



**Labour's
Policy
Review**

**Empowering communities
to improve transport**

Labour's Policy Review:

Empowering communities to improve transport

Communities need greater powers over transport to make a real difference for passengers.

Many communities feel that they have little influence over the local transport on which many depend. It can prove impossible to prevent the loss of a much valued bus service or improve the condition of a local train station. Services often do not join up and the absence of integrated ticketing and co-ordinated timetables put barriers in the way of making use of public transport. The nature of the privatised train industry and deregulated bus market outside London make it difficult to influence decision-making, not least over the loss of services and increases in fares.

With its greater powers over bus and rail services, London is leaving the rest of England behind. A regulated bus system, with fares and routes set by an accountable transport authority and not by private operators, has helped see passenger numbers rise by 92 per cent in the capital even as they fall by 41 per cent in the other English metropolitan areas. The development of the London Overground is enabling better integration between bus and rail services, helped by smart integrated ticketing through the Oyster card. London shows the huge potential for other parts of England to benefit from greater local control over bus and rail services.

The Tory-led Government have failed to actively support transport authorities who want to use the legislation passed by Labour in government to improve bus services, while threatening to penalise those that do through reforms to bus funding. Proposals for the devolution of responsibility for rail services so far focus on a single subsidy-reliant franchise, raising fears this is simply cover for devolving responsibility for cutting funding and services. Funding for major local transport investment is set to pass to Local Enterprise Partnerships (LEPs), not to authorities who are accountable to their communities.

“
With its greater powers over bus and rail services, London is leaving the rest of England behind
”

Labour's Policy Review process is providing an opportunity to develop new thinking about how passengers and communities could benefit through devolution and greater accountability. Shadow Transport Ministers have looked at examples from other countries, including France, the Netherlands, Denmark and Sweden, to see how they deliver public transport at a local and regional level. The experience of these countries suggests that there could be significant benefits from providing greater powers and responsibility over funding to city regions and for bringing together local transport authorities to make decisions over rail services and investment decisions at a regional level.

Shadow Transport Secretary Maria Eagle:

"We need a new approach that enables people to have a real influence over the local transport services on which they depend. I want to see the rest of England benefit from London-style powers to manage bus and train services in the way that can make integrated transport a reality. It's time that fares and services were agreed not with profits but with passengers in mind.

"A real commitment to devolving powers and funding over transport will require a cultural change away from the 'Whitehall knows best' approach. It will mean being willing to take on the vested interests in the private train and bus companies that benefit from the current system.

"Labour has listened to the call for more accountability over how decisions are taken over local transport fares and services. Our approach in future will be to enable communities properly to manage bus fares and routes, take decisions over local rail services, be able to integrate local transport timetables and ticketing and take more responsibility for investment in infrastructure."

Labour has listened to the call for more accountability over how decisions are taken over local transport fares and services.

The benefits of integrated, affordable and accountable local public transport

Passengers want to see improvements to the quality of public transport on which they depend. They expect bus and train services to be planned in a joined up way, with tickets that can be used across different modes and operators.

While Londoners are able to enjoy the benefits of the Oyster card, with the ease it provides to switch between services and a maximum daily fare cap, users of public transport in other communities feel left behind. They need bus and train services to be affordable, not continually subject to inflation-busting fare rises while private companies are making substantial profits while also often receiving large public subsidies. Passengers also expect to be able to raise issues about local transport with their elected councillors and not find that they have little influence over services within their community.

Many people find they are simply unable to take advantage of their local public transport networks. This can have a really limiting impact on their day to day lives and limit access to services and opportunities. It can mean the difference between a young person being able to stay on in education and take up a college course or apprenticeship. It can prevent those out of work from taking up a new job, particularly if it is a distance from where they live. A lack of access to local transport can lead to isolation and loneliness for older member of the community, cutting them off from services, family and friends.

There is also a wider benefit to society from an affordable and reliable public transport system beyond the individual passenger. It means less traffic on the road, reducing congestion which benefits the economy and improves local quality of life by improving air quality and reducing noise. It benefits the wider environment by cutting the emissions that contribute to climate change.

Stephen Joseph OBE, Chief Executive of the Campaign for Better Transport:

"One of the big challenges in transport is how to make our transport system work for local communities. Transferring responsibility down from central government down to local or regional structures could mean simply passing the buck, so it is very welcome that the Labour Party is seriously looking at what needs to be done differently to make decentralisation work in practice. Local communities need to know that they can make a difference and deliver a decent high quality transport system."

“Passengers expect bus and train services to be planned in a joined up way, with tickets that can be used across different modes and operators.”

How devolution could make a greater difference to passengers

It is clear that without greater support to intervene in the local bus market, take responsibility for local and regional rail services and make the strategic decisions over investment in major local transport schemes, communities will not be able to match London's ability to deliver high quality, reliable and affordable integrated transport networks.

