

TELFORD & WREKIN COUNCIL

CABINET - 28 FEBRUARY 2013

MARCHES LOCAL TRANSPORT BODY

REPORT OF THE ASSISTANT DIRECTOR OF NEIGHBOURHOOD & LEISURE SERVICES

LEAD CABINET MEMBER – COUNCILLOR HILDA RHODES

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

A report was approved by Cabinet on 6th December 2012 regarding the establishment of a Marches Local Transport Body (LTB) following the Department for Transport's proposals for devolving major transport scheme funding beyond 2015.

Later in December 2012 the DfT released its final assurance framework guidance which for the first time identified that the Local Enterprise Partnership (LEP) should vote whether to have full LTB membership.

Following the advice from the DfT the LEP has now indicated that it does wish to become a full member of the LTB and as such this will mean the LTB can no longer be a joint committee between the three authorities but will have to be set up as an informal partnership.

At the meeting on 6th December 2012 Cabinet expressed a desire for T&W to take on the role of accountable body. Shropshire Council expressed a similar desire and T&W is keen to collaborate with Shropshire Council to help spread the burden associated with localism. Discussions have taken place with Shropshire and Herefordshire Councils and it is now agreed that Telford & Wrekin Council will become the accountable body for the Marches LTB.

On 12th February 2013 the DfT circulated further feedback to help local authorities complete the assurance framework and it will not now be possible for the Marches LTB framework to be completely signed off by all three Councils before the submission deadline of 28th February. However the DfT has acknowledged in writing it is content that there can be some minor elements that require 'fleshing out' and agreement as soon as practicable after the submission deadline.

2. RECOMMENDATIONS

2.1 That Cabinet:

- i. notes the changes to LEP membership and to the establishment of a Marches Local Transport Body as an informal partnership;**
- ii. notes that Telford & Wrekin Council will perform the accountable body role for the LTB.**

- iii. delegates powers to the Assistant Director: Neighbourhood and Leisure Services, in consultation with the Cabinet Members for Transport and Community Protection and for Housing, Regeneration and Economic Development, to finalise the assurance framework for the Marches LTB.
- iv. delegates authority to the Assistant Director: Law, Democracy and Public Protection to agree and execute all necessary documentation to give effect to the recommendations contained in this report.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	The establishment of a Marches LTB will allow the three transport authorities to access funding for strategic and priority schemes in their respective areas subject to appropriate governance and high level appraisal. The establishment of a Marches LTB will assist in the delivery of the following current Council Priorities: <ul style="list-style-type: none"> • ensure that neighbourhoods are safe, clean and well maintained; • improve the health and wellbeing of our communities and address health inequalities; • regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing.
	Will the proposals impact on specific groups of people?	
	No	This report is based upon the requirements of establishing a Marches Local Transport Body and does not identify specific schemes for consideration as part of the LTB.
TARGET COMPLETION/DELIVERY DATE	The Marches LTB Assurance Framework has to be agreed between the 3 Transport Authorities and Marches LEP and provided to the DfT by the end of February. In addition to this the LTB has to develop a list of priority transport schemes and high level appraisal criteria by the end of July 2013.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The funding allocation for The Marches Local Transport Body (LTB) has been confirmed at £16m for the period 2015/2019. The programme of works to be funded from this allocation across the three authorities (Telford and Wrekin, Shropshire and Herefordshire) will be decided by the LTB Board following a process of scheme assessment and prioritisation.

		<p>The Partners will need to agree on shared responsibilities for programme over runs or overspends and any potential cash flow implications for the Accountable Body.</p> <p>As Telford and Wrekin Council are confirmed as Accountable Body, the costs associated with this status will be contained, as far as possible, within available resources. However, some additional legal, audit and accounting costs are anticipated which will have to be met corporately by Telford and Wrekin Council as the commitment has been made not to share any costs with the partner organisations. Costs will be monitored and reported as required. JAC 190213</p>
LEGAL ISSUES	Yes	<p>The proposed informal partnership as described in the 'Proposed Marches LTB structure' section below addresses the legal/constitutional requirements relating to the establishment of the LTB. The details of the LTB governance structure will be discussed and agreed with Shropshire and Herefordshire Councils and the Marches LEP.</p>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<p>Initially, key risk is around not establishing appropriate governance arrangements and scheme list by deadline set down by government. This may impact on ability to access the fund. We are seeking to manage this risk by taking the earliest opportunity to work jointly to establish the LTB.</p> <p>In the longer term there will be risks around ensuring the programme is well managed and that it enables the delivery of high quality transport schemes. We are likely to have a relatively small allocation and we will need to ensure that our process of management and appraisal is proportionate whilst adhering to the minimum standards set down by government.</p>
IMPACT ON SPECIFIC WARDS	No	<p>The establishment of the LTB will not directly impact upon specific wards.</p>

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

Background

A report was taken to Cabinet on 6th December 2012 regarding the establishment of a Marches Local Transport Body (LTB) following the Department for Transport's proposals for devolving major transport scheme funding beyond 2015. Cabinet supported the proposals and agreed to nominate two key cabinet members to take an active role in the new board.

