

Coast to Capital Transport Body Assurance Framework

DfT minimum requirement (in bold) and <i>optional/ recommended</i>	Coast to Capital Transport Body response
<p>The following organisations have an automatic right to full LTB membership:</p> <ul style="list-style-type: none"> • All LTAs falling wholly or partially within the LTB area (in the unlikely event that an LTA declines membership that should not prevent establishment of the LTB) • ITAs whose area (or any part of it) lies within the LTB area • The primary LEP (or LEPs) on whose geography the LTB is based • Other LEPs with significant coverage within the LTB boundary • District Councils covering any areas where the relevant LTA is unrepresented. <p><u>Optional</u></p> <p><i>LTBs could also include any of the following, either with full or observer status:</i></p> <ul style="list-style-type: none"> • <i>District Councils (with special consideration given to Districts in overlapping LEP areas)</i> • <i>NGOs</i> • <i>Neighbouring LAs and LEPs with a significant interest</i> • <i>Highways Agency, Network Rail (non voting),</i> • <i>Transport operators</i> 	<p>The primary functions of the Coast to Capital Transport Body (the LTB) shall be exercised through its Board which will be supported by working groups (as required) and a standing annual conference.</p> <p>The membership of the Board will consist of:</p> <ul style="list-style-type: none"> • Brighton & Hove City Council; • Coast to Capital LEP; • Surrey County Council; • West Sussex County Council; • London Borough of Croydon (as an observer). <p>The Board will be supported through a standing conference which will include:</p> <ul style="list-style-type: none"> • Representatives of district and borough councils; • South Downs National Park Authority; • Sussex Enterprise; • Gatwick Diamond Initiative; • Surrey Connects; • Chambers of Commerce • Confederation of British Industry • Institute of Directors • Federation of Small Businesses • Coastal West Sussex Partnership; • West Sussex Rural Partnership; • Highways Agency & Network Rail;

	<ul style="list-style-type: none"> • Transport operators; • Gatwick Airport Ltd; • neighbouring LTBs; and • Other organisations as appropriate. <p>Local authority representatives on the Board must be senior or nominated elected members or their deputies.</p>
<p>There must be some mechanism in place periodically to review LTB membership and to allow for expansion if necessary.</p>	<p>Membership to be reviewed at least every two years or when there is a request for a new member. District councils have an automatic right to attend when funding decisions are being made about a scheme in their area. Guest organisations can be invited when a relevant topic is being discussed.</p>
<p>The majority of voting members on an LTB must be democratically elected councillors (or mayors), or an alternative mechanism to ensure that elected members cannot be outvoted.</p>	<p>The voting members of the LTB are the Board – each has one vote. This should ensure that elected members cannot be outvoted. Decisions can only be reached by a majority of Board members. The Chairman does not have a casting vote.</p>
<p>LTB must have a statement to say how conflicts of interest are managed.</p> <p>LTB must maintain, or enable access to, publicly available registers of member interests.</p>	<p>Board members are expected to abide by the ‘Nolan principles’.</p> <p>Conflicts of interest will be managed by the respective processes for the Coast to Capital LEP or local authority. A local authority representative may speak and vote on issues that are of interest to his/her local authority, but may not speak or vote on issues where they have a personal and prejudicial interest. Alternative local authority representatives may be used in such cases.</p> <p>Local authority representatives will abide by both the code of conduct for the LEP and their own authority’s standards and codes of conduct.</p> <p>Representatives will use their best endeavours to represent the area as a</p>

