

REPORT TO THE CABINET

19 February 2013

Cabinet Member: Councillor Gareth Roberts
Subject: TAITH Constitution
Contact Officer: D P Lewis, Corporate Director

Purpose of Report: Consider amending TAITH constitution to enable it to administer regional bus grants

1.0 Background

- 1.1 Over the last year the Welsh Government Minister for Local Government and Community has held a review of bus services funding arrangements in Wales and recommended a new regime to be presented from 1 April 2013 to be administered by regional transport consortia in the case of Gwynedd – TAITH.
- 1.2 TAITH's constitution does not allow them to undertake the new responsibility and therefore for this to happen the constitution needs to be amended. As TAITH has been established as a Joint Committee of the six North Wales Authorities this needs to happen in all authorities.
- 1.3 A similar requirement is anticipated as regards TraCC (Mid Wales Transport) but up to now they have not decided on the exact changes required.

2.0 Bus Services Review

- 2.1 Historically bus services were supported by two grant sources – Local Transport Services Grant paid by local authorities to support non-commercial bus transport journeys and Bus Services Operators Grant paid by Welsh Government to bus companies to assist with fuel costs.

2.2 The review has considered the system and the Minister has decided to:-

- a) cancel Local Transport Services Grant and the Bus Services Operators Grant and establish a Regional Transport Services Grant in its place.
- b) From 1 April 2013 the Regional Transport consortia will be responsible for administering the new funding regime.
- c) the consortia are expected to develop a Regional Bus Network Strategy to prioritise grant expenditure in accordance with local circumstances.
- d) 10% of the new grant will be ring-fenced to community transport. Providers will be required however to discuss and work with the consortia to develop services consistent with the Regional Bus Network Strategy.

2.3 It should be noted that these changes take place with a reduction of about 25% of budget available in 2013-14 i.e. All Wales £25 million compared with the £33m which has been available in terms of the former Local Transport Services Grant.

3.0 TAITH Constitution

3.1 Attached is a copy of the TAITH constitution which was established in 2004 when the four regional transport consortium were established – South West, South East, TraCC (Mid Wales Transport) and TAITH (North Wales.)

3.1 They were established on the basis of joint committees with delegated powers given by the six authorities for them to operate on behalf of the authorities. This was mainly regarding drawing up and publishing a Regional Transport Plan and by now implementing those plans. 2013-14 will be the fourth year of a 5-year period of the present plan.

3.3 The constitution does not include the power to administer bus grants nor to draw up the Regional Bus Network Strategy and therefore the TAITH constitution needs to be amended to enable this to happen in accordance with the Minister's decisions.

- 3.4 In a TAIH Board meeting on 1 February the proposed change to the constitution was considered and it was approved to include the following clause in paragraph 3.2:-

“To administer, commission and deliver bus funding grants and bus network strategies for the region”.

- 3.5 TAIH Operational Area – in addition to the above change there is also a need to extend the operational area of TAIH to include Meirionnydd. When the consortia were established it was felt that Meirionnydd had more contact with mid Wales (Ceredigion and Powys) and therefore Meirionnydd was placed in TraCC with the remainder of Gwynedd (Arfon and Dwyfor) in TAIH.

- 3.5.1 Historically however the Local Transport Services Grant has been accepted in its entirety by the Council and it would be rational for this arrangements to continue in relation to the new grant and for it to be administered through TAIH.

- 3.5.2 It is therefore requested that the TAIH operational area is extended in relation to specific activities for the whole of Gwynedd.

4.0 Specific Considerations

- 4.1 The Minister's decisions takes the responsibility for commissioning the bus network strategy out of the individual Councils and to the TAIH regional transport consortium. It follows from this there would be less influence by the Council on the strategic provision.

- 4.2 In saying this the Council spends approximately £1 million of its core budget on bus services and this expenditure will need to be linked into to the strategic network when established.

- 4.3 It is anticipated that 2013/14 will be a transitional period without much change but rather ensuring a full understanding of what is happening at present and drawing up the network strategy to be operational from April 2014 onwards.

5.0 Conclusions and Recommendations

- 5.1 The changes in the TAIH constitution are necessary to respond to the Minister's decisions regarding the mechanism to fund bus services for the future.

5.2 It is therefore recommended that the Council's Cabinet:-

- a) notes the report and the changes which result from the Minister's decisions in relation to the bus funding arrangements.
- b) approve the following changes to the TAITH constitution which are:-
 - i) extend the operational area of TAITH to include the whole of Gwynedd in relation to some specific matters,
 - ii) include the following clause - ... "To administer, commission and deliver bus funding grants and bus network strategies for the region".

Opinion of the Statutory Officers

Chief Executive:

The necessity to present this report is another example of the Welsh Government enforcing arrangements to be regionalised. Whatever our opinion is on that, and all cases must be considered in its turn, what is before us is the only response the councils can present in response to that.

Monitoring Officer:

The Cabinet needs not only to amend the constitution of TAIH but also to delegate powers to it in relation to bus funding grants and bus network strategy. In other words the Cabinet will be transferring the responsibility for those functions to the joint committee to implement on behalf of the Council. The changes are unavoidable to realise the Minister's vision on the new funding regime.

Head of Finance Department:

No doubt that the changes in the constitution of TAIH is unavoidable following the Local Government Minister's decision, and will avoid duplication to some degree. However, perhaps the Cabinet may wish to ask the relevant Member and contact officers to make sure that expanding the operation of TAIH regarding the bus grants across the whole of Gwynedd will not reduce the money (Local Transport Services Grant) which would have come to Gwynedd (including Meirionnydd) if TraCC and TAIH would have continued separately. The Council faces a considerable challenge to deal with the reduction in grant (£182k) by 2013/14 in any case, and the Regulatory Department should start to consider options as soon as possible.

Appendices

1. TAIH Constitution