

## BERKSHIRE LOCAL TRANSPORT BODY - ASSURANCE FRAMEWORK

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### STATUS

This Assurance Framework has been developed from the Berkshire Local Transport Body Founding Document, which was adopted by Thames Valley Berkshire Local Enterprise Partnership and the Berkshire Leaders' Group in November 2013. This Assurance Framework was approved by the BLTB on 16 November 2017.

### PREAMBLE

The Local Enterprise Partnership (LEP), the six local transport authorities<sup>1</sup>, the Department for Transport (DfT), Network Rail, Highways England, Heathrow Airport Limited, and some train and bus operating companies have developed a forum for discussion and consultation on matters of mutual interest relating to strategic transport issues in Thames Valley Berkshire. We call this body the "Berkshire Strategic Transport Forum" (BSTF). It operates at two levels: one with elected members<sup>2</sup> and business representatives<sup>3</sup>; the other with senior transport officers. The Berkshire Chief Executives' Group has recognised the importance of these arrangements by nominating one of their number<sup>4</sup> to chair the officers' meeting and liaise with the LEP and the members.

These arrangements were adapted in 2013 to conform to the DfT guidance for establishing Local Transport Bodies. They were reviewed on the publication of the Local Enterprise Partnership national assurance framework by DCLG & BEIS in November 2016.

Our Local Transport Body is known as Berkshire Local Transport Body (BLTB). The BSTF will continue to meet and only those parts of its business that relate to the operation of the BLTB will be subject to this Assurance Framework.

On 18 July 2014, the LEP Forum endorsed the BLTB as the competent body to a) prioritise and b) implement transport capital schemes on its behalf. In practice, the LEP will accept any BLTB recommendations or refer them back but will not substitute its own recommendations.

### PART ONE: PURPOSE, STRUCTURE AND OPERATING PRINCIPLES

1. Name: the Local Transport Body for Thames Valley Berkshire will be known as "Berkshire Local Transport Body" (BLTB).
2. Status: BLTB is constituted as a Joint Committee of Bracknell Forest, Reading, Slough, West Berkshire, Windsor and Maidenhead and Wokingham Councils.
3. Geography: the BLTB will comprise the Local Enterprise Partnership area of Thames Valley Berkshire, which covers the six-council area.
4. Membership and Voting: there will be 12 members of the BLTB, nominated as follows: six business representatives nominated by Thames Valley Berkshire LEP (6); one Councillor nominated each by

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<sup>1</sup> Bracknell Forest, Reading, Slough, West Berkshire, Windsor and Maidenhead and Wokingham Councils

<sup>2</sup> 6 councillors, usually the relevant Lead/Cabinet/Executive Member for Strategic Transport

<sup>3</sup> 6 business people nominated by the LEP

<sup>4</sup> Currently the Chief Executive of Slough Borough Council

Bracknell Forest; Reading; Slough; West Berkshire; Windsor and Maidenhead; and Wokingham Councils (6, each with a named substitute who will be the only permitted deputy).

There shall be appointed a Chair from among the local authority members and a Deputy Chair from among the LEP members.

Each member shall have one vote. In the event of an equality of votes on any matter, a second and casting vote shall be given to the Chair of the meeting. This vote shall not be cast for the view supported by a minority of local authority votes.

If there is a majority (in the 12) for a scheme to proceed but not a majority amongst the six local authority members for the same, there will be a review of the circumstances leading to such an outcome. Once concluded, and if there is no change to the likely outcome of a further vote, the scheme will be referred to the LEP Forum and to Berkshire Leaders' Group for further consideration before being brought back to the LTB.

The membership and functioning of the LTB will be kept under review by the LEP Forum and by the Berkshire Leaders' Group, and amendments and alterations made when the need arises.

5. Conflicts of Interest, Gifts and Hospitality: a role description at [Appendix 1](#) makes clear that when conducting the business of the BLTB all members are expected to serve the interests of the Thames Valley Berkshire area.

As BLTB is a joint committee of the local authorities, the expectations for the declaration and management of personal, financial and other interests, and on the treatment of any gifts or hospitality relating to BLTB business will be set by local authority requirements. These expectations will apply equally to local authority and LEP members and be administered by Slough Borough Council, acting as the Accountable Body for the BLTB.

