

## **BERKSHIRE LOCAL TRANSPORT BOARD**

**REPORT TO:** Board

**DATE:** 18<sup>th</sup> July 2013

**CONTACT OFFICER:** Ruth Bagley, Chief Executive Slough Borough Council, lead  
Chief Executive to the Board

### **PART I FOR DECISION**

#### **ADDENDUM TO THE FOUNDING DOCUMENT**

##### **Purpose of Report**

1. At the inaugural meeting of the Berkshire Local Transport Body, held on 14 March 2013, you adopted the Founding Document. This had been prepared in accordance with the DfT guidelines for Assurance Frameworks.
2. Following further detailed responses from the DfT you are now advised to adopt the Addendum to the Founding Document (see Appendix A) in order to give the DfT to reassurance they seek that our scheme will be in conformity with all aspects of their guidance. An outline process diagram has also been prepared at Appendix B.
3. From 2015, funding for major transport schemes will be devolved to Local Transport Bodies (LTBs). The Department for Transport (DfT) sets out within the comprehensive guidance accompanying this process that LTBs will be voluntary partnerships between Local Authorities, Local Enterprise Partnerships and other optional organisations. To comply with this guidance the Thames Valley has proposed an LTB which is coterminous with the boundaries of Thames Valley Berkshire Local Enterprise Partnership, which in turn is coterminous with the six Berkshire unitary authorities. It is proposed that the structure and membership of the LTB will use Berkshire Strategic Transport Forum's model as its foundation.

##### **Recommendation**

4. The Board is requested to:
  - (a) Adopt the Addendum to the Berkshire Local Transport Body's Assurance Framework; and to
  - (b) Note the feedback from the DfT
  - (c) Note the Outline Process Diagram

##### **Other Implications**

##### **Financial**

5. Department for Transport funding for major schemes will be entirely allocated through Local Transport Bodies. Therefore without the establishment of an LTB with an approved Assurance Framework, funding will not be released and the composite local authorities will no longer have access to funding for major transport schemes. Similarly, if an authority chooses not to be a member of an LTB, it is unlikely to receive any of the devolved funding. The adoption of the Addendum will ensure compliance with the DfT's requirements.

## Risk Management

<b>Risk</b>	<b>Mitigating action</b>	<b>Opportunities</b>
<u>Legal</u> BLTB decisions or schemes challenged	Accountable Authority ensures decisions adhere to Assurance Framework and Addendum, and maintains records	Ensure good value for money and transparent decision making
<u>Financial</u> If BLTB not formed, or Assurance Framework not approved by DfT, funding will not be released, and no funding available for major schemes	Approve membership of BLTB. Submit Addendum to Assurance Framework to DfT within deadline for. Accountable body ensures adherence to Assurance Framework	Major scheme funding pooled across Berkshire to support transport schemes which deliver regional benefits
<u>Timetable for delivery</u> Deadline for submission of revised Framework missed (July 2013)	Assurance Framework was submitted to DfT by the deadline, Addendum document drafted	Release of devolved funds to BLTB and allocation to a number of prioritised schemes
<u>Project Capacity</u> Meetings not constituted according to the Framework, evaluation not thorough, legal challenge	Slough BC will provide professional and secretariat support to ensure meetings correctly run, records kept, and ensure due diligence throughout scheme evaluation and prioritisation	Schemes with greatest benefit according to the principles set out in the Assurance Framework will be funded and delivered in a transparent process

## Human Rights Act and Other Legal Implications

- The Addendum has been prepared in full consultation with officials of the DfT. Slough Borough Council will provide legal support for the BLTB.

## **Supporting Information**

- The Addendum sets out the responses of the DfT, the relevant paragraphs of their guidance and a response which will ensure compliance.

## **Progress to date**

- The six member local authorities have all approved the founding document, and the Berkshire Local Transport Body is now in operation. Following adoption of the Addendum, officers of the democratic services team will set about compiling and publishing the necessary registers and declarations.

## **Conclusion**

9. In order to access devolved major scheme funding, Local Enterprise Partnership areas must form Local Transport Bodies in partnership with Local Authorities. Berkshire Local Transport Body will be analogous with the boundaries of TVB LEP and the six Berkshire authorities, and will be established using an Assurance Framework based on Department for Transport guidance. The Assurance Framework, with the Addendum and the prioritisation methodology (recommended for adoption elsewhere on this agenda) will be used to priorities and appraise schemes submitted by Local Transport Authorities.

