



Hampshire
County Council



Agenda Item 5

Report to the Solent Local Transport Body

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Subject: Solent Local Transport Body Assurance Framework

Purpose of the Report

This report recommends the adoption, in principle, of the Solent Local Transport Body (LTB) Assurance Framework (attached as Appendix 1). At the time of writing, a response from the Department for Transport (DfT) on the acceptability of the attached Assurance Framework is outstanding. As a consequence, the Board is invited to accept the attached Assurance Framework in principle, noting that it will be updated following a response from the DfT.

Recommendations

- 1. That the Local Transport Body adopts in principle the Assurance Framework (attached as Appendix 1), application forms (Appendices 2 and 3) and application guidance (Appendix 4), including prioritisation methodology.**
- 2. That the Local Transport Body delegates authority to the Monitoring Officer to the Local Transport Body and the Local Transport Body Project Manager to finalise the Assurance Framework to account for alterations required by the Department for Transport.**
- 3. That the Local Transport Body notes that the Assurance Framework as approved by the Department for Transport will at that stage be submitted for formal approval by all Local Transport Body Full Members.**

Introduction

1. In November the DfT published guidance inviting Local Transport Authorities (LTAs) and Local Enterprise Partnerships (LEPs) to establish LTBs to manage a devolved local major transport schemes fund for the period 2015-19.
2. LTBs are expected to be representative of LEP geography, and in September, the four LTAs of the Solent LEP area (Hampshire County Council, Isle of Wight Council, Portsmouth City Council and Southampton City Council) and the Solent LEP, submitted a joint letter to the DfT requesting that the LTB for this area be coterminous with the Solent LEP boundary. Subsequently the five LTB members submitted a draft Assurance Framework to DfT in February, setting out how the LTB will operate. At the time of writing this report a response from DfT on the acceptability of the Assurance Framework is outstanding.

The role of a Local Transport Body

3. LTBs will have a single remit, that being to prioritise local major transport scheme investment and award funding to those prioritised schemes from the devolved local major transport schemes pot for the period 2015-19.
4. Existing statutory duties and responsibilities of LTAs along with local transport funding streams are unaffected, meaning that the role of an LTB is a very specific one. LTAs remain the only bodies that can deliver (or allow delivery of) schemes on their network and have responsibility for setting local transport strategy and maintaining and improving highways for their area.
5. The local major transport scheme budget will be capital only, with funding calculated on a per capita basis of the LTB area. For planning purposes, DfT has indicated that an LTB covering the Solent LEP area may receive an allocation of £28.8 million over the 2015-19 period. However, DfT has advised areas to plan for alternative scenarios of one-third above and one-third below this figure (£38 million and £19 million respectively).

The Assurance Framework

6. The Assurance Framework is arranged into three sections. Section one covers the purpose, structure and operating principles; section two covers prioritisation; and section three covers programme management. Section 1 is formalised within Appendix A of the Assurance Framework, which sets out the Joint Agreement relating to the Solent Local Transport Body. Sections two and three will be summarised in the presentation later on this agenda.

7. The guidance on establishing LTBs states “*as a minimum, full membership of an LTB, with voting rights, must be open to all LTAs within the geographical area of the LTB and to the primary LEP or LEPs upon whose geography the LTB is based.*” In addition, LTBs should be “*democratically accountable*” and that “*as a minimum, elected members should form the majority of voting members on the LTB, or, alternatively, other measures should be put in place to ensure that elected representatives cannot be out-voted by non-elected parties.*” The attached Assurance Framework and configuration of the LTB Board is consistent with this.
8. Other than LTAs and LEPs, there is no requirement for other groups to be represented. However, there is an expectation that other interested bodies would be able to attend meetings and feed into the process. This is supported locally, and a number of organisations have been invited to be represented within the Solent LTB as Associate Members.
9. The Assurance Framework provides a *Statement of Principle*, which sets out concisely how the Solent LTB will prioritise its devolved major transport scheme funding. There will be a focus on transport investments that have no identified alternative funding source and that deliver measurable and significant economic benefits to the Solent economy in terms of growth in employment or that safeguard employment, drive new residential and/or employment development, or an increase in GVA. The development of the application forms has been guided by this principle.
10. The Assurance Framework also sets out the approach to be used for the prioritisation of LTB funding. The application forms (Parts A and B) and application guidance are attached as appendices 2-4, respectively.
11. The Part A application form is arranged into five main sections, one for each of the five transport business cases. The dual focus for assessment, are the strategic and economic cases. The application forms aim to provide applicants with an opportunity to clearly demonstrate the strategic fit of their project with local priorities, and the economic benefits that would be realised. The economic benefits include both transport-specific benefits as well as economic growth-related outputs. The Part B application form aims to provide a consistent basis for setting out economic growth-related outputs. The prioritisation methodology will be discussed in the presentation in Agenda Item 7.

Conclusion

12. The attached Assurance Framework and application documentation are consistent with the guidance on establishing LTBs and has been tailored to reflect local priorities. It is, therefore, recommended to the Board for adoption, in principle, subject to feedback from the DfT. At

such time comments are received by the DfT, the Assurance Framework and application documentation will be updated and the Board invited to ratify any changes made, prior to final sign-off.

Section 100 D - Local Government Act 1972 - background papers

The following documents disclose facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of this report.

NB the list excludes:

1. Published works.
2. Documents which disclose exempt or confidential information as defined in the Act.

TITLE

LOCATION

None.