BLTB recognises that on occasion there may be a conflict between the interests of a member's nominating authority (or in the case of a business member nominated by the LEP, a member's own interests) and the overall interests of the Thames Valley Berkshire area. It will be a principle of the BLTB that the interests of the Thames Valley Berkshire area will take precedence.

6. Status and Role of BLTB Accountable Body: Slough Borough Council will be the Accountable Body for the BLTB. It will:
  - ensure that the decisions and activities of the BLTB conform with legal requirements regarding equalities, environmental, EU issues and other matters
  - ensure that an official record of BLTB proceedings is maintained
  - ensure that the BLTB Assurance Framework is being adhered to
  - ensure that the BLTB proceedings and documents are accurately recorded and kept, and that all BLTB documents are accessible to the press and public
  - be legally responsible for the decisions of the BLTB, and will receive any legal proceedings involving the BLTB as respondent.
7. Status and Role of the LEP Accountable Body: the Royal Borough of Windsor and Maidenhead is the Accountable Body for the LEP. It will:
  - hold Local Growth Funds (LGF) or other devolved major scheme funding
  - make payments to delivery bodies at the request of the LEP

- account for LGF or other devolved major scheme funding so that it is separately identifiable from the Accountable Body's own funds
- provide financial statements to the LEP and the BLTB as required
- through the Section 151 Officer, ensure that LGF or other devolved major scheme funds are used appropriately as detailed above

8. Strategic Objectives and Purpose: The BLTB is a publicly accountable Joint Committee of the six Berkshire Authorities. It straddles the strategic, technical and operational, and thus makes a significant contribution to the formation and implementation of the Strategic Economic Plan and its associated Growth Deal/s and successor documents. It will have the following objectives:

#### Managing Local Growth Funds:

- To manage an investment programme of LGF for developing and improving the transport infrastructure within the Thames Valley Berkshire area
- To establish and keep under review a prioritised list of local major transport schemes within the available budget
- To assess and evaluate the relative merit of competing schemes, and to subject all proposals to independent scrutiny
- To ensure value for money is achieved from individual schemes and the overall investment programme, and to review the impact of completed schemes
- To monitor the progress of scheme delivery and spend
- To oversee the management of the devolved budget and programme such that it responds to changing circumstances
- To make decisions on individual scheme approvals

#### Responding to Government and Other Consultations

- To consider and co-ordinate joint responses to government and other consultations about transport matters affecting the Thames Valley Berkshire area

#### Sub National Transport Bodies

- To arrange for representatives to attend and contribute to any sub national transport body established to cover the Thames Valley Berkshire area

9. Support and Administration Arrangements: The Accountable Body for BLTB will supply appropriate support and administration to fulfil the responsibilities on meeting management, legal and procedural advice.

The six councils will support the work of the BLTB with professional advice on transport matters. This advice will include the identification and promotion of individual schemes for support from the BLTB, with appropriate officer liaison via the BSTF Officers' group and advice and support to councillors and LEP nominees who are members of the BLTB. This contribution will be in the form of the officer time of relevant senior officers (or retained consultants), as is commensurate with the resources available to each of the councils.

The BSTF Officers' group will continue to be the primary forum for discussing, sharing, evaluating and preparing formal business for the BLTB. The Berkshire Chief Executives' Group has identified this as an

important group, and has nominated one of their number<sup>5</sup> to chair the group, which is also actively supported by the LEP, DfT, Network Rail, Highways England, Heathrow Airport Limited and transport operators.

10. Working Arrangements and Meeting Frequency, Transparency and Local Engagement: The BLTB has a schedule of at least three meetings a year. The Accountable Body for the BLTB will set the meeting dates at least a year ahead according to the planning cycle of the municipal year, and the meetings will be included in the formal calendar of meetings for that council. The arrangements for advertisement of meetings, the publication and circulation of papers, response to FOI and EIR<sup>6</sup> requests, dealing with complaints and whistleblowing arrangements, compliance with the Code of Recommended Practice for Local Authorities on Data Transparency, and other similar codes of practice will be a matter for the Accountable Body, and will conform to the operating practices of the Accountable Body.

BLTB, through its Accountable Body, and with the assistance of the LEP and the constituent councils as proposers of individual schemes, will publish meeting papers and minutes, scheme business cases and evaluation reports, funding decision letters with funding levels and conditions indicated, and regular programme updates on delivery and spend against budget.

