

South East Midlands Local Transport Board

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Title of Report **UPDATE ON PRIORITISATION OF TRANSPORT
SCHEMES**

Meeting Date: 21 June 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. note the appointment of JMP to undertake the prioritisation process;**
 - 2. approve the methodology of the prioritisation process as set out in Appendix A; and**
 - 3. approve the list of strategic transport schemes to be funded in part through the South East Midlands LTB funding allocation.**
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Executive Summary

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| 1. | <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 the DfT 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. The Guidance seeks the creation of the LTB in early 2013 with the Board agreeing its priorities by July 2013.</p> |
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	<p>This report updates the Board on the progress made in appointing independent consultants to undertake this work, together with their initial review of the spreadsheet and the long list of schemes to be prioritised. The outcome of this initial work will be presented at the meeting by JMP.</p>
<p>Background</p>	
<p>2.</p>	<p>This report specifically deals with the prioritisation process as set out in Part 2 of the Local Framework, the requirements for which are set out in Part 2 of the DfT Guidance. The key elements of the prioritisation process are that:</p> <ul style="list-style-type: none"> • each Local Authority shall prepare a list of eligible transport schemes; and • the prioritised shortlist will be generated by a spreadsheet methodology that takes into account the LTB objectives, together with the scheme cost, deliverability to programme. Value for Money, and the environmental/social distribution impacts.
<p>3.</p>	<p>At their meeting on 23 April, the Board resolved that the:</p> <ol style="list-style-type: none"> 1. list of strategic transport schemes for inclusion as part of the prioritisation process be approved; 2. weightings associated with the objectives and other factors against which each scheme in the long list would be assessed be approved subject to the objective “Contribute to a better quality of life by improving the natural and built environment” would be scored as 2 and not 1 as set out the in the report; 3. scope of the consultants brief to undertake the prioritisation process be approved; 4. officer Working Group be authorised to invite a shortlist of consultants to Tender for the prioritisation work and, in consultation with the Members, to agree the preferred consultant to undertake the study; and 5. allocation by each Local Authority of £5,000 to undertake the prioritisation work be endorsed.
<p>4.</p>	<p>Selection of the preferred consultant As set out in the Local Framework agreed at the Board meeting on 23 April, there is a need for this prioritisation work to be undertaken by an independent consultant. Section 6 of the Prioritisation report to the Board meeting on 23 April set out the context of the consultancy work. A shortlist of suitable consultants was identified by the officer Working Group, and these were invited to Tender on 13 May, with Proposals to be returned by noon on 20</p>

	<p>May.</p> <p>Three Proposals were returned by that date from Atkins, JMP, and SDG. Officers from each of the four authorities assessed the bids, and the result of this assessment was that JMP were identified as the Preferred bidder. The SEMLEP officer also supported this assessment. Members were advised of the outcome late in the afternoon of 24 May, and JMP were subsequently appointed.</p>
<p>5.</p>	<p>Development of spreadsheet against which to assess these schemes</p> <p>As indicated in the report to the last meeting of the Board, the officer Working Group has carried out some initial work in assessing and amending a spreadsheet originally developed by Milton Keynes Council that could be used to prioritise the long list of transport schemes. Given that the original spreadsheet was developed for the purpose of assessing priorities for Milton Keynes Council's Integrated Transport budget, but the purpose for which it is to be used as part of this Prioritisation study is to assess strategic and locally important transport schemes costing more than £2.5m, JMP proposed a number of amendments to the spreadsheet.</p> <p>Their draft proposals were circulated to the officer Working Group on 3 June and discussed at its meeting on 7 June, after which JMP were advised of the proposed amendments. The revised methodology for the Prioritisation study is set out in Appendix A to this report, and Members are requested to approve this methodology.</p>
<p>6.</p>	<p>Identifying a long list of eligible transport schemes</p> <p>Part 2 of the Local Framework agreed at the Board meeting of 23 April defined projects eligible for LTB funding as highway, public transport (bus or rail), asset management or public realm improvements, together with packages of these, with a minimum capital cost of £2.5m. It is important that the prioritisation process should focus on projects of strategic importance to the whole area and not just projects promoted by individual local authorities.</p> <p>The long list of schemes agreed by the Board at its meeting of 23 April was based on transport related schemes identified as part of the SEMLEP Infrastructure Study but, as noted in the report to the last meeting, has been subsequently amended to include further schemes (particularly A421 from J13 to the boundary with Milton Keynes) and remove those schemes expected to be fully funded by the recently announced local pinchpoint fund.</p> <p>JMP has met with officers of each of the Councils to review the scheme list in their area, and in particular to discuss how each scheme relates to the LTB policy objectives and their related weightings, as agreed at the Board meeting on 23 April. As part of their methodology, JMP proposed an early sift to identify schemes that, for various reasons (including development that will directly relate to and fund each scheme, or if any schemes are considered to be fully funded), are unlikely to require capital funding in the first period of</p>

	<p>LTB funding up to 2019). However the Board should note that:</p> <ul style="list-style-type: none"> i) a list of schemes that may require funding post 2019 will be retained; and ii) lack of LTB funding shouldn't be a reason for not sifting, as there are likely to be other funding streams that will come forward both in the short (eg Government response to Heseltine Review) and longer term. <p>The results of the initial prioritisation work will be presented by JMP to the Board meeting. After discussion on the outcome of this initial work, the Board will be asked to approve the list of schemes to be funded by the LTB between 2015-19.</p>
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Issues	
Strategy Implications	
7.	The transport schemes to be included in the prioritised list reflect the policy/strategy background priorities of the promoting local authority.
Governance & Delivery	
8.	The day to day work on the prioritisation process will be managed by the officer Working Group. JMP will present the initial findings on the prioritised list of schemes to the June LTB meeting, and a final report on the prioritisation process will be presented to the July Board meeting in order to deliver the prioritised list to the DfT by the end of July 2013.
Management Responsibility	
9.	The procurement of JMP and payment of their invoices will be managed by Luton, as the Accountable Body.
Financial Implications	
10.	The cost of the JMP work to undertake the prioritisation process will be covered by the £5,000 contribution from each of the four authorities, which was agreed at the Board meeting on 23 April.
Legal Implications	
11.	The LTB will operate within the assurance framework agreed at the LTB meeting on 23 April, subject to any further amendments required by the DfT.

Environmental and Health Impacts	
12.	<p>The prioritisation process per se does not have any environmental impacts although, as part of that process, the pro-forma for individual transport schemes will consider impacts at a strategic level. However individual transport schemes brought forward through the LTB process will be developed with due consideration to relevant legislation including how it impacts on the environment.</p> <p>Each individual authority will undertake its responsibility in terms of ensuring an appropriate environmental impact assessment is undertaken for individual schemes.</p>
Public Sector Equality Duty (PSED)	
13.	<p>The prioritisation process per se does not have any equalities impacts, although, as part of that process, the pro-forma for individual transport schemes will consider impacts at a strategic level. However individual transport schemes brought forward through this process will be developed with due consideration to relevant legislation including how it impacts on equalities issues.</p> <p>Each individual authority will undertake its responsibility in terms of ensuring an appropriate equality impact assessment is undertaken for individual schemes.</p>
14.	Are there any risks issues relating Public Sector Equality Duty
	<i>No</i>

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 prioritisation process as part of the 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)	https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15176/guidance-local-transport-bodies.pdf