

Submission of England's Economic Heartland

Transport Select Committee Call for Evidence: Scrutiny of the draft Rail Reform Bill

Key points

- Sub-national transport bodies (STBs) are increasingly recognised by government and local partners as a consistent, credible and transparent structure within the strategic transport landscape, providing a vital link between local, regional and national priorities.
- Any new primary legislation on rail reform must align with the intent of the Cities and Local Government Devolution Act 2016¹ and enable the role of sub-national transport bodies to be identified explicitly as partner organisations to the Integrated Rail Body (IRB).
- EEH, Transport East and Transport for the South East have created the Wider South East Rail Partnership to ensure that the rail industry, STBs and Transport for London have a focus for developing the rail network to meet wider objectives as rail reform is established.

As the Sub-national Transport Body (STB) for the England's Economic Heartland (EEH) region we welcome the opportunity to participate in the Transport Select Committee scrutiny of the draft Rail Reform Bill.

EEH covers the area from Swindon and Oxfordshire in the west to Cambridgeshire in the east, and Hertfordshire up to Northamptonshire, including a population of c. 5.1 million. As a body, we are formed of twelve transport authority partners who steer our programme of work and who provide oversight through the Strategic Transport Leadership Board (the EEH Board).

The EEH Board is formed of Leaders, Mayors and Portfolio holders from each of our partner authorities – ensuring all decisions and recommendations of the STB have strong democratic oversight and legitimacy. Alongside elected representatives, the Board has representation from DfT, National Highways, Network Rail and the region's growth boards. The result of this is an established Board that is capable of shaping how the connectivity needs of individual places best align with regional priorities for strategic transport and in turn work with national agencies to deliver these priorities in a way that benefits the UK as a whole. It is only once all of these considerations have been made that our Board's recommendations are submitted to the Secretary of State of Transport, as credible advice on which decisions can be made.

A core function of all seven STBs in England, defined in legislation and recognised by the Secretary of State for Transport, is to create a regional transport strategy from which regional investment priorities must be identified. The evidence base underpinning our strategy and investment priorities advice has been developed in consultation with DfT and

¹ [Cities and Local Government Devolution Act 2016 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

local partners – resulting in a trusted evidence base on which regional investment advice is made.

Beyond this, and in alignment with the Transport Select Committee’s current inquiry into Strategic Transport Objectives, STBs play a vital role in ensuring transport and connectivity decisions – both infrastructure and service provision – is not determined in isolation. STBs are able to consider how transport priorities in the context of broader societal, environmental and economic outcomes as well as across different modes of transport. The mode-specific nature of transport investment decision making in DfT makes this role essential if we are to see UK investment in transport deliver the widest range of benefits.

In the context of rail, the EEH evidence base on which we base our investment priorities includes a Passenger Rail Study (developed by Network Rail on EEH’s behalf), Freight Study, a developing programme of Connectivity Studies and local rail studies, such as the Oxfordshire Rail Corridor Studies. We also have a number of rail objectives which were endorsed by the Board in 2023. We currently have a workstream underway to define the priority conditional outputs on each of the seven rail mainline groupings through the region. As well as EEH’s evidence, we work with Network Rail to ensure route specific strategic advice is aligned with regional priorities.

STBs are increasingly recognised by government and local partners as a consistent, credible and transparent structure within the strategic transport landscape, providing as they do a vital link between local, regional and national priorities.

Given this importance, it is the clear view of the EEH Board that any new primary legislation on rail reform must align with the intent of the Cities and Local Government Devolution Act 2016² and enable the role of sub-national transport bodies to be identified explicitly as partner organisations to the Integrated Rail Body (IRB). This position is in line with the Board’s response to the ‘Williams-Shapps Plan for Rail’ consultation in summer 2022.

The Cities and Local Government Devolution Act 2016 provides that the Secretary of State “must have regard to proposals contained in the transport strategy of an STB that appear to the Secretary of State to further the objective of economic growth in the area of the STB in determining (a) national policies relating to transport...and (b) how such policies are to be implemented in relation to the area of the STB”. The definition of economic value by the Secretary of State, therefore, must take the transport strategy into account and provide clear reasons if it is departed from.