For meetings of the BLTB, the publication of papers will allow five clear working days between the day of the publication of the papers and the day of the meeting. In order to promote openness and transparency, the LEP encourages scheme promoters to conduct appropriate stakeholder consultation in their own area, and publicise the details of the schemes they are promoting as soon as they are available. These details include scheme summaries as well as detailed appraisals, impact statements and other reports which may or may not be part of the full business case submission.

The meetings of the BLTB will be followed immediately by meetings of the Berkshire Strategic Transport Members' Forum. There will be regular meetings of officers, and the papers, proposals, and other relevant documents for the BLTB will be circulated to this group for comment and advice. This group includes colleagues from DfT, Network Rail, Highways England and other transport interests.

## PART TWO: PRIORITISATION

11. Development and Maintenance of Programme of Schemes: The BLTB will establish and maintain a Programme of Capital Transport Schemes. The "Unapproved" or "Long List" of schemes will be generated by a periodic invitation (known as a call for schemes) to the members of the Berkshire Strategic Transport Forum to submit proposals.
12. Call for Schemes: The BLTB will issue a call for capital schemes, including eligibility criteria
  - a minimum threshold value in order to encourage major schemes
  - a minimum level of detail in order to be able to establish the nature, purpose and content of the scheme
  - a minimum matching funding percentage in order to ensure local commitment to the scheme

Schemes which do not meet the eligibility criteria may be refused entry to the programme, or referred back to the promoter for further development.

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<sup>5</sup> Currently the Chief Executive of Slough Borough Council

<sup>6</sup> Freedom of Information Act and Environmental Information Regulations

13. The eligible schemes will then be subject to a simple (3-level High-Medium-Low) assessment against each of the six criteria described below. The scoring and preliminary evaluation will be moderated by the BSTF Officers' Group, and this will form a recommended list for consideration by the BLTB and the LEP as a basis for agreeing a prioritised long-list of unapproved schemes.
14. BLTB has adopted a methodology for the prioritisation of schemes using the following criteria (or suitable proxies):
  - 14.1. Maximum strategic impact
  - 14.2. Economic impact
  - 14.3. Value for money
  - 14.4. Deliverability
  - 14.5. Environmental impact
  - 14.6. Social/distributional impact

This methodology, including the relative weightings and detailed scoring criteria, will be reviewed and refreshed as appropriate prior to each new call for schemes. The result of each new call for schemes will be a prioritised long-list of unapproved schemes.

#### PART THREE: PROGRAMME MANAGEMENT AND INVESTMENT DECISIONS

15. Scheme Assessment and Approval: The BLTB will operate a stepped system of scheme assessment and approval:

Step 1: Unapproved or Long List of schemes. This will be the prioritised list of schemes which have met the eligibility criteria according to the evaluation process set out at paragraphs 11-14 above.

Step 2: Programme Entry Stage. Schemes will be moved from the unapproved (or long-list) and given Programme Entry Status in the priority order established at Step 1 as funds become available. Programme Entry Status signifies that funds are available and that the scheme promoter should develop a [Full Business Case](#) in line with current DfT guidance.

Step 3: When completed, the Full Business Case together with a VfM Statement and an independent assessment report and any contributions from the public will be reported to the BLTB. Where a scheme can demonstrate high value for money and receive a positive assessment, and have this validated by the independent assessor, a report will be made to BLTB recommending approval.

Step 4: After considering the reports supplied at Step 3, BLTB may:

- a) give Conditional Financial Approval (with the conditions and the delegated authority for releasing them being made explicit), or
- b) give Full Financial Approval, or
- c) refer a scheme back for further development and retain its place in the Programme

In addition, after considering routine progress reports BLTB may:

- d) delete the scheme from the Programme.

Step 5: Approved schemes will be subject to formal agreement by way of a capital grant letter issued by the LEP. This will set out the roles, responsibilities, reporting and auditing arrangements between the LEP and the organisation promoting the scheme.

