

# South East Midlands Local Transport Board

**Contains Confidential  
or Exempt Information** No

**Title of Report** LOCAL TRANSPORT BODY – Local Framework

**Meeting Date:** 23 April 2013

**Responsible Officer(s)** Glenn Barcham, Bedford Borough Council, Paul Cook, Central Bedfordshire Council, Keith Dove, Luton Borough Council, Brian Matthews, Milton Keynes Council, Hilary Chipping, SEMLEP.

**Presented by:** Keith Dove, Transportation Strategy & Regulation Manager, Luton Borough Council

---

**The Board is  
asked to:**

- 1. approve the Local Framework submitted to the Department for Transport; and**
  - 2. note the initial comments received from the Department for Transport and the response to these.**
- 

## Executive Summary

- |           |   |
|-----------|---|
| <b>1.</b> | <p>Following a consultation on devolving major scheme funding during the early part of 2012, the coalition government has now decided that from 2014/15 Government investment in major highways and transport schemes delivered by Local Highway Authorities will be funded through Local Transport Bodies (LTBs). The Department for Transport (DfT) issued Guidance on the establishment of LTBs on 23 November 2012.</p> <p>As set out in that Guidance, the primary role of the LTB will be to decide which transport investments should be prioritised, to review and approve business cases for each prioritised scheme, and to ensure effective delivery of the programme.</p> <p>The draft Local Framework submitted to the DfT on 28 February is included at Appendix A, which sets out in further detail how the LTB will meet these requirements. The Local Framework, once finalised, will be used to develop a Memorandum of Understanding (MOU) constituting the setting up of the South East Midlands LTB for approval by Members.</p> |
|-----------|---|

## Background

- 2.** In January 2012 the Department for Transport (DfT) consulted Local Economic Partnerships (LEPs) and Local Highway Authorities about setting up Local Transport Bodies (LTBs)/Consortia, based on the LEP geography, to manage funding and implementation of major transport projects from 1 April 2015. The four Councils and the South East Midlands LEP responded individually to this consultation in March 2012.
- In August 2012, the DfT issued a report on the outcome of the consultation, together with a request that LEPs/Local Highway Authorities agree their preferred solution for LTBs by 28 September. Following discussion on this matter both by the LEP and senior officers between August and mid September, a way forward was agreed by the South East Midlands LEP and the Chief Executives of the three Bedfordshire Unitary Councils and Milton Keynes Council to form a LTB based on their areas. A letter was sent to the DfT on 26 September confirming these arrangements, subject to a formal agreement based on Government guidance about setting up LTBs.
- On 23 November the DfT published their final guidance on local frameworks for funding major transport schemes. The local framework consists of three elements; Part 1 sets out details of the governance arrangements, Part 2 sets out the process for prioritising local schemes, and Part 3 sets out the process for approving and monitoring funding for those schemes. The DfT has recently confirmed a South East Midlands LTB allocation of £22.1m for the period 2015/16 - 2018/19.
- 3.** The only option that meets the requirements of the DfT is for the four Councils to work together to deliver the implementation of major transport schemes in their area. If any of the four Councils do not formally agree to become part of the South East Midlands Local Transport Board, then they will not be entitled to a share of the DfT funding after 1 April 2015.
- 4. Developing the Local Framework**
- A draft of the Local Framework was developed by strategic transport officers of the four Unitary Authorities and the LEP (referred to collectively as the South East Midlands LTB). Early drafts were shared with the DfT's local engagement team in mid December and early February in order to obtain their views about the acceptability of the proposed governance arrangements of the LTB, in accordance with DfT guidance. The final draft of the Local Framework submitted to the DfT on 28 February, which takes account of the DfT's informal response to these earlier drafts, is included at Appendix A.

