

21 March 2013

Agenda Item:

REPORT OF THE SERVICE DIRECTOR, HIGHWAYS

LOCAL TRANSPORT BODY

Purpose of the Report

1. This report provides information to the Committee on the formation and governance arrangements for the D2N2 Local Transport Body (LTB) as approved by the County Council's Policy Committee 13th February 2013.
2. Approval is sought for the Assurance Framework to support the operation of the LTB noting that Policy Committee approved its submission to the Department for Transport by their deadline of 28th February 2013.

Information and Advice

3. Nottinghamshire County Council continues to progress and deliver a programme of major transport projects to provide an efficient and reliable transport and highway network supporting residents and road users and economic growth across the County. Current projects include Mansfield Bus Station £11M due for completion March 2013 and Hucknall Town Centre Improvement £13M due for construction 2014/15.
4. The Department for Transport (DfT) has consulted local authorities regarding its proposals to devolve funding for local major transport schemes for local determination. Briefly DfT propose to
 - a. Devolve capital funding for local major transport schemes to new democratically accountable local transport bodies. The detailed membership of these bodies will be for the local area to propose and agree;
 - b. Allocate budgets to the Local Transport Bodies by formula based on population;
 - c. Within a common approach to assessing value for money and priority Local Transport Bodies will determine their own programmes of local major transport schemes;
 - d. Put both local transport authorities and local enterprise partnerships (LEP) in influential roles in the decision making arrangements of Local

Transport Bodies over which transport schemes are delivered.

5. On 18th April 2012 Cabinet approved the County Council's response to the consultation including
 - a. That the Local Transport Body should map onto the D2N2 LEP geography, that is comprise Nottinghamshire, Nottingham, Derbyshire and Derby;
 - b. That the LEP becomes a full member of the Local Transport Body and thereby has a direct say in the decision making process;
 - c. Significant decisions of the Local Transport Body will require scrutiny, endorsement and ratification by the Cabinet/Committees of each local transport authority.
 - d. Following this decision officers of the County Council have worked closely with colleagues from Nottingham and Derby City Councils and Derbyshire County Council, within the guidance provided by the Department for Transport (DfT) to produce a common approach to the formation of a Local Transport Body.
6. On 28th September 2012 DfT asked for confirmation of the geographic arrangements for Local Transport Bodies. A letter was sent confirming the County Council's position established by Cabinet on 18th April 2012 for a Local Transport Body coincident with the D2N2 LEP geography, comprising Nottinghamshire, Nottingham, Derbyshire and Derby. Indeed all 4 local transport authorities replied supporting this arrangement with Derby and Nottingham City making reference to future consideration of combining with the Leicestershire and Leicester Local Transport Body. However where the D2N2 LEP overlaps the Sheffield City Region LEP those District Councils were also given an opportunity by DfT to comment. Of the 4 District Council the 3 in Derbyshire have all expressed a preference for local major schemes in their area to be funded by the Sheffield City Region Local Transport Body rather than that of D2N2. Bassetlaw District Council did not formally express a preference.
7. The Secretary of State for Transport on 23rd January 2013 determined that the allocation for all 4 districts within the overlapping LEP area be shared 50:50 between the D2N2 LTB and the SCR LTB.
8. The DfT on 23rd January 2013 provided indicative funding allocations for the LTB of about £46.8M over a 4 year period, i.e. £11.7M/year for D2N2 including the proportion of the split allocation. This would be supplemented by each local transport authority contributing to the capital cost of their schemes as under current arrangements. However, a project equivalent to the Hucknall Town Centre relief road major project would therefore take just over 1 year of funding allocation. Therefore it is unlikely that each Council will be able to deliver more than 1 large major project in each 4 year period, although the LTB may lower the current £5M threshold to allow smaller schemes to

progress.

9. Details of the governance arrangements are set out in the Policy Committee report 13th February 2013 attached as Appendix A.
10. Details of the assurance framework are set out in Appendix B. These have been submitted to DfT to meet their deadline of 28th February 2013 as approved by Policy Committee.

Other Options Considered

11. These are requirements of the Department for Transport to access future government grant funding for local major transport schemes

Statutory and Policy Implications

12. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

13. The Capital funding made available through the LTB will be managed through the annual capital programme. As under current arrangements a capital contribution may be required for individual schemes which will be considered on an individual scheme basis through the usual annual capital budget process.
14. A draft budget for the operation of the LTB will be proposed by the LTB and considered by the LTA. Required capital and revenue contributions from each local transport authority need to be agreed.

Implications for Service Users

15. The continued monitoring and management of performance will ensure that quality standards are maintained and appropriate services provided to meet local needs.

Recommendation

16. That Committee note the contents of the report and the Policy Committee report.
17. That the Assurance Framework attached at Appendix B is approved.

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For any enquiries about this report please contact:
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Constitutional Comments (SHB 28.02.13)

18. Committee has the authority to approve the Recommendation.

Financial Comments (TMR 28/02/13)

19. The financial implications are set out in paragraphs 13 and 14 of the report.

Background Papers

20. None

Electoral Divisions

21. All