## **Appendices Attached**

'A' – Proposed Addendum to the Berkshire Local Transport Body Founding Document

'B' – Outline process diagram for the work of the Berkshire Local Transport Body

## **Background Papers**

The Founding Document adopted at the 14 March 2013 meeting of the Berkshire Local Transport Body.

**FOUNDING DOCUMENT FOR BERKSHIRE LOCAL TRANSPORT BODY  
DRAFT ADDENDUM**

**Berkshire Local Transport Body**

Contact: Richard Tyndall, [richard.tyndall@thamesvalleyberkshire.co.uk](mailto:richard.tyndall@thamesvalleyberkshire.co.uk) 07880-787007

**STATUS**

The Founding Document has been adopted by Thames Valley Berkshire Local Enterprise Partnership, and by Bracknell Forest, Reading, Slough, West Berkshire, Windsor and Maidenhead and Wokingham Councils. The inaugural meeting of the Berkshire Local Transport Body was held on Thursday 14 March 2013, and it too adopted the document.

Since then, DfT have requested various clarifications, confirmations and amendments to ensure compliance with the Government's requirements. It is proposed to recommend the following responses and clarifications to the second meeting of the BLTB on 18 July 2013.

<b>Department for Transport Comment</b>	<b>Proposed Response</b>
<b>Conflicts of interest</b>	
Can you provide confirmation from LTB that it will produce and publish a statement on dealing with conflicts of interest as set out in paragraph 11 (reproduced below) of the DfT guidance.	
<p>11. LTBs should also ensure that a register of personal interests of its decision making members is maintained and available to the public. In the case of elected representatives a reference to their own council's register of interests should be sufficient, but may need to be expanded if for example a member has any interests outside their own authority's area but within the LTB boundary. We would expect elected representatives to agree to abide by their own authority's code of conduct when conducting LTB business.</p> <p>Minimum Requirement LTB must have a statement to say how conflicts of interest are managed. LTB must maintain, or enable access to, publicly available registers of member interests.</p>	<p><b>Management of Conflicts of Interest</b> As part of its responsibilities as Lead Authority and Clerk to Berkshire Local Transport Body, Slough Council Democratic Service team will advise all BLTB members about the general circumstances where a member's interest may give rise to a conflict of interest. These will be managed by the encouragement of open declaration of interests, and where appropriate, a member withdrawing from the meeting during an item where a conflict exists. The responsibility for identifying and acting on any conflict of interest will remain with the individual member.</p>
<b>Registers of member interests</b>	
Para 11 (see above) of our guidance for Local transport Bodies also sets out a minimum requirement that LTBs 'must maintain, or enable access to, publicly available registers of member interests' Can you please confirm this will be made publicly available?	<p><b>Register of Interests</b> As part of its responsibilities as Lead Authority and Clerk to Berkshire Local Transport Body, Slough Council Democratic Service team will establish and maintain a register of interests for BLTB members (both business and local authority members). This will made publicly available by the same means as the Slough BC register of interests.</p>