	<p>whole and not according to the sectoral or geographical interests of their member organisations.</p> <p>The LTB will maintain a clear policy on gifts and hospitality, which is consistent both with Coast to Capital LEP policies and each local authority's policies. An elected member receiving a gift or hospitality as part of his/her LTB activity will register it both on the LTB register and also on their host organisation's register.</p> <p>A register of interests will be maintained by the LTB and Board members will be asked to declare any personal and prejudicial interests at Board meetings through the "Declaration of Interests" agenda item.</p>
<p>The accountable body should be identified and its role clearly set out, ensuring that the issues set out in the above paragraphs are adequately addressed.</p> <p>The responsibilities set out in para 16 are clearly allocated.</p> <p><u>Para 16:</u></p> <p>We would also expect the accountable body to take on the following responsibilities. If these are not vested in the accountable body then it must be absolutely clear where ultimate responsibility sits.</p> <ul style="list-style-type: none"> ensuring that the decisions and activities of the LTB conform with legal requirements with regard to equalities, environmental, EU issues etc. ensuring (through their Section 151 Officer) that the funds are used appropriately. 	<p>The LTB is an informal partnership, the status of which may be amended with the agreement of all Board members.</p> <p>The accountable body for the Coast to Capital Transport Body will be West Sussex County Council.</p> <p>The primary responsibility of the accountable body shall be to hold the devolved major scheme funding and make payments to local authorities and others as directed by the Board. The LTB is currently seeking legal advice before determining where legal responsibility for LTB decisions should rest.</p> <p>The accountable body will hold these funds in such a way that they are separately identifiable from the authority's own funds and provide financial statements to the LTB as required.</p> <p>The accountable body will be responsible for:</p> <ul style="list-style-type: none"> ensuring that the decisions and activities of the LTB conform with legal requirements with regard to

<ul style="list-style-type: none"> • ensuring that the LTB assurance framework as approved by DfT is being adhered to. • maintaining the official record of LTB proceedings and holding all LTB documents. • responsibility for the decisions of the LTB in approving schemes (for example if subjected to legal challenge) 	<ul style="list-style-type: none"> equalities, environmental, EU issues etc; • ensuring (through their Chief Finance Officer) that the funds are used appropriately; • ensuring that the LTB assurance framework as approved by the Department for Transport (DfT) is being adhered to; • maintaining the official record of LTB proceedings and holding all LTB documents; and • the procedures used by the LTB in approving schemes (but not the decisions themselves). <p>The operation of the LTB will be governed by Terms of Reference which will be agreed and signed by all members of the Board.</p>
<p>Confirmation that an independent local audit will be carried out in line with the above requirements and submitted to DfT.</p>	<p>An independent audit will be carried out annually and submitted to the Board, Coast to Capital LEP Board and the DfT.</p>
<p>All LTBs must perform, as a minimum, the following roles in relation to devolved LA major scheme funding:</p> <ul style="list-style-type: none"> • Responsibility for ensuring value for money is achieved • Identifying a prioritised list of investments within the available budget • Making decisions on individual scheme approvals, investment decision making and release of funding, including scrutiny of individual scheme business cases • Monitoring progress of 	<p>The role of the LTB shall be to:</p> <ul style="list-style-type: none"> • specify policy and other objectives that major transport schemes should meet; • invite local authorities and others to propose schemes that meet those objectives; • identify a prioritised list of major transport schemes for delivery within the available budget; • ensure that the successful schemes meet the stated policy objectives and offer good value for money; • make decisions on individual scheme approvals, investment

<p>scheme delivery and spend</p> <ul style="list-style-type: none"> • Actively managing the devolved budget and programme to respond to changed circumstances [scheme slippage, scheme alteration, cost increases etc] <p><u>Optional</u></p> <p><i>LTBs may perform additional roles at local discretion, including the following:</i></p> <ul style="list-style-type: none"> • <i>The LTB could also act as a decision making body for other funding streams such as Growing Places Fund, or locally pooled resources.</i> • <i>The LTB could also act as a forum for the expression of views on other transport matters e.g. bilateral discussions with Network Rail, responding to wider consultations etc.</i> 	<p>decision-making and the release of funding, including scrutiny of individual business cases;</p> <ul style="list-style-type: none"> • monitor progress of scheme delivery and spend; • actively manage the devolved budget and programme to respond to various circumstances e.g changes proposed by the DfT or alterations to spending profiles; • report progress regularly to the member organisations, the DfT and other stakeholders; • maintain awareness of central Government initiatives and processes which are pertinent to its role; • regularly review its operation to ensure that it remains fit for purpose; • provide broad support to transport projects and initiatives being delivered by member organisations; and • carry out any other relevant functions as required by its member organisations (and if agreed by the Board). <p>For the time being (and until/unless requested), the LTB will not act as a decision-making body for other funding streams or as a general transport forum.</p> <p>The LTB will develop and publish an approach to investment which is consistent with Government policy and will be used to guide investment decisions.</p>
<p>LTBs must set out what resources they will have at their disposal and how these can be guaranteed.</p>	<p>The LTB will be supported by a newly created post within the Coast to Capital LEP which will focus on ‘infrastructure’ and be supported by officers from each</p>

