

Subject: Action Taken Under Delegated Authority

Report to: Transport Committee

Report of: Executive Director of Secretariat

Date: 10 November 2015

This report will be considered in public

1. Summary

1.1 This report sets out recent action taken by the Chair under delegated authority.

2. Recommendation

2.1 **That the Committee notes the action taken by the Chair under delegated authority, namely to agree the Committee's report, *Devolving rail services to London – Towards a South London Metro*.**

3. Background

3.1 Under Standing Orders and the Assembly's Scheme of Delegation, certain decisions by Members can be taken under delegated authority. This report details those actions.

3.2 The Committee agreed the following terms of reference for an investigation into National Rail services in London, which were noted at the Committee's meeting on 9 June 2015.

- To consider major problems facing the rail network in London and how these could be addressed.
- To examine the case for devolving more National Rail services to the Mayor and Transport for London, and different models of devolution that may be used.
- To identify steps the Mayor and Transport for London could take to help achieve further devolution of National Rail services.

3.3 The Transport Committee, on 9 September 2015 resolved:

That authority be delegated to the Chair, in consultation with the party Group Lead Members to agree the Committee's report on National Rail services in London.

4. Issues for Consideration

- 4.1 The Chair, in consultation with party Group Lead Members, the Committee's report, *Devolving rail services to London – Towards a South London Metro*, as attached for noting at **Appendix 1**.
- 4.2 Officers confirm that the report and its recommendations fall within the agreed terms of reference.
- 4.3 The report's recommendations are as follows:

We recommend the following steps are taken by the Mayor and Transport for London ahead of and during upcoming discussions with the government about devolving control of passenger franchises and the future of rail infrastructure planning.

We ask that the Mayor and TfL report back to the Committee by the end of 2015 with an update on progress.

South Eastern franchise

1. Develop a detailed business case for the devolution of the South Eastern rail franchise. This should state the performance objectives for a devolved service and set out how these will be met. The business case should include timed plans for investment in rolling stock and stations, setting out the sources of money for the investment, potential for efficiencies and realistic plans for increasing passenger usage and fare revenue.
2. Establish a steering group for the oversight of South Eastern services earmarked for devolution to TfL. This can be established in shadow form in the near future, in order to help inform devolution proposals and form a coalition for lobbying the Government. Thereafter, the steering group should oversee service planning and delivery, consult with passenger groups and report to the TfL Board. Membership should include representatives of TfL, the GLA, Kent County Council and those London boroughs and district councils that would be served by the devolved franchise.
3. Hold discussions with Network Rail, Southeastern and other operators where necessary about practical steps that would be taken to ensure the smooth separation of suburban and long-distance services on the South Eastern franchise. The outline of plans separating depots, rolling stock and staff, and any coordinating measures, should be presented to the government by the Mayor and TfL as part of their devolution proposals.
4. Seek agreement with London Councils about financial implications of devolution for the Freedom Pass regime. Any additional costs arising from extending TfL services should be projected, and built into the financial planning process for devolution. If London boroughs are likely to face an additional financial burden, TfL should make clear how boroughs will be compensated or what changes to the scheme will be introduced.

South Western franchise

5. Seek agreement with the government that the new franchise agreement for the South Western franchise will provide for the possibility of removing London suburban routes from the franchise and devolving these to the Mayor and TfL. TfL should also seek to engage shortlisted bidders for this franchise to discuss the practical implications of this proposal.

Passenger engagement

6. Develop a plan to significantly enhance the engagement of rail passengers in discussions about devolution, with an objective to increase awareness and support for the Mayor and TfL's proposals. This may include a programme of engagement with user groups, accompanied by online resources setting out the details of the proposals.

Financial risks

7. Conduct a thorough assessment of the potential financial risks for TfL of taking responsibility for additional rail services. This would include, for instance, analysis of the possible implications of slower than expected revenue growth, and any major, unanticipated repair and maintenance work that may be required.

Infrastructure planning

8. During and after the current review of Network Rail's structure and spending plans, the Mayor and TfL should make the case for much greater involvement in the planning and oversight of infrastructure upgrades. TfL should set out the details of a proposed new infrastructure planning process, which should include the co-production of a dedicated rail infrastructure plan for Greater London. TfL should also seek to regularise its position as a co-sponsor of major rail upgrade projects within London.

5. Legal Implications

- 5.1 The Committee has the power to do what is recommended in the report.

6. Financial Implications

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

List of appendices to this report:

Appendix 1: *Devolving rail services to London – Towards a South London Metro*

<h3>Local Government (Access to Information) Act 1985</h3>
List of Background Papers: Member's Delegated Authority form 635
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