



# EXECUTIVE BOARD DECISION

<b>REPORT OF:</b>	Council Leader
<b>LEAD OFFICERS:</b>	Strategic Director of Growth & Development
<b>DATE:</b>	Thursday, 6 July 2023

**PORTFOLIO/S AFFECTED:** Growth and Development

**WARD/S AFFECTED:** (All Wards);

**KEY DECISION:** Y

**SUBJECT:** Establishment of a North West Regional Business Unit (NWRBU) for Rail

## 1. EXECUTIVE SUMMARY

1.1 The Government's plan to transform the railways in Great Britain is set out in the [Williams-Shapps Plan for Rail](#). This emphasises the importance of strengthening collaboration between local transport authorities to improve outcomes for rail passengers.

1.2 To support the national agenda, as well as delivering on local and regional rail objectives, Blackburn with Darwen Council have been discussing closer partnership working with Lancashire County Council, Transport for Greater Manchester, and other North West Local Transport Authorities. A proposal to establish a North West Regional Business Unit (NWRBU) for Rail is now in motion. The NWRBU will sit under the existing Rail North Partnership framework which acts on behalf of Transport for the North and the Department for Transport to manage Northern and TransPennine rail franchises.

1.3 Establishment and membership of the NWRBU will give Blackburn with Darwen Borough Council a greater voice around rail matters including on matters such as: train services, fares and ticketing, infrastructure, stations, rolling stock, customer experience and sustainability.

## 2. RECOMMENDATIONS

2.1 That the Executive Board:

1. Approves that Blackburn with Darwen Borough Council becomes a Member of the North West Regional Business Unit (NWRBU) for Rail;
2. Authorise the Strategic Director for Growth & Development, in conjunction with the Deputy Director - Legal and Governance, and Executive Member for Growth and Development, to agree and finalise the terms of the NWRBU for Rail's Collaboration Agreement.

## 3. BACKGROUND

- 3.1 The Williams-Shapps Plan for Rail published in May 2021 proposed the establishment of a new body, Great British Railways (GBR), to oversee rail operations by integrating infrastructure and train operations into a single entity. The move to GBR presents an opportunity for Local Transport Authorities to influence the future planning of rail. The Williams–Shapps Plan for Rail through primary legislation will provide GBR with the powers and authority it needs to act as the single guiding mind for the railways with reference to procuring and delivering new Passenger Service Contracts.
- 3.2 The Department for Transport is currently responsible for the franchising and contracting of rail services. As a first stage of devolving powers to the North, Rail North Partnership was established for the Department for Transport and Transport for the North to jointly manage the Northern and TransPennine Express franchises on their behalf. The Rail North Partnership Board, made up of Transport for the North, Network Rail, the Department for Transport and representatives from the Metro Combined Authorities, oversees the activities relating to franchise and contract management.
- 3.3 Transport for the North's role and functions within Rail North Partnership are overseen within the Rail North Committee which comprises 11 elected members drawn from the Local Transport Authorities and Combined Authorities. Blackburn with Darwen represents the "Lakeland" regional grouping, which includes Lancashire County, Blackpool, Cumberland, and Westmorland and Furness Councils.

#### **The local context: proposals for the North West**

- 3.4 The Williams-Shapps Plan for Rail emphasises the importance of strengthening collaboration to improve outcomes for rail passengers. To support the national agenda as well as delivering on local and regional objectives, Blackburn with Darwen Borough Council, along with Lancashire County Council and other North West Local Transport Authorities, have been discussing closer partnership working to improve rail services in the region and the wish to establish a North West Regional Business Unit (NWRBU) for Rail, under the existing Rail North Partnership framework.
- 3.5 The establishment of regional / local business units is referenced within the existing 2018 Franchise Management Agreement signed off between the Department for Transport, Transport for the North and Local Transport Authorities. The creation of a NWRBU will provide more local input and ownership within Rail North Partnership and the basis for a stronger direct relationship between Local Transport Authorities and Great British Railways. A North West Partnership will deliver the greatest benefits for the entire region, and give Local Transport Authorities greater influence in rail matters with local knowledge leading to better rail services which better meet local needs.
- 3.6 The role of the proposed NWRBU will be as follows:
- Provide advice to Transport for the North as the statutory body to support the development of rail infrastructure priorities and investment;
  - Influence and advise Rail North Partnership on the development and agreement of train operators' business plans working within budgetary envelopes set by Central Government;
  - Provide advice across a range of areas covering train service specification, operations, fares and ticketing, stations, rolling stock and decarbonisation;
  - Embed with Rail North Partnership to provide support and advice on the franchise contract management and Annual Business Planning processes;
  - Propose service adjustment proposals subject to Rail North Partnership Board approval and risk conditions;

- Support Rail North Partnership's contract management processes, monitor and scrutinise train operator performance and contract compliance to improve service delivery for customers;
- Act as an extension of Rail North Partnership in the management of stakeholders within the North West region, as well as direct and improved engagement with train operators to share information, ideas and new opportunities.