	<p>local authority. There will be additional support from the local authorities during the setup and transition period.</p> <p>If necessary, resources required to fulfil the functions of the accountable body will be shared by the local authorities on an equitable basis.</p> <p>Independent audit will be provided by the auditors used by the accountable body.</p>
<p>There must be a meeting of the LTB when (a) determining the initial decision on the composition of the scheme programme (b) when making individual scheme investment decisions</p> <p>Such meetings must be open to the public and subject to a minimum notice period.</p>	<p>The LTB will define its own schedule of meetings according to need. Meetings may be either held in public or in private, depending on the subject matter under consideration.</p> <p>Decisions on the prioritisation of individual schemes, a scheme programme and funding allocations must be held in a public meeting of the Board. The intention to hold the meeting should be advertised one month in advance. Papers should be available two weeks in advance of the meeting.</p> <p>The Board may agree to amend these deadlines in exceptional circumstances – for example, if there is a need to withdraw funding from a scheme or to approve funding to meet a short deadline imposed by the Government.</p> <p>A standing conference will be convened annually in the autumn to help determine strategic direction for the year ahead and to discuss the LTB with key stakeholders. Arrangements for the standing conference will broadly follow the same protocols as Board meetings (outlined above).</p>
<p>All LTBs must routinely publish meeting papers and minutes, scheme business cases and evaluation reports, (or link to them on LAs own websites), funding decision letters with funding levels and conditions</p>	<p>Subject to decisions around commercial and other types of confidentiality, the LTB will publish (or provide suitable links to):</p> <ul style="list-style-type: none"> • meeting papers and minutes; • scheme business cases and

