

<b>Subject:</b>	<b>Nomination of Councillor to serve on 'Coast to Capital' Local Transport Body</b>		
<b>Date of Meeting:</b>	<b>21 March 2013</b>		
<b>Report of:</b>	<b>Strategic Director - Place</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Andrew Renaut</b>	<b>Tel: 29-2477</b>
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<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 The government began consultation in 2012 on proposals for devolving its budget for delivering major local transport schemes to local authority levels, from 2015/16 onwards. It has now confirmed that it proposes to do so through the establishment of a new localised decision-making process led by local authorities, in partnership with Local Enterprise Partnerships [LEPs].
- 1.2 This process will be to be overseen and managed by democratically accountable Local Transport Bodies [LTBs], which will be based on the geography of LEPS. The Coast to Capital [C2C] LEP area includes the whole of West Sussex County Council and Brighton & Hove City Council, part of Surrey Council and the London Borough of Croydon. The three south-east authorities and the LEP will be the core members of the LTB and Croydon will have observer status.
- 1.3 LTBs are expected to agree, manage and oversee delivery of a prioritised programme of major transport schemes. Local authorities and LEPS will decide membership of the LTB, which should include elected members of the respective transport/highway authorities.

**2. RECOMMENDATIONS:**

- 2.1 That the Committee agrees that the Lead Member for Transport be nominated as the city council's representative to serve on the 'Coast to Capital' Local Transport Body.
- 2.2 That the Committee approves the Assurance Framework for the 'Coast to Capital' Local Transport Body, attached at Appendix 1.
- 2.3 That the Committee agrees that consideration will be given to the allocation of funds from within existing council budgets in order that it can be combined with funding from other members of the Local Transport Body to enable a part-time administrative role to be established that will enable it to operate efficiently.
- 2.4 That the Committee notes that a further report will be brought back to Committee with detailed Terms of Reference for the LTB for approval.

### **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

3.1 In May 2012, the council's Environment, Transport & Sustainability Cabinet Member agreed the council's response to a January 2012 government Department for Transport [DfT] consultation on devolving budgets for local major schemes to newly established LTBs. The Coast to Capital LEP Board also responded to the consultation.

3.2 The consultation focused on the creation of LTBs, their role and membership, and the need for an Assurance Framework to outline a number of principles that the LTB will abide by, including effective governance, financial management, and accountability procedures.

3.3 In September 2012 the DfT published firm proposals for devolving funding on the basis that there was overwhelmingly support for the process. Headline requirements and recommendations included that :-

- the primary decision making bodies will be LTBs, voluntary partnerships of local transport authorities, local enterprise partnerships (LEPs) and possibly others;
- LTBs will be broadly based on the geography of LEPs and ideally determined by local agreement;
- membership would be open to all local transport authorities (represented by elected councillors) to be part of the LTB, and representation of other bodies such as District Councils or other public bodies should be for local decision;
- there will be no centrally imposed minimum cost threshold for schemes but the setting of local thresholds appropriate for the LTB are encouraged;
- LTBs will need to prepare assurance frameworks that meet minimum set standards and will need to be approved by the DfT;
- LTBs must have a high degree of transparency, including routine and timely publication of all key documents, as well as arrangements for involving local stakeholders that are not represented on the LTB; and
- the available funding will be distributed on a simple per-capita (head of population) basis.

3.4 The original timetable for the establishment of LTBs and the preparation and submission of associated documentation was also altered by the DfT. The two key dates in the short-term are now that :-

- an Assurance Framework should be submitted to the DfT by February 28 2013 for sign-off; and
- a provisional programme of schemes should be submitted to the DfT by the LTB before the end of July 2013 for consideration.

3.5 In order to progress the development of the C2C LTB in line with the government's indicative timetable, it has been necessary for lead members and officers of the respective local transport authorities and C2C LEP officials to meet. These discussions have proved to be very constructive and have enabled the group to consider and/or agree a number of matters, primarily including :-

- that the LTB should be based on the geography of the C2C LEP;

- that West Sussex County Council will become the financial accountable body for finance; and
- the appointment of a Chairman of the LTB (Councillor Pieter Montyn, the West Sussex County Council Cabinet Member for Highways and Transport).

3.6 These and a number of other matters have been incorporated into a draft Assurance Framework which has been agreed in principle by the LTB members and was submitted to the DfT on 28 February 2013, subject to each member authority's agreement. The framework is attached at Appendix 1 of this report.

3.7 To date, the city council has been represented in discussions by Councillor Ian Davey, as Chair of the Transport Committee, and it is considered appropriate that this arrangement should be formalised and be agreed as the basis of the council's continued involvement in the LTB.