3.7 The railway industry faces a number of significant issues at present, which are predominantly national (not local) issues. These include: continuing poor industrial relations; seeing the recovery of overall passenger numbers back to pre-Covid levels; and the lack of investment in rail infrastructure and services (for high speed and local services), and decarbonising the sector through electrification and new rolling stock; and finally structural industry and reform. The NWRBU forms part of the anticipated solution to the latter of these issues, and will help to give Blackburn with Darwen and Lancashire a greater voice. Clearly industry-wide challenges will remain.

3.8 A number of Lancashire's specific rail objectives have already been discussed, to be developed further within the proposed NWRBU's Annual Business Plans:

- Rail services that support sustainable economic growth for the region, encourage modal shift, and reduce inequality / improves opportunities for all;
- A more joined up, integrated transport offer between rail and other modes including services, stations, fares and ticketing;
- Stations that deliver consistently high standards, integration with other public transport modes and active travel, are accessible / inclusive, and can support local community and economy through development;
- Clear, transparent, easy to understand rail fares / products, but that also address local anomalies and help support local economic / societal / environmental issues;
- Continued investment across the network to meet the needs of the North West and
- Rail becoming a part of the wider urban public transport network.

## **Progress and next steps**

3.9 The development of the NWRBU has been led by Transport for Greater Manchester with the support of all North West Local Transport Authorities. Positive discussions have been held to date between Local Transport Authorities, Transport for the North and Rail North Partnership, with confirmation of Blackburn with Darwen's support in principle to further develop proposals issued in December 2022.

3.10 A "Case For Change" NWRBU Proposal Document was endorsed by the Rail North Committee on 22 February 2023 and then formally agreed by the Rail North Partnership Board on 3 March 2023. Discussions have also taken place with the Department for Transport and clarity was given in relation to not adding in additional complexity or cost, nor create additional or duplicated layers of governance.

3.11 A Collaboration Agreement document is being developed which will formalise the principles underpinning the formation of the NWRBU, to be signed off by each member Local Transport Authority. This document will set out objectives, roles and responsibilities, decision making, giving details on how advice will be given and how the NWRBU will be governed.

3.12 It is proposed that the NWRBU will have a Formal Officer Board comprised of all 13 North West Local Transport Authorities, supported by a Steering Group and specialist working groups. It is envisaged that Transport for Greater Manchester will Chair the Board and will provide dedicated support and resource via a Regional Business Unit Manager. Collective positions on rail matters

will be reached via consensus, with the development of a NWRBU Annual Business Plan which will set out key priorities and advice relating to rail matters in the North West.

#### 4. KEY ISSUES & RISKS

- 4.1 There will be no difference in the role of Local Transport Authorities compared to today (Local Transport Authorities can continue to give their own advice), and any proposals put forward by the NWRBU that have financial or risk implications will need further approval from member organisations. Officers will ensure that Council members are integrated within the formulation of advice and the setting of collective priorities for the North West and Lancashire through regular Executive Member briefings.
- 4.2 There are also no changes to rights, responsibilities or accountabilities of existing rail industry partners, and any rights Local Transport Authorities have under the existing Franchise Management Agreement between Local Transport Authorities, Transport for the North and Rail North Partnership.

#### 5. POLICY IMPLICATIONS

- 5.1 Membership of the NWRBU for Rail, and having a greater voice on rail matters in the region, will help the Council to deliver on the vision, missions and ambitions it has set out in the new Corporate Plan (2023-27), its emerging new Local Plan (2021-2037), and the new Local Transport Plan (LTP4). It will also support the Transport and Infrastructure theme work relating to Lancashire 2050.

#### 6. FINANCIAL IMPLICATIONS

- 6.1 There are no direct financial implications arising from this report.

#### 7. LEGAL IMPLICATIONS

- 7.1 There are no new legal implications arising directly from this report, but subject to the terms of the collaboration agreement.

#### 8. RESOURCE IMPLICATIONS

- 8.1 Membership of the NWRBU is expected to be managed within existing service structures and officer resource with no additional dedicated resource requirement.

#### 9. EQUALITY AND HEALTH IMPLICATIONS

**Please select one of the options below. Where appropriate please include the hyperlink to the EIA.**

Option 1 ☒ Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 ☐ In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. *(insert EIA link here)*

Option 3 ☐ In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

## 10. CONSULTATIONS

10.1 Transport for Greater Manchester, as lead Local Transport Authority, has consulted extensively with partner authorities throughout the development of the proposals. Blackburn with Darwen Council has provided input to both initial business planning and collaboration agreement principles setting via Lancashire County Council's Rail Development Manager.

10.2 The creation of a NWRBU for Rail has also been referenced within conversations with government regarding the emerging 2050 Lancashire devolution framework.

## 11. STATEMENT OF COMPLIANCE

11.1 The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

## 12. DECLARATION OF INTEREST

10.1 All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

<b>VERSION:</b>	<b>1</b>
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<b>DATE:</b>	21 <sup>st</sup> June 2023
<b>BACKGROUND PAPER:</b>	N/A