<p>indicated, and regular programme updates on delivery and spend against budget.</p> <p>LTBs must have a defined process to provide public and stakeholders with meaningful input before decisions are made.</p> <p>LTBs must adhere to Local Government Transparency Code.</p> <p>All LTBs must publish a clear statement of the approach that will be followed by the LTB when making major investment decisions.</p> <p>All LTBs must ensure that FOI and EIR requests are dealt with in accordance with the relevant legislation.</p> <p><u>Recommended</u></p> <p><i>LTB should have a dedicated web page</i></p> <p><i>LTB should set out what they will do to make published material accessible to the general public to help inform debate (particularly technical material such as modelling and appraisal).</i></p>	<ul style="list-style-type: none"> evaluation reports; • funding decision letters; • regular programme updates; • the rationale behind funding decisions and other key decisions; and • scheme evaluation reports. <p>Scheme promoters will be expected to undertake consultation prior to irreversible funding decisions and present key findings from the consultation to the Board when funding decisions are made.</p> <p>Members of the public and other stakeholders will be given guidance on how they can provide input to the decision-making process. A guide will be published on the LTB webpage explaining how to get involved. Papers relating to funding decisions will refer to comments received from the public and stakeholders.</p> <p>The LTB will also make arrangements for allowing parties with an interest to speak at public meetings.</p> <p>The LTB will adhere to the Local Government Transparency Code.</p> <p>The LTB will publish a statement of its approach when making major investment decisions.</p> <p>Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests will be dealt with in accordance with relevant legislation which will be considered to apply to the LTB. Where the information requested relates to a specific scheme, this will be handled by the scheme promoter in accordance with their own established protocols.</p> <p>The LTB will have a dedicated web page on the Coast to Capital web site which will include guidance on how to access</p>
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	<p>information about schemes and decisions. The web page will also give guidance on whistle-blowing and complaints.</p>
<p>Prioritisation (i.e. sifting long list of schemes down to a programme) must be evidence based, robust and based on clear objectives. The prioritisation methodology must be published. The selection criteria must consider value for money, deliverability, environmental and social and distributional impacts.</p> <p><i>Recommended</i></p> <p><i>Use of the Department's Early Assessment and Sifting Tool (EAST)</i></p>	<p>The LTB will use the DfT's Early Assessment and Sifting Tool, or a similar tool, to ensure that the prioritisation process is informed by robust and comparable evidence. The prioritisation process will include consideration of value for money, deliverability, environmental, social and distributional impacts. The methodology will be published once this has been agreed by the Board.</p> <p>The LTB will meet neighbouring LTBs on an annual basis to explore the potential for collaborative working. Neighbouring LTBs will also be consulted about schemes which may affect them.</p>
<p>Arrangements that ensure funding are considered only for specified major transport schemes and not passed on to Local Transport Authorities for unspecified or loosely defined uses.</p> <p><i>Recommended</i></p> <p><i>A minimum cost threshold appropriate to the area and budget of the LTB.</i></p>	<p>Funding will be provided for individual and indivisible schemes or for coherent packages of closely-related schemes. Funding will not be provided for unspecified or loosely-defined uses.</p> <p>Funding will only be provided for transport schemes or the transport components of wider schemes. All funding claims must be signed by the scheme promoter's Chief Finance Officer.</p> <p>Funding is for capital works only, or for the capital components of schemes which have both capital and revenue costs. The meaning of the word "capital" shall be as defined by the Chartered Institute of Public Finance and Accountancy (CIPFA)</p> <p>Other than in exceptional circumstances, schemes or packages of schemes costing less than £2m will not be eligible for funding. Such circumstances could include an intervention that provides 'high' value for money (see below), or helps to maintain or grow unquantifiable</p>

	<p>business or consumer confidence in the area, and so lead to economic growth.</p> <p>Funding letters will form the basis of an agreement between the LTB and the scheme promoter. Funding letters will be signed on behalf of the LTB by the Chairman and must be co-signed by the Senior Responsible Officer of the scheme promoter. Funding letters will specify funding levels and, where appropriate, funding conditions agreed by the LTB.</p>
<p><u>Recommended</u></p> <p><i>LTB should not provide 100% funding for schemes.</i></p>	<p>To maximise the value for money of its investments, the LTB will encourage scheme promoters to provide a local contribution towards scheme costs. The contribution provided by the LTB will provide the basis for assessments of value for money.</p>
<p>Every individual scheme approval decision made by the LTB, must be supported by an assessment of the scheme, carried out independently of the promoting authority and signed off by a named individual. (Where this is difficult to achieve e.g. in single county LTBs, the LTB must provide detail of how any potential conflict can be managed)</p> <p><u>Recommended</u></p> <p><i>There must be a defined process for reviewing aspects of business cases, indicating the level of resource/expertise to be employed.</i></p>	<p>Every individual scheme approval decision made by the LTB will be supported by an assessment of the scheme carried out by an independent and named person who is suitably qualified and experienced. Depending on the scheme in question, this could be:</p> <ul style="list-style-type: none"> • a private firm with no interest in the scheme (e.g. a transport consultant); • another local transport authority; or • a neighbouring LTB.
<p>An approval regime that protects the financial interests of the LTB and enables it to fulfil its responsibility to deliver value for money. There needs to be a formal agreement between the LTB and the LA when funding is approved for a scheme setting out respective responsibilities, including</p>	<p>The LTB will aim to keep administrative costs to a minimum, whilst ensuring value for money and sound governance. This will ensure that the spend is maximised on delivering transport schemes.</p> <p>To achieve this, the LTB will seek to streamline the procedures and give constant feedback to scheme promoters</p>

