

**Report to the Cabinet**

Meeting to be held on Thursday, 6 July 2023

**Report of the Director of Highways and Transport**

**Part I**

Electoral Division affected:  
(All Divisions);

**Corporate Priorities:**  
Supporting economic growth;

**Establishment of a North West Regional Business Unit for Rail**

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**Brief Summary**

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, Lancashire County Council, along with neighbouring North West Local Transport Authorities, have been discussing closer partnership working to improve rail services in the region and wish to establish a North West Regional Business Unit for Rail, under the existing Rail North Partnership framework.

**Recommendation**

Cabinet is asked to:

- (i) Approve that Lancashire County Council becomes a Member of the North West Regional Business Unit for Rail.
- (ii) Authorise the Director of Highways and Transport, in consultation with the Director of Law and Governance, Director of Finance and Cabinet Member for Highways and Transport, to agree and finalise the terms of the North West Regional Business Unit for Rail's Collaboration Agreement.

## Detail

The Williams-Shapps Plan for Rail published in May 2021 proposed the establishment of a new body, Great British Railways, to oversee rail operations by integrating infrastructure and train operations into a single entity.

The move to Great British Railways presents a significant opportunity for Local Transport Authorities to influence the future planning of rail. The Williams–Shapps Plan for Rail through primary legislation will provide Great British Railways 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.

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 Metropolitan Combined Authorities, oversees the activities relating to franchise and contract management.

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. Lancashire County Council represents the "Lakeland" regional grouping which includes Blackburn with Darwen, Blackpool, Cumberland, and Westmorland and Furness Councils.

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

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, Lancashire County Council along with 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 for Rail, under the existing Rail North Partnership framework.

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 North West Regional Business Unit 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.

The role of the proposed North West Regional Business Unit 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.

A number of Lancashire's rail objectives have been discussed, to be developed within the proposed North West Regional Business Unit'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.
- Rail becoming a part of the wider urban public transport network.

### **Progress and next steps**

The development of the North West Regional Business Unit 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 Lancashire County Council's support in principle to further develop proposals issued in December 2022.

A "Case For Change" North West Regional Business Unit 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.



A Collaboration Agreement document is being developed which will formalise the principles underpinning the formation of the North West Regional Business Unit, 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 North West Regional Business Unit will be governed.

It is proposed that the North West Regional Business Unit 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 North West Regional Business Unit Annual Business Plan which will set out key priorities and advice relating to rail matters in the North West.

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 North West Regional Business Unit that have financial or risk implications will need further approval from member organisations. Officers will ensure that county council Members are integrated within the formulation of advice and the setting of collective priorities for the North West and Lancashire.

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.

## **Consultations**

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

The creation of a North West Regional Business Unit for Rail has also been referenced within conversations with government regarding the emerging 2050 Lancashire devolution framework.

## **Implications:**

This item has the following implications, as indicated:

### **Financial**

There are no financial implications arising directly from this report.

### **Procurement**

There are no procurement implications arising directly from this report.



## Legal

There are no new legal implications arising directly from this report.

## Risk management

There will be no difference in the role of Local Transport Authorities compared to today, and any proposals put forward by the North West Regional Business Unit that have financial or risk implications will need further approval from member organisations.

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.

## List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A