#### **4. COMMUNITY ENGAGEMENT AND CONSULTATION**

4.1 Other than the government's consultation, no formal, local engagement or consultation has been undertaken or is required at this stage. Future decisions that may need to be taken by the LTB may also require the council to consider and agree its position prior to any meeting and therefore a report would be prepared and considered by the appropriate committee.

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications:

5.1 The government has not provided any additional funding to enable local authorities or LEPs to establish an LTB, despite representations on this matter having been made in response to the consultation. The DfT has confirmed that the devolved money cannot be top-sliced locally for administration costs as the major scheme budget is for capital projects only. It has been concluded that in order for the LTB to operate efficiently and effectively that it will require a part-time administrative role to be established, funded by each of the LTB member organisations, and hosted by the C2C LEP. The detail of this is still to be confirmed but it is likely that the City Council's contribution to this would be in the region of £7k per year. This would need to be found from within Transport budgets.

5.2 In January 2013, the government indicated that the C2C LTB could receive £36.3 million over four years (2015/16 – 2018/19), although LTBs will be asked to incorporate a contingency plan for one third above or below this figure when putting forward provisional programmes. The total level of funding available will be subject to decisions made by the government in its future spending reviews. Securing local or third party sources of funding for scheme bids will remain important.

*Finance Officer Consulted:*

*Name: Jeff Coates*

*Date: 20/02/2013*

##### Legal Implications:

- 5.2 There are no direct legal implications arising at this stage. The Assurance Framework outlines some of the proposed ways of working for the LTB and is required to be submitted to the DfT for approval. The Council will need to consider in more detail the proposed Terms of Reference for the LTB, including the detailed governance and democratic support arrangements. It is proposed that a further report is brought back to Committee with this information for approval once the DfT have considered and commented on the Assurance Framework. Legal advice will also be required on individual schemes as they are brought forward.

*Lawyer Consulted:*                      *Name: Elizabeth Culbert*                      *Date: 21/02/13*

Equalities Implications:

- 5.3 There are no direct equalities implications arising from this report. An Equality Impact Assessment is not required at present, but will be carried in order to fulfil any future decisions associated with the work of the LTB, if required.

Sustainability Implications:

- 5.4 There are no direct sustainability implications arising from this report.

Crime & Disorder Implications:

- 5.5 There are no direct crime & disorder implications arising from this report.

Risk and Opportunity Management Implications:

- 5.6 There are no direct risk & opportunity management implications arising from this report.

Public Health Implications:

- 5.7 There are no public health implications arising from this report.

Corporate / Citywide Implications:

- 5.8 Effective partnership working with other local authorities and agencies will be essential if the LTB is to be successful in securing and investing significant sums of money in the transport system that serves the C2C LEP area, and ensuring that the investment maximises the benefits that. If this is achieved, the council's involvement in the LTB will assist in contributing towards each of the five priorities within the current Corporate Plan.

**6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 6.1 The DfT expects that all local transport authorities will have an automatic right to full membership of an LTB but any authority that declines this right would not prevent an LTB from being formed. By not being represented on the LTB, the city council would significantly reduce its ability to influence and/or support the operation of the LTB and its decisions on the allocation of major local transport scheme funding within the C2C LEP area.

**7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 The DfT requires that the majority of voting members on an LTB must be democratically elected councillors, or have a mechanism that does not allow elected members to be outvoted.

- 7.2 The DfT requires that an LTB should operate within an agreed Assurance Framework that meets minimum set standards, and that such a document should be submitted to, and signed off by, the government.
- 7.3 Despite representations made by local authorities during the consultation period in 2012, the government remains of the view that authorities will not receive central funding to support new arrangements for LTBs. However, the early set-up and transition period for the LTB will require continual administrative support, as will scheme prioritisation. Once established the LTB will also undertake regular activities, and therefore a dedicated, part-time role (jointly resourced by the member authorities and organisations) is expected to be required to support this work.
- 7.4 In order to ensure that all necessary issues are addressed with regard to the new role and responsibility that this process will place on the council, it is proposed that a further report about the LTB's Terms of Reference should be considered by a council Committee.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Draft C2C LTB Assurance Framework (as submitted to the DfT on 28 February 2013)

### **Documents in Members' Rooms**

1. None.

### **Background Documents**

1. Report to council's Environment Transport & Sustainability Cabinet Member Meeting (4 May 2012)
2. 'Devolving local major transport schemes: Next steps' - DfT publication (September 2012)