<p>reporting and audit requirements.</p> <p><u>Recommended</u></p> <p><i>An approval regime based on the DfT system (PE, (CA), FA,)</i></p> <p>Translation:</p> <p>PE = Programme entry</p> <p>CA = Conditional approval</p> <p>FA = Full approval</p>	<p>about the likelihood of their schemes receiving funding. A system of gateways will be used to ensure that schemes:</p> <ul style="list-style-type: none"> • meet the LTB's policy criteria; • offer good value for money; and • have the necessary planning permissions, if required. <p>The approval process will include the following stages:</p> <p>Future programme (FP) – in principle support and confirmation of indicative start date, subject to successful completion of a business case.</p> <p>Programme entry (PE) – business case approved subject to completion of statutory processes (e.g. planning permission, traffic regulations orders etc).</p> <p>Conditional approval (CA) – funding awarded subject to conditions where statutory processes are still outstanding.</p> <p>Full approval (FA) – funding awarded.</p>
<p>Individual scheme business cases must meet the requirements of the Department's Transport Business Case guidance.</p>	<p>Individual scheme business cases will meet the requirements of the DfT's Transport Business Case guidance.</p>
<p>The modelling and appraisal of schemes contained in business cases must be developed in accordance with the guidance published in WebTAG at the time the business case is submitted to the LTB for approval.</p> <p>Central case assessments must be based on forecasts which are consistent with the definitive version of NTEM (DfT's planning dataset). This requirement doesn't stop LTBs considering alternative planning assumptions as sensitivity tests and considering the results of these in</p>	<p>Scheme appraisals will be proportionate to the LTB contribution and carried out in accordance with the guidance published in WebTAG.</p> <p>Central case assessments will be based on forecasts which are consistent with the National Trip End Model.</p> <p>Compliance with these requirements will be assessed by the independent assessor designated for each scheme. The level of compliance will be reported as part of scheme consideration.</p> <p>To ensure quality is assured, a suitably qualified and experienced independent</p>

<p>coming to a decision about whether to approve a scheme.</p> <p>The appraisal and modelling will be scrutinised by the LTB and this will be undertaken independent of the promoting authority. The assurance framework will set out how this will be done.</p> <p>The assurance framework must set out how the assessment and scrutiny of business cases will be quality assured.</p> <p><u>Recommended</u></p> <p><i>Set out mechanisms for providing early advice to scheme promoters on whether the study approach is fit-for-purpose, particularly in relation to modelling and Social & Distributional Impacts (which both can have significant lead times).</i></p> <p><u>Optional</u></p> <p><i>A description of how the LTB will ensure that WebTAG will be applied by scheme promoters in a proportionate and robust way. A description of the circumstances under which external scrutiny or audit of the appraisal or modelling of schemes would be commissioned e.g. controversial or particularly costly schemes.</i></p>	<p>assessor who is familiar with all relevant DfT guidance will be appointed by the LTB.</p> <p>External modelling and assessment of schemes will be considered on a scheme by scheme basis – for example, for particularly costly or controversial schemes.</p>
<p>A value for money statement for each scheme in line with published DfT WebTAG guidance must be presented to the LTB for consideration at each approval stage.</p> <p>The VfM assessment must be signed off as true and accurate by a named officer with responsibility for Value for Money assessments within the LTB.</p> <p><u>Recommended</u></p>	<p>A value for money assessment will be required at each approval stage where irreversible funding decisions are being made.</p> <p>Value for money statements will be produced by scheme promoters in line with DfT WebTAG guidance and must be signed by their Chief Finance Officer.</p> <p>A value for money statement will be published at each approval stage. Value for money statements will also be co-signed on behalf of the LTB as true and accurate by the independently appointed</p>

