

EXECUTIVE COMMITTEE

2nd September 2013

**GREATER BIRMINGHAM & SOLIHULL LOCAL ENTERPRISE
PARTNERSHIP DELEGATION OF FUNCTIONS TO A JOINT COMMITTEE
(LOCAL TRANSPORT BOARD)**

Relevant Portfolio Holder	Councillor Bill Hartnett, Portfolio Holder for Community Leadership and Partnership.
Relevant Head of Service	John Staniland, Executive Director (Planning, Regeneration, Regulatory and Housing Services) .
Non-Key Decision	

1. PURPOSE OF REPORT

This report seeks to establish a Joint Committee to act as the Local Transport Board for the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP).

2. RECOMMENDATION

The Executive Committee is asked to RECOMMEND that

- 1) the creation of a Joint Committee to act as the Local Transport Board for the Greater Birmingham and Solihull Local Enterprise partnership in accordance with Section 102 of the Local Government Act 1972 be approved;**
- 2) functions relating to the approval of Local Transport schemes in the area of the Greater Birmingham and Solihull Local Enterprise partnership and the bidding for and expenditure of funds devolved to the Joint Committee under the Local Major Transport Scheme capital funding be delegated to the Joint Committee (Local Transport Board);**
- 3) the Terms of Reference of the Local Transport Board as detailed at Appendix 3 to the report and the Local Transport Board Assurance Framework as detailed at Appendix 4 to the report be approved;**
- 4) Councillor J-P Champion for Wyre Forest District Council be appointed as the representative on the Local Transport Board to represent the Borough Council, Bromsgrove and Wyre Forest District Councils, with Councillor P Mould as the substitute representative;**

- 5) **authority be delegated to the Head of Legal, Equalities and Democratic Services to agree and enter into all necessary legal documents to effect the above decisions and to update the Council Constitution accordingly.**

3. KEY ISSUES

Background

- 3.1 On 31st January 2012 the Department for Transport (DfT) issued a consultation document entitled 'Devolving Local Major Transport Schemes.' This set out a number of considerations local areas need to give when developing a Local Transport Body (LTB) which would be able to receive major scheme funding from the DfT post 2015. The DfT published the responses to the consultation on 2nd August 2012.
- 3.2 In addition to the summary of responses, a letter from the DfT on 1st August 2012 outlined guidance for the establishment, geography and governance of the LTB's. The guidance invited Local Authorities and Enterprise Partnerships to confirm the geography of their LTB by September 2012. This was agreed by Council on 15th October 2012.
- 3.3 Further to this, additional guidance was issued by the DfT on 18th September 2012, outlining their expectations for the devolving of major scheme funding from 2015. Historically these monies (for schemes up to £5m) would have been passported directly to the appropriate local highway authority.
- 3.4 On 23rd November 2012, the DfT published further guidance outlining the process for developing an assurance framework for LTBs (see appendix 1). LTBs were asked to develop Assurance Statements for submission to DfT by the end of February 2013. Assurance Statements should cover voting arrangements within the LTB, the status and role of the Accountable Body, administrative arrangements to comply with DfT requirements, protocols for scheme prioritisation and programme management.
- 3.5 On 18th January 2013 the GBSLEP Board met to discuss the establishment of the GBS LTB and agreed to invite Birmingham City Council to act as the accountable body for the GBS LTB (see copy letter dated 25th January at appendix 2).
- 3.6 On 23rd January 2013 DfT issued indicative funding allocations for LTBs (see below). These figures were provided for planning purposes. The actual allocation will not be determined until further spending rounds within Government. Despite the North Worcestershire representation during the consultation that our preference was for our

respective allocations to be divided equally across the two LEPs that we are members of, DfT announced the following:

- Wyre Forest District Council 100% to Worcestershire LEP* £100,200.00
- Redditch Borough Council 50% to Worcestershire LEP £ 43,250.00
- Bromsgrove District Council 50% to Worcestershire LEP £ 48,500.00

- Redditch Borough Council 50% to GBS LEP £ 43,250.00
- Bromsgrove District Council 50% to GBS LEP £ 48,500.00

- * Wyre Forest District Council has made representations to DfT regarding its preference to mirror the Redditch and Bromsgrove 50:50 split.

3.7 The GBSLEP has responded to DfT as required by the end of February 2013 with its proposals for the governance structure to oversee the expenditure of these monies via a Local Transport Board established as a formal Joint Committee.

3.8 The proposed terms of reference for the Joint Committee (Local Transport Board) are at Appendix 3 and Members are asked to agree the creation of the Joint Committee and the inclusion of the same in the Council's Constitution.

Financial Implications

3.9 The devolved Local Major Transport Scheme Funding would ordinarily have been passported through to Worcestershire County Council so the fact that such monies are being devolved directly to the LEPs will have no impact on this district's own finances.

3.10 Final allocations for the capital funding to be devolved to the GBS LEP are not yet know. However, the DfT have advised an indicative allocation which is cited in the main body of the report.

3.11 Funding will be awarded by GBS LTB to local authorities promoting major transport capital projects on the basis of business case applications (in a format to be agreed with DfT).

3.12 The allocation of funding to approved transport capital projects via the GBS LTB will not replace the requirements for each local authority to obtain the necessary approvals for successful projects through their own procedures and the responsibility for managing project delivery within DfT conditions will be the responsibility of those authorities receiving funding.

Legal Implications

- 3.13 The establishment of the GBS LTB as a Joint Committee is undertaken under section 102 of the Local Government Act 1972 (as amended).
- 3.14 The power to co-opt non voting members onto a committee is contained in Section 102(2)(3) of the Local Government Act 1972.

Service/Operational Implications

- 3.15 There are no specific service or operational implications.

Customer / Equalities and Diversity Implications

- 3.16 There are no specific customer, equalities or diversity implications.

4. RISK MANAGEMENT

- 4.1 If the Council decides not to take part in the new LTB it will risk not being part of key strategic transport decision making that it could benefit from along with its North Worcestershire partners.
- 4.2 The North Worcestershire economic development and regeneration shared service has a Client Management Group (CMG) that oversees the service and makes joint key strategic decisions and through this means the North Worcestershire representative on the Joint Committee will be charged with effecting the vote for the collective North Worcestershire partners' benefit.

5. CONCLUSION

The GBSLEP proposes to establish a Local Transport Board with the Joint Committee structure to determine, in this first instance, expenditure across the LEP geography (including North Worcestershire) in respect of the DfT's devolved Local Major Transport Scheme funding. It is proposed that each of the three North Worcestershire authorities delegate as necessary to the North Worcestershire representative on this LTB to exercise decisions as part of the Joint Committee.

6. APPENDICES

Appendix 1 – DfT Guidance on Assurance Frameworks for LTBs.
Appendix 2 – Letter to Birmingham City Council asking it to act as the accountable body for the GBS LTB.
Appendix 3 - Local Transport Board Terms of Reference.
Appendix 4 – Local Transport Board Assurance Framework.

7. BACKGROUND PAPERS

The LTB Proposed Terms of Reference.

AUTHOR OF REPORT

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