%20scanned.pdf>
- ROD 20/00100: <https://democracy.kent.gov.uk/documents/s97556/20-00010%20-%20ROD.pdf>
- Kent County Council's response to Transport for the South East's draft Proposal to Government:
<https://democracy.kent.gov.uk/documents/s91339/Item%2015%20-%20Report%20-%20KCC%20Response%20to%20Transport%20for%20the%20South%20East%20Proposal%20Consultation.pdf>
- Kent County Council's response to Transport for the South East's draft Transport Strategy for the South East:
<https://democracy.kent.gov.uk/documents/s95532/Item%209%20-%20Report%20-%20Transport%20for%20the%20South%20East.pdf>

12. Contact Details

<p>Report Author: Joseph Ratcliffe, Transport Strategy Manager 03000 413445 joseph.ratcliffe@kent.gov.uk</p>	<p>Relevant Director: Simon Jones, Corporate Director for Growth, Environment, and Transport 03000 411683 simon.jones@kent.gov.uk</p>
---	---