|                  |   |
|------------------|---|
| <p><b>5.</b></p> | <p><b>Approval of the draft Local Framework by the four Councils</b></p> <p>Each of the four Local Highway Authorities took a slightly different approach to approval of the final draft Local Framework submitted to the DfT. Central Bedfordshire only consulted their Executive Member about the draft submitted to the DfT; the other three Councils took a report to their Executive as follows:</p> <ul style="list-style-type: none"> <li>i) Milton Keynes took a report to their Executive in December, which did not include a draft of the Local Framework.</li> <li>ii) Luton took a report to their Executive on 4 February, which included an early draft of the framework as an Appendix, but with a resolution for the Head of Service to agree further changes in consultation with the Portfolio Holders. This consultation on the final draft took place on 27 February.</li> <li>iii) Following initial consultation with Portfolio Holders, Bedford Borough Council prepared a report for the Mayor that included the final draft framework submitted to the DfT. His decision published on 2 April included delegation to the Assistant Director of Highways and Direct Works (Glenn Barcham), in consultation with the Mayor, to approve the governance arrangements and any subsequent changes to it.</li> </ul> |
| <p><b>6.</b></p> | <p><b>Initial feedback from the DfT</b></p> <p>On 17 March the DfT sought clarification on two issues within the draft Local Framework submitted to them; one about the Accountable Body and legal responsibility and the other requesting further details about the prioritisation process.</p> <p>With regard to the Accountable Body and legal responsibility the DfT asked who will take responsibility for decisions of the LTB, as opposed to 'maintain the decisions of the LTB'. Our response was that, as set out in Paragraph 11 of Appendix A, we consider that the LTB is responsible for making any decisions but the Accountable Body is responsible for implementing and administering those decisions.</p> <p>In relation to the scheme prioritisation, the DfT requested more detail on how we will collect data and evidence and ensure its rigour (e.g. by prescribing common data formats and/or data quality checks) and how we will interpret the data (e.g. a scoring and/or weighting system) in a way that will produce summary assessments in a suitable form to be used as the basis for decision making. Our response provided further details of the prioritisation process, referring to work undertaken to date, as set out in the prioritisation report.</p>  |

| <b>Issues</b>                    |   |
|----------------------------------|---|
| Strategy Implications            |   |
| 7.                               | The transport schemes to be included in the prioritised list are expected to reflect the policy/strategy background priorities of the promoting local authority.  |
| Governance & Delivery            |   |
| 8.                               | <p>The day to day work of the Board will be managed by the officer Working Group. Formal LTB administration arrangements will be undertaken by the Council chairing the meetings.</p> <p>Any scheme funding allocated via the process will be managed in accordance with the individual authority's standing orders and processes, but also meet the requirements set out in Part 3 of the Local Framework.</p> |
| Management Responsibility        |   |
| 9.                               | Not applicable to this report.  |
| Financial Implications           |   |
| 10.                              | <p>Any Government funding allocated to the LTB's transport schemes will be managed by the Accountable Body.</p> <p>The officer working group and other officer costs of servicing the LTB is expected to be met from existing resources within each authority.</p>  |
| Legal Implications               |   |
| 11.                              | <p>The LTB will operate within the Local Framework at Appendix A agreed set to be agreed at the LTBs first meeting.</p> <p>Transport schemes brought forward through the LTB process will be developed with due consideration to relevant legislation including how it impacts on equalities and the environment.</p>   |
| Environmental and Health Impacts |   |
| 12.                              | The Governance process set out in the Local Framework does not per se have any environmental impacts, although any individual transport schemes brought forward as part of the LTB process will be developed with due consideration to relevant legislation including how it impacts on the environment.  |

| Public Sector Equality Duty (PSED) |   |
|------------------------------------|---|
| 13.                                | The Governance process set out in the Local Framework does not per se have any equalities impacts, although any individual transport schemes brought forward as part of the LTB process will be developed with due consideration to relevant legislation including how it impacts on equalities. Each individual authority will undertake its responsibility in terms of ensuring an appropriate equality impact assessment is undertaken for individual schemes. |
|                                    | Are there any risks issues relating Public Sector Equality Duty ?   |
|                                    | No  |

| Risk Analysis   |
|---|
| Briefly analyse the major risks associated with the proposal and explain how these risks will be managed. This information may be presented in the following table. |

| Identified Risk  | Likelihood | Impact | Actions to Manage Risk   |
|--|------------|--------|--|
| LTB acts outside its remit                             | Low        | High   | Development of robust assurance framework  |
| Loss of support from 1 or more LTB member authorities. | Low        | High   | Timely information provided. Regular officer meeting to identify and respond to any tensions |
|  |            |        |  |

| Background Documents   | Location (including url where possible)   |
|--|---|
| - Local Frameworks for funding major transport schemes: guidance for local transport bodies (Nov 2012) | <a href="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15176/guidance-local-transport-bodies.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15176/guidance-local-transport-bodies.pdf</a> |