As a result, and in considering the draft Rail Reform Bill, the Transport Select Committee is urged to consider that the role of STBs should be enshrined in primary legislation for the rail industry, particularly given the proposal to transfer functions from the Secretary of State to the IRB. The inclusion of provisions in primary legislation will ensure that the IRB has the same regard to proposals contained in the transport strategy of an STB as the Secretary of State is required to do thus ensuring the ambitions of the Cities and Local Government Devolution Act 2016 are retained and not weakened. Requiring this inclusion in the context of transferring functions from the Secretary of State to the IRB will also enable the IRB to fulfil its functions and be held accountable across each different, yet important layer of government.

² [Cities and Local Government Devolution Act 2016 \(legislation.gov.uk\)](https://legislation.gov.uk)

EEH also believes that there should be a duty placed on the IRB to work effectively in partnership, which would need to be reflected in the duties of the Office of Rail and Road as the rail regulator as part of its role in monitoring stakeholder relationships of the IRB and as an expanded public interest duty.

It is critical that the regional transport priorities for a region, for example infrastructure requirements of service provision identified by STBs, must be considered by the IRB, particularly in the context of achieving wider social and economic benefits. Ensuring the rail network responds and supports wider benefits has been made clear as important as plans for rail reform have developed, for example being highlighted in the recommendations to deliver a simpler and more integrated railway published by Great British Railways Transition Team in Autumn 2023.³

In the wider South East, the STBs have already created the Wider South East Rail Partnership, specifically identified in the Williams-Shapps Plan for Rail. This partnership is established and ready to ensure that the rail industry, South-East STBs (Transport East and Transport for the South East alongside England's Economic Heartland) and Transport for London have a focus for developing the rail network to meet wider objectives as rail reform is established.

We trust that the points highlighted above are useful evidence for the Transport Select Committee to consider. In addition, we have given answers to some of the specific questions asked as set out below.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Liz Leffman', written in a cursive style.

Councillor Liz Leffman
Chair
England's Economic Heartland

³ <https://gbrtt.co.uk/keep-informed/publications/>

Answers to certain specific questions asked:

Will the integrated rail body (IRB), as proposed in the draft Bill, achieve the Government's aim of a 'guiding mind', providing: (i) better accountability, (ii) more reliable services, (iii) greater efficiency, and (iv) coordinated growth, across both passenger and freight sectors?

Would the provisions of the draft Bill establish an IRB with the independence and accountability to achieve its aims? If not, what amendments would be needed?

We believe that the IRB's accountability cannot be assured without a clear role for STBs. An amendment to the Bill should therefore be made to specifically state that the IRB is required to formally seek and respond to advice of Sub-National Transport Bodies, informed by their Transport Strategy priorities, as a condition of its network licence. This will ensure that any decisions have due regard to the STB transport strategies and investment priorities.

Are the arrangements set out for the granting and amendment of the IRB's licence and the inclusion of specific conditions within that licence appropriate?

We welcome the new provisions to include conditions in the licence relating to freight, accessibility, the environment and social and economic benefit. However, as set out above, we believe that this should go further so that the network licence specifically references the role of STBs and their transport strategies, ensuring that the Integrated Rail Body are formally required to take this into account in decision-making in line with the principles set out in the Cities and Local Government Devolution Act 2016. We would also like to see recognition of the IRB needing to support and work within new partnership arrangements to help deliver rail network improvements, such as the Wider South East Rail Partnership.

Are the interests of passengers and freight users sufficiently promoted by the provisions of the draft Bill?

We believe that the additional proposed network licence conditions in relation to freight, accessibility, the environment and social and economic benefit are useful in this regard. However, the opportunity presented to formally recognise the role of STBs as stated above would take this further, given they are partnership organisations led by local authorities representing communities across their areas.

Does the draft Bill make effective provision for the role of the Office of Rail and Road?

The Bill as drafted misses the need for the Office of Rail and Road (ORR) to have consideration for the role of STBs in the future governance of the railway. We believe that this is something that should be addressed alongside recognising the role of STBs in the IRB licence.