16. TVB LEP has appointed consultants to perform the role of independent assessor. The draft report of the independent assessor will first be made available to the promoting authority, and an opportunity will be provided for the promoter to make a response to the assessment. Before any scheme is recommended for financial approval, the independent assessor's report and any response from the promoter will be reported in full to the LTB, and through the publication of LTB meeting papers, to the wider public.
17. External View on Business Case: At Step 3, all promoters seeking full financial approval for a scheme will arrange for their full business cases to be published at least five clear working days in advance of the relevant meeting of the BLTB. This is the minimum publication requirement that must be met by the scheme promoter. The LEP encourages scheme promoters to conduct appropriate stakeholder consultation in their own area, and publicise the details of the schemes they are promoting as soon as they are available. These details include scheme summaries as well as detailed appraisals, impact statements and other reports which may or may not be part of the full business case submission. Any comments from interested parties or the public should, where possible, be made to the LEP in time to be included in the papers for the BLTB.
18. Public Speaking at BLTB: Prior to making a decision on financial approval for a scheme, members of the public may address the BLTB meeting during the item considering each scheme for a maximum of four minutes. Members of the public may only speak on a financial approval agenda item if they have registered with the clerk at least three working days prior to the meeting. A total of four minutes per financial approval item will be allocated to hear the views of all interested parties. The time limit remains the same if more than one interested party registers to speak and members of the public will be encouraged to make a joint presentation, or appoint a spokesperson, to make best use of the time available. The Chair of the BLTB can, in exceptional circumstances, extend the four-minute time limit. The Chair's decision about what is an exceptional circumstance will be final. Public speaking rights only apply to the consideration of scheme financial approval items and not to any other matters being considered by the BLTB.
19. Evaluation: Evaluation post implementation. The scheme promoter will publish one- and five- year impact reports post scheme opening. These reports will be reviewed by the independent assessor and reported to the BLTB.
20. Release of Funding, Cost Control and Approval Conditions: As outlined above, all Schemes that receive BLTB approval will be subject to formal agreement about roles, responsibilities, reporting and auditing between the LEP and the scheme promoter. This agreement, the capital grant letter, will cover timing and triggers for payments, any conditions about contributions from other funders, the consequences of scheme delay or failure to meet conditions, and formal audit and clawback provisions.
21. This process is summarised at Appendix 2, *How we work*.

## **Appendix 1**

Role Description for private sector members of the Berkshire Local Transport Body

### ***Role description***

We are looking for business representatives from the private sector who have an interest in the transport infrastructure and its impacts in the Thames Valley Berkshire LEP area. We want you to present your views as users of the transport infrastructure, both on behalf of the movement of goods and supplies, and the movement of staff and customers. There is no requirement to have specialist knowledge of the transport industry.

This role will be as a **volunteer** to represent the views and interests of businesses in Thames Valley Berkshire. You will have the opportunity to work with the Berkshire Strategic Transport Officers' Forum to support and encourage appropriate levels of consultation with the business community and others.

To maintain the balance of the Berkshire Local Transport Body it is an essential requirement that sector representatives must live or work in Berkshire. The successful candidate will have experience/understanding of the issues facing Thames Valley Berkshire businesses in relation to transport infrastructure.

### ***Principles and fundamentals of the Berkshire Local Transport Body***

We have adopted the following principles:

**Principle 1** The membership of the Berkshire Local Transport Body will be an equal number of business representatives and elected councillors.

**Principle 2** We will try to achieve a spread of business representatives from all parts of the Thames Valley Berkshire area.

**Principle 3** We will rotate the membership of the Berkshire Local Transport Body, and appointments will be for a minimum of three years, renewable once for a second two-year term.

**Principle 4** The business representative appointments are personal, and not transferable. There will be restricted provisions for substitutes or alternate members.

**Principle 5** We expect business representatives to adhere to the LEP's Governance Code (provided on appointment)

And the following fundamentals:

- 1. Leadership** Members should demonstrate the qualities of leadership in relation to promoting a strategy for transport in Thames Valley Berkshire.
- 2. Activities** Members should ensure that they can devote sufficient time (about a day every quarter) to supporting the activities of the Berkshire Strategic Transport Forum and the Berkshire Local Transport Body, which will include a range of events outside the formal meetings.
- 3. Information** Members should encourage the free flow of information within Thames Valley Berkshire, in the spirit of openness and transparency.