It will remain impossible for elected politicians to make the judgment that often has to be made between the level of fares and investment. The integration of bus and rail services and the introduction of a simple pricing and ticketing structure will not be achievable. The introduction of concessionary fare schemes for young people aged 16-19 who stay on in education and training, as Labour has proposed, will continue to only be achievable by negotiation with private companies in a deregulated market, rather than able to be specified in contracts. It will remain impossible to prevent the axing of local bus services, the recent scale of which has left many pensioners asking what the point is of having a free bus pass if there is no bus. The delivery of vital infrastructure improvements that can reduce bus journey times and make cycling safer will remain more of a challenge.



In government, Labour took important steps to give local communities greater powers over local transport, passing legislation that enables other city regions to establish Integrated Transport Authorities (ITAs made up of elected representatives from the transport authorities across a city region) joining those serving Greater Manchester, Merseyside, South Yorkshire, Tyne and Wear, West Midlands and West Yorkshire. The delivery of enhanced powers over bus and train services would be an important incentive to encourage other parts of England to take advantage of this opportunity.

Labour's legislation also sought to give transport authorities the powers they needed to improve the quality of local bus services, including the use of Quality Contracts. This would see the deregulated bus market replaced by a fully tendered model where the transport authority specifies the network and fares, and is able to market the network while private operators bid to run bus routes under a contract. In effect, it takes the competition off the road and into a competition to deliver services. This enables the elected authority to make decisions over the services that are needed by their community leaving the private sector to focus on delivering a high quality local service.

However these new powers have proved difficult to use in practice. Those ITAs that are now taking the first steps which may lead to a move to a fully tendered local bus network, and control over routes and fares, have met a hostile reaction from bus companies. Yet Labour's Shadow Transport team has met private operators in Denmark and heard how a tendered model can still enable a highly successful partnership. In any case, the bus network is franchised in London and transport authorities are already experienced in this approach, for example the successful recent franchising of the Tyne and Wear Metro. Transport authorities should also be able to explore alternatives models of delivering local bus services, including mutual and municipal options, enabling the not for dividend model to be applied to bus services.

Labour's Policy Review is looking at how to strike a better balance between the desire for a bottom-up approach to reregulation and the need to provide the backing from government for those authorities that wish to make use of the legal powers that exist. This could, for example, include the potential for using Deregulation Exemption Zones specified by the Secretary of State to enable a number of areas to move forward together providing a managed move to a better bus network across England. Deregulation Exemption Zones could be supported through bringing the various different strands of funding for bus services and investment in new vehicles together, enabling better value for money and improving accountability.

Cllr David Wood, Chair, Tyne & Wear Integrated Transport Authority:

"Tyne and Wear residents and businesses tell us that a more integrated bus network with consistent standards across all services with fewer service changes and cuts are what are needed to halt the current decline in bus use. I strongly believe that we can do more to improve bus services with the many millions of pounds of public money currently channelled into the bus operators with a greater ability to regulate fares, routes and service standards."



Local and regional rail services would also benefit from improved accountability to the communities they serve and an ability for transport authorities to join up rail, bus and tram networks to offer a more coherent service for passengers. Yet across much of the country, the Government is pressing on with franchising on the existing model without giving transport authorities the opportunity to come together to take on responsibility for deciding on services in their regions. And while Ministers have not ruled out other less accountable options, such as a lead role for Local Enterprise Partnerships, Labour believes that partnerships of transport authorities are the right democratic level for any devolution of responsibility for rail.

Labour has supported the Integrated Transport Authorities that have made clear that they wish to explore with the Government the potential to take on the responsibility for services across the West Midlands and Northern rail networks. It is vital that this is not used as an excuse for Ministers to make reductions in funding that impact on the quality of rail services. There is a role for government in pro-actively enabling transport authority partnerships to be forged across the rest of England to enable the whole country to benefit from rail devolution and the ability to join up local transport services.

The experience from across Europe is that there are significant benefits from enabling rail services to be properly integrated into wider local and regional planning of transport. Too often decisions on local rail services, buses and parking are made independently when better coordination could make more effective interchanges.

While the Oyster card in London has transformed local travel, enabling flexibility between modes of transport, maximum daily charges and the ability to integrate concessionary schemes, the rest of England lags behind. The increasing ability to use Oyster to cover rail journeys has been a significant and highly successful

development. The rest of the country should also be able to benefit from similar schemes which should be compatible with the national ITSO smartcard standard, yet this is difficult without an ability of transport authorities to plan and manage services across modes.