<p><i>Set out what processes will be put in place to ensure that all impacts of a scheme (monetised and nonmonetised) will be assessed by officers on a consistent basis and are based on reasonable assumptions.</i></p>	<p>assessor.</p>
<p>The LTB must either; only approve schemes that offer at least “high” value for money, as assessed using DfT guidance, or; set out the limited circumstances under which schemes offering lower than “high” value for money would be considered. Schemes must be assessed against the relevant thresholds at each approval stage.</p>	<p>The LTB will only approve schemes with a high value for money, except in limited circumstances.</p> <p>The limited circumstances could include:</p> <ul style="list-style-type: none"> • schemes which form part of a wider package or initiative which would have a high value for money assessment; • schemes which are innovative or which trial new techniques; • where the benefits of the schemes are not adequately captured by conventional assessment techniques; and • where the interventions could help to maintain or grow unquantifiable business or consumer confidence in the area, and so lead to economic growth. <p>Any scheme which does not have a high value for money rating will be assessed more rigorously by an independent assessor.</p>
<p>The LTB must put in place mechanisms to ensure that schemes are monitored and evaluated in line with DfT guidance on the evaluation of local major schemes.</p> <p>The LTB will put in place processes to ensure that the results of evaluation and monitoring are published and to have these reviewed independently of the promoter and LTB.</p> <p><u>Recommended</u></p>	<p>Requirements for regular and effective monitoring and evaluation will form part of the LTB’s offer of funding to successful bidders. Scheme evaluations will follow DfT guidance on evaluation of local major schemes and be published. Schemes will not be accepted for funding if their promoters do not agree to meet the LTB’s requirements.</p> <p>The evaluation and monitoring of the scheme will be assessed by the agreed independent assessor of each scheme</p>

<p><i>Set out how evaluation and monitoring requirements will be set for individual schemes including funding. The LTB to ensure that an agreed evaluation plan is in place by the time the scheme is awarded final funding approval.</i></p> <p><u>Optional</u></p> <p><i>Set out responsibility for undertaking evaluation, how minimum standards will be met and timescales for completion and decisions. Set out how they will share best practice obtained from evaluation and monitoring reports.</i></p>	<p>(see above).</p>
<p>Business cases must be published (and publicised) before funding approval decision is made so that external comment is possible.</p> <p>Opinions expressed by the public and stakeholders must be available to LTB members when decisions are being taken.</p> <p><u>Recommended</u></p> <p><i>The above period should be at least 3 months. LTB should make public how they have taken external comments into account</i></p>	<p>Except where commercially sensitive, business cases will be published as part of the decision-making process – see discussion of public meetings above.</p> <p>Opinions expressed by the public and stakeholders will be made available to LTB members when decisions are being taken.</p> <p>The three month period recommended by the DfT may not be achievable in all circumstances – for example, when responding to a DfT bidding competition with a very short deadline.</p>
<p><u>Recommended</u></p> <p><i>A capped contribution from the LTB with the promoting LA responsible for all cost increases.</i></p>	<p>The funding of cost increases will be considered on a case by case basis. As a general rule, the LTB will expect promoters to bear cost increases that could reasonably be considered to be within their control. The LTB may fund cost increases, for example, where the reason for the cost increase could not realistically have been expected, such as a change in legislation or scope of the project.</p>
<p><u>Recommended</u></p> <p><i>Promoting LA s151 officer must sign off as per current system.</i></p>	<p>Chief Finance Officer sign-off is mandatory.</p>

<p>There must be a mechanism to ensure funding can only be spent on the specified scheme and only on capital and that there are arrangements in place to avoid payment in advance of need so that funds are not tied up in the event of subsequent delay in a scheme's implementation.</p> <p>Adequate mechanisms are in place for local audit, detection of misuse of funds and recovery of funds by the LTB.</p> <p><u>Recommended</u></p> <p><i>Funding is only released when construction is ready to begin and only in quarterly instalments (which can be suspended if spend is not keeping pace)</i></p> <p><u>Optional</u></p> <p><i>Payment for actuals in arrears as per the current DfT system</i></p>	<p>Funding will be provided in arrears.</p>
<p>Statement or policy on management of programme risk.</p>	<p>Risks will be managed to minimise the likelihood and impact of those risks occurring. To support this, a full risk register will be kept which will include details of the risks identified, their potential impact and likelihood, suitable mitigation measures and assigned responsibilities. The risk register will be reviewed in advance of each Board meeting using a traffic light system. Where a change is identified through the review process, this will be reported at the next Board meeting.</p>