<b>Gifts and hospitality</b>	
Can you give a clear commitment to produce and publish a policy on gifts and hospitality as set out at paragraph 12 of the guidance (reproduced below).	
12.LTBs should also have a clear policy on the acceptance and declaration of gifts and hospitality and maintain appropriate records. Again, there is no need to duplicate existing local authority systems and standards, provided that activities related to LTB business outside the scope of councillors’ local authority duties are covered.	<b>Register of Gifts and Hospitality</b> As part of its responsibilities as Lead Authority and Clerk to Berkshire Local Transport Body, Slough Council Democratic Service team will establish and maintain a register of gifts and hospitality for BLTB members (both business and local authority members). This will made publicly available by the same means as the register of interests.
<b>Role of accountable body</b>	
Can you confirm that the accountable body will take on the roles as set out in paragraph 15 of the DfT guidance (reproduced below)?	
15. The primary role of the accountable body will be to hold the devolved major scheme funding and make payments to delivery bodies such as Local Authorities. It should be able to account for these funds in such a way that they are separately identifiable from the accountable body’s own funds, and provide financial statements to the LTB as required. The local agreements that underpin the LTB should ensure that the funds can be used only in accordance with an LTB decision.	<b>Accountable Body</b> Slough Borough Council will: <ul style="list-style-type: none"> <li>• hold the devolved major scheme funding</li> <li>• make payments to delivery bodies such as Local Authorities</li> <li>• account for these funds in such a way that they are separately identifiable from its own funds</li> <li>• provide financial statements to the LTB as required</li> <li>• create local agreements that ensure that the funds can be used only in accordance with an LTB decision.</li> </ul>
<b>Legal responsibility</b>	
The guidance also requires the responsibilities at Paragraph 16 (reproduced below) to be clearly allocated by the accountable body, in particular the expectation that legal responsibility will lie with these bodies. Can you please confirm this will be the case with the LTB and the accountable body?	
16.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. <ul style="list-style-type: none"> <li>• ensuring that the decisions and activities of the LTB conform with legal requirements with regard to equalities, environmental, EU issues etc.</li> <li>• ensuring (through their Section 151 Officer) that the funds are used appropriately.</li> </ul>	Slough Borough Council will be the Accountable Body for the BLTB. It will hold, manage and account for all monies associated with the operation of the devolved Local Major Transport Schemes programme. It will also ensure that: <ul style="list-style-type: none"> <li>• the decisions and activities of the BLTB conform with legal requirements</li> <li>• through its s.151 Officer, the funds are used appropriately</li> <li>• the assurance framework as</li> </ul>

<ul style="list-style-type: none"> <li>ensuring that the LTB assurance framework as approved by DfT is being adhered to.</li> <li>maintaining the official record of LTB proceedings and holding all LTB documents.</li> <li>responsibility for the decisions of the LTB in approving schemes (for example if subjected to legal challenge)</li> </ul>	<p>approved by DfT is being adhered to</p> <ul style="list-style-type: none"> <li>an official record of BLTB proceedings is maintained and that all BLTB documents are accessible</li> </ul> <p>Slough Borough Council will also be legally responsible for the conduct of the BLTB in respect of its management of the devolved Local Major Transport Scheme funding.</p>
<p><b>Mandatory LTB roles</b></p>	
<p>Can you please confirm the LTB will undertake the mandatory roles set out in the bullet points at Paragraph 21 (reproduced below) of the DfT guidance.</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"> <li>Responsibility for ensuring value for money is achieved</li> <li>Identifying a prioritised list of investments within the available budget</li> <li>Making decisions on individual scheme approvals, investment decision making and release of funding, including scrutiny of individual scheme business cases</li> <li>Monitoring progress of scheme delivery and spend</li> <li>Actively managing the devolved budget and programme to respond to changed circumstances [scheme slippage, scheme alteration, cost increases etc]</li> </ul>	<p>BLTB has (among others) the following objectives:</p> <ul style="list-style-type: none"> <li>To ensure value for money is achieved from individual schemes and the overall investment programme</li> <li>To establish and keep under review a prioritised list of local major transport schemes</li> <li>To use DfT methodologies for assessing and evaluating the relative merit of competing schemes, and to subject all proposals to independent scrutiny</li> <li>To monitor the progress of scheme delivery and spend</li> <li>To actively manage the devolved budget and programme to respond to changing circumstances</li> </ul>
<p><b>Routine Publication of Key Documents</b></p>	
<p>The Assurance framework needs to make clear that the LTB will routinely publish <u>all</u> the documents referred to in the box following para 32 of the guidance document (reproduced below).</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 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>As part of its responsibilities as Lead Authority and Clerk to Berkshire Local Transport Body, Slough Council Democratic Service team will:</p> <ul style="list-style-type: none"> <li>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 indicated, and regular programme updates on delivery and spend against budget.</li> <li>ensure the LTB adheres to Local Government Transparency Code.</li> <li>ensure that FOI and EIR requests are dealt with in accordance with the relevant legislation.</li> </ul>

	<p>BLTB and its constituent Councils have</p> <ul style="list-style-type: none"><li>• a defined process to provide public and stakeholders with meaningful input before decisions are made</li><li>• published a clear statement of the approach that will be followed by the LTB when making major investment decisions.</li></ul>
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