Labour has seen in the Netherlands how stations can become real community hubs, integrating rail and bus services and the provision of secure cycle storage facilities, often staffed and combined with repair and maintenance services. There is a gulf between the experience of trying to travel with a bike on the public transport system in England and in countries such as Denmark where the side of rail carriages are emblazoned with cycle logos. Taking on responsibility for stations would enable transport authorities to look at more effective staffing arrangements, realisation of property development and community asset potential, better safety and security, common branding and better integration with other modes (including park and ride, bus interchange and good walking and cycling links). Yet the Government envisages train companies taking greater control of stations, able to close ticket offices and cut front line staff that are valued by passengers.

Devolution also offers up opportunities to look at how other types of rail operations can be delivered – not only community rail, but also converting some lines into tram-type services, some of which could also eventually run off the rail network ‘on-street’ like normal trams (so called tram-train). This could free up capacity on rail lines for high speed inter-city services. In rural areas, in particular, devolution could lead to a local rail services being integrated with wider bus networks (and provision of services through community transport and demand responsive services) as part of a single franchise. This is already common practice in rural areas in the Netherlands.

None of these exciting developments are likely while we stick to a failed model of delivering rail services and do not enable their integration with other local and regional transport, accountable to partnerships of elected transport authorities.

Cllr James Lewis, Chair, West Yorkshire Integrated Transport Authority:

“The North would be able to have a much greater say over the operation and future development of rail services if the franchise was devolved out of London. Key service and investment decisions will be made much closer to the communities we serve and tied into our need to boost economic growth and jobs. Local planning will make integrating trains with buses, trams, cycling and other modes much easier.”

These new regional partnerships between transport authorities could also provide the right level to which to devolve funding for investment in local transport infrastructure. This would address the absence of genuine accountability at the heart of the Government's own devolution plans. If decisions on major transport schemes were made within regions there is the potential to reduce the millions of pounds spent each year by councils to lobby national government to move road and other transport schemes between different national priority lists, sometimes even when there is little possibility of the scheme eventually being approved. Devolution is likely to incentivise the use of transport investment to ensure schemes benefit the better integration of journeys made by rail, bus, cycle and car.

Finally, there is evidence that the delivery of road maintenance could be more affordably delivered at a time of tough pressures on budgets if transport authorities were more willing to pool resources and responsibilities. Enabling and incentivising partnerships between transport authorities also provides real opportunities for improvements in areas other than the delivery of public transport, such as the management of local and regional roads. This could lead to opportunities to reduce the scale of ongoing maintenance costs through upfront investment in proper renewal of roads, rather than the patching up approach that budget pressures too often require. It could enable improved deals to be struck with contractors by agreeing larger, longer term contracts. It should lead to reductions in highly variable standards and practices. As well as encouraging transport authorities to pool resources, the current review of the Highways Agency should include a serious assessment of whether there are parts of the national road network and responsibilities which, alongside relevant budgets, could be devolved to bring decision making closer to communities.

For too long, London has been able to make advances in the delivery of local transport that have simply not been possible across the rest of England. Labour's Policy Review has provided an opportunity to learn from the success of devolution in the capital, the achievements of existing Integrated Transport Authorities and the experience of other countries across Europe. There is a huge potential to improve the quality and affordability of rail and bus services and the way that services are integrated by giving local communities a greater role over transport through elected transport authorities and enabling them to form regional partnerships.

Labour's Policy Review will continue to develop proposals to deliver the greater accountability that can help drive forward real improvements in local and regional transport.

Case Studies: learning from international experience

A partnership approach to delivering high quality bus services in Copenhagen, Denmark

Movia, the Greater Copenhagen Transit Authority, delivers a high quality bus network through a fully tendered system. While operators remain responsible for drivers, rostering, buses, depots and service quality, it is the elected transport authority that manages fares, timetables and marketing. Services are tendered on six year contracts with options for extensions if incentivised quality targets are met. Both Movia and the largest operator Arriva believe that the incentivised tendered service model has acted as a catalyst for partnership working and led to improved passenger satisfaction and an improved image for both transport authority and private company.

Devolving rail services to the region, enabling integration with local transport in Skåne, Sweden

Skånetrafiken, the transport body covering Sweden's southernmost region of Skåne, is responsible for transport within the capital Malmö and across the region. The ability to coordinate train, bus and cycle routes has enabled the regional authority to develop strong identifiable branded transport services and passenger surveys show that 8 out of 10 customers are satisfied with the public transport in the region. The ability to develop and implement a regional transport strategy has seen the number of car journeys fall from 52% of all journeys in 2003 to 41% in 2008 with equivalent big increases in rail, bus and bicycle traffic recorded in the region. Through control of rail services, the region has been able to drive forward a strategy to improve connectivity including a new rail ring line around the City and construction of a City Tunnel enabling direct services from Denmark to reach the centre of Malmö city centre via the Öresund Bridge, boosting the region's economy, supporting jobs and growth.