Government requires confirmation of relevant governance, financial management and accountability arrangements (an assurance framework) by the end of February 2013 and a provisional list of prioritised schemes from T&W, Shropshire and Herefordshire will need to be submitted to DfT by July 2013.

The role of the LEP

Initial advice from the DfT was that the role of the LEP in decision-making should be left to local discretion. At the time it was agreed that the Marches LEP would act as an advisory member to the LTB due to issues with accountability and governance and this would then allow the LTB to be set up as a joint committee between the three authorities.

The DfT released its final assurance framework guidance in late December which for the first time identified that the LEP should vote whether to have full LTB membership.

Following the advice from the DfT the LEP has now indicated that it does wish to become a full member of the LTB and as such this will mean the LTB can no longer be a joint committee between the three authorities but will have to set up as an informal partnership.

The DfT circulated on 12th February 2013 further feedback to help local authorities complete the assurance framework which means additional consideration is necessary, particularly with regard to the assessment and prioritisation of schemes to ensure the framework is satisfactory to the DfT. Whilst this means the framework will not be fully complete and signed off by all Councils by the DfT's deadline of 28th February, the DfT has acknowledged in writing it is content that provided the framework is substantially complete by that date there can be some elements that require agreement as soon as practicable thereafter.

Proposed Marches LTB Structure

Following the revised advice from DfT and the LEP's indication that it wishes to become a full voting member of the LTB it is proposed that the resultant informal partnership (the LTB) would:

- a. comprise 6 cabinet members, (2 from each authority one of which would be responsible for transport strategy and/or infrastructure) and 1 member from the LEP. The partnership would be empowered to determine the funding priorities in relation to the devolved major scheme funding programme. Over time and subject to further devolution of powers from central government, it may take on additional functions;
- b. be serviced by appropriate legal/governance officials. Further consideration will be required to assess the resourcing implications of this new activity and whether or not the function might rotate between the 3 authorities or if pooled resources would assist one authority maintaining the role over a longer period;
- c. be serviced by a formal technical officer group which would be established to fulfil the technical requirement of the devolved major scheme funding programme and present reports for the partnership's consideration. This group would be responsible for ensuring appropriate engagement with external stakeholders in respect of any decisions which would be considered by the Partnership.

Accountable Body

The primary role of the accountable body will be to hold the devolved major scheme funding and make payments to delivery bodies such as Local Authorities. It should be able to account for these funds in such a way that they are separately identifiable from the accountable body's own funds, and provide financial statements to the LTB as required.

T&W acknowledge that the increased role of localism in national policy is placing increasing pressures on the ever reducing resources of local authorities. To date T&W recognise that Shropshire Council has borne the brunt of this pressure in taking on the co-ordination and day to day running of the activities of The Marches LEP. It is also felt this issue will become critical for Shropshire Council as the authority now undergoes a period of significant organisational change in relation to the commissioning of Council services.

T&W is keen to have a greater involvement in The Marches LEP and feels it is healthy for more than one local authority partner to be involved in running activities associated with the LEP.

A key activity of the new LTB will be the assessment and prioritisation of funds for major transport schemes and Telford & Wrekin Council has a significant up to date level of expertise in this area having recently submitted a successful LSTF Large Project bid to DfT and secured £6m of funding for transport improvements in Telford town centre.

Accordingly, T&W is keen to collaborate with Shropshire Council to help spread the burden associated with localism. Discussions have taken place with Shropshire and Herefordshire Council and it is now agreed that Telford & Wrekin Council will become the accountable body for the Marches LTB.

5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

Community Impact

The impact on the community as a result of establishing the Marches LTB is likely to be minimal. However, securing major transport scheme funding is vital to bring forward improvements to the highway network and existing public transport facilities in order to continue to improve services for residents. The agreement of a suitable, transparent and accountable assurance framework as part of the establishment of the Marches LTB will give an opportunity for Telford & Wrekin to access funding for strategic/priority schemes where required.

Equalities Impact

The impact on equality for all as a result of establishing the Marches LTB is likely to be minimal. However, securing major transport funding is key to providing effective access and mobility for all people whether they travel by private vehicle, bus, taxi, cycle or on foot.

Environmental Impact

The environmental impact as a result of establishing the Marches LTB is likely to be minimal. However, major transport schemes can have a significant influence on the overall perception of the quality of the physical environment. The WebTAG appraisal tool includes consideration of environmental impacts when assessing schemes for inclusion in the programme and environmental improvements are incorporated into schemes where appropriate to support the local area.

6. PREVIOUS MINUTES

Minutes from the Cabinet meeting on 6th December 2012.

7. BACKGROUND PAPERS

DfT consultation paper on Devolving Major Scheme Funding, January 2012

Telford & Wrekin Council response to the Government consultation on Devolving Major Scheme Funding

Marches LEP response to the same consultation

DfT Publication - Devolving local major transport schemes: Next steps, September 2012

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