- 4. Representation** Members should respect their representative role, and the need to contribute on behalf of wider business interests rather than the narrow interest of their own organisation.
- 5. Business Rules** As Members of the Berkshire Local Transport Body, you will be expected to follow the same rules on declaration of business interests and related matters as the local authority members. In particular there are two rules that will need to be observed:
- We maintain a regime of open declaration of business interests, and where there may be a conflict with your own or your employer's interests, you will be expected to withdraw from the relevant discussion;
  - Membership is personal to you, and does not entitle you to invite additional or alternative attendees. In exceptional circumstances and with the permission of the Chair, substitutes can be authorised.

## Appendix 2

### **How we work: Thames Valley Berkshire Local Enterprise Partnership (TVB LEP) and the Berkshire Local Transport Body (BLTB) – investing in local transport schemes**

This briefing note is intended to set out the way TVB LEP works with BLTB to invest Local Growth Funds in transport schemes.

1. TVB LEP is a business-led organisation responsible for determining the key funding priorities to which Local Growth Funds (LGF) and other public resources are directed in order to implement a Strategic Economic Plan (SEP) and meet its commitments in the TVB Growth Deals. As a company limited by guarantee (registered at Companies House No. 07885051) it operates according to its Articles of Association, which comply with the Companies Act 2006. As a publicly-funded body it behaves in accordance with an Assurance Framework, which determines the practices and standards necessary to provide assurance to government and local partners that decisions over (all government) funding are proper, transparent and deliver value for money. **[LEP Assurance Framework (AF) January 2017]**
2. BLTB consists of six elected members (usually the lead member for transport or related portfolio), and six private sector representatives recruited and appointed by the LEP. **[LEP AF 1.11]**. It is a Joint Committee of the six unitary authorities in Berkshire and its constitution is set out in the BLTB Assurance Framework (BLTB AF).
3. TVB LEP recognises BLTB as “the competent body to a) prioritise and b) implement transport capital schemes on its behalf. In practice the LEP will accept any BLTB recommendations or refer them back but will not substitute its own recommendations.” **[LEP AF 1.12]**
4. The process established by government for making Growth Deals is to invite LEPs to submit competitive proposals, and after due consideration to make awards based on all or part of a LEP bid. To date TVB LEP has agreed three Growth Deals. Each of these has included, among other things, the award of capital funds for individual transport schemes that were prioritised in the TVB LEP bid and named in the Growth Deal settlement.
5. TVB LEP works with its partners to identify and prioritise suitable schemes. It is a lobbying organisation, and, via Growth Deals, a joint-funder of selected schemes promoted by (usually, but not always) a local transport authority. **[BLTB AF 11-14]**
6. BLTB requires promoters to develop each scheme in accordance with current WebTAG guidance published by DfT. In order to receive financial approval from BLTB, the Full Business Case must be subject to independent assessment and a positive recommendation about value for money. **[BLTB AF 15-19]**
7. The scheme promoter is responsible for all aspects of the design, risk management, insurance, procurement, construction and implementation of the scheme, including their responsibilities as highway and planning authorities, any other statutory duties, and any financial or other liabilities arising from the scheme. **[BLTB AF 20]**
8. The time taken between an initial government call for bids and the final announcement of a new Growth Deal can be in excess of a year. TVB LEP (together with BLTB for transport schemes) must go through a number of steps to respond to a government call for bids. Similarly, a transport scheme promoter also must go through several steps:



- LEP receives a call from government or Growth Deal proposals
- LEP asks BLTB to issue a call for transport capital schemes, which meet the Growth Deal criteria
- BLTB consults on and publishes prioritisation methodology for assessing schemes
- Local Transport authorities and other promoters propose schemes for inclusion
- BLTB applies the prioritisation methodology and recommends a priority order of schemes for inclusion in the overall LEP Growth Deal bid
- LEP submits Growth Deal bid including transport schemes
- Government announces Growth Deal approvals (if any) including named schemes and provisional financial allocation
- BLTB awards schemes named in the new Growth Deal “programme entry” status. This reserves the provisional financial allocation for each named scheme until the scheme promoter comes forward with a Full Business Case (FBC), which demonstrates at least “good value for money”
- The scheme promoter works up the detail of the scheme, including planning permission and any other regulatory approvals, design, costs, environmental and other impact assessments. The scheme FBC is then subject to independent scrutiny and a report is made to BLTB