

**West of England  
Devolution of Local Major Transport Schemes**

**Local Transport Body Assurance Framework**

**15 December 2014**



**West of England**

**Bath & North East  
Somerset Council**



**North  
Somerset  
COUNCIL**

**South Gloucestershire  
Council**

## Overview

The West of England warmly welcomes the Government's plans for the devolution of responsibility for developing a priority programme of major transport schemes, and overseeing their delivery at the local level. We believe this will produce real benefits in terms of bringing forward the schemes which meet our transport challenges, and delivering them in a timely and effective manner.

You have requested that we submit proposals for the central assurance framework which will provide details of the way in which the Local Transport Body (LTB) will meet requirements in relation to governance, accountability, financial management and meeting value for money. Our proposals for these elements are set out below, and the way we will satisfy the minimum requirements of the assurance framework are set out in detail in the checklist shown in Annex A. Whilst we understand the need for an assurance framework, we hope that these requirements do not erode the benefits of a devolved approach which is more streamlined and allows decision making at the local level.

The management of the programme will be subject to periodic audit and the LTB will keep under review the assurance framework to ensure it continues to meet the requirements in relation to governance, accountability, financial management and meeting value for money, and will approve any revision to the framework considered necessary through the LTB Board.

The contact details for the West of England LTB are provided below.

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### **For enquiries about LTB Board meetings or to submit statements or questions:**

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## **Part 1: Purpose, Structure and Operating Principles**

### **1. Name**

The LTB will be known as the 'West of England Local Transport Body'.

### **2. Geography**

With high transport self containment and well established joint governance the appropriate geography for the LTB is that of the West of England, being the administrative area of Bath and North East Somerset, Bristol, North Somerset and South Gloucestershire Councils.

### **3. LTB Membership**

The West of England has a formally constituted Joint Transport Executive Committee (JTEC) which brings together the lead Elected Members for transport for the four authorities. This has been meeting since 2009, is formally constituted and underpinned by a Joint Working Agreement (JWA). JTEC currently oversees the major schemes programme and other cross boundary schemes and projects including the delivery of the Greater Bristol Bus Network (GBBN) completed in 2012. We propose that the LTB builds upon this strong foundation.

We believe the Local Enterprise Partnership (LEP) should be a key member of the LTB. The West of England LEP has been meeting formally since April 2011. It is proposed that the business LEP Board Member whom the Board have nominated to have responsibility for transport and one other LEP business representative agreed by the LEP Board join the four JTEC members to meet as the LTB Board. All LTB Board representatives will have equal status and full voting rights. The voting arrangements for the LTB Board will ensure democratic accountability by ensuring elected members cannot be outvoted by non-elected members. These are set out in the constitution (see Annex B, Schedule A).

The four authorities and the West of England LEP have confirmed their membership of the West of England LTB.

The operation of the LTB is to be set out in a JWA providing a legally binding contractual relationship between the four authorities and the LEP. Together with the LTB Constitution this formalises how the LTB will function including membership and the process for change.

The membership of the LTB will be kept under review, and the future addition of other bodies or organisations who may contribute to the aims and objectives of the LTB will be considered at least annually. Any changes to the membership or constitution of the LTB shall be with the agreement of all LTB Board members.

The JTEC will continue to meet to consider other matters within its current remit.

#### **4. Conflicts of Interest**

It is essential that decisions on the prioritisation of investment for major schemes funding are made on an objective basis, are evidence-based and are supported by scheme business cases (see also Part 2 and 3 of this framework).

Through the LTB Board, JWA and Accountable Body arrangements there will be clear distinction and adequate separation between the role of scheme promoter and LTB decision making including arrangements for reviewing business cases and approving individual schemes (see also Part 3 of this framework).

Clear policies on conflict of interest and hospitality for the members of the LTB Board are included in the JWA reflecting those already in place for JTEC and the LEP Board. All individuals who are members of the LTB Board will be required to disclose any potential conflicts of interest, taking into account their role on the LTB and that in their host organisation, which may prevent them from making an impartial decision on the prioritisation process or an individual scheme. A register of interests of the members of the LTB Board will be available through the LEP website ([www.westofengalndlep.co.uk](http://www.westofengalndlep.co.uk)).

#### **5. Gifts and Hospitality**

LTB Board members will declare any gift or hospitality from any individual or organisation who has a specific interest in any major scheme within the identified long list. A list of such declarations will be maintained by the accountable body, and the way this can be accessed will be published on the LEP website ([www.westofengalndlep.co.uk/transport-and-infrastructure/gifts-and-hospitality](http://www.westofengalndlep.co.uk/transport-and-infrastructure/gifts-and-hospitality)).

Local authority Board members shall comply with the provisions of their respective authorities' Codes of Conduct, and LEP members shall comply with the requirement of the LEP (including any codes of conduct), in connection with acceptance and declaration of gifts and hospitality.

#### **6. Status and Role of the Accountable Body**

The LTB will be an informal partnership between the four unitary authorities and the West of England LEP underpinned by a legal agreement.

We recognise that there is a need to provide a mechanism for the LTB to receive funds and oversee their use on behalf of its members, and to satisfy requirements that financial arrangements are robust and transparent, and open to external scrutiny. To this end South Gloucestershire Council will act as the accountable body for the LTB and provide a conduit for the receipt

and dispersal of funds to the delivery authority(ies) or potentially other delivery agency. The accountable body role may be undertaken by another authority in the future depending upon the schemes which come forward and the aim for maximum separation between the accountable body and delivery body roles.

The LTB funds will be accounted for in such a way that they are separately identified from the accountable body's own funds enabling the reporting of financial statements to the LTB Board as required.

The accountable body will be responsible for ensuring that all LTB decisions are made within the adopted governance and decision making process. They will hold and administer funds on behalf of the LTB, ensure compliance with financial, legal (including Freedom of Information and Environmental Information Regulations) and other regulations and requirements, be responsible for funding claims, payments to delivery bodies and for regular independent audit.

The accountable body will be responsible for the following:

- Ensuring that the decisions and activities of the LTB conform with legal requirements with regard to equalities, environmental, EU issues etc.
- Ensuring, through the s151 officer, that the funds are used appropriately.
- Ensuring that the DfT approved assurance framework is being adhered to.
- Maintaining the official record of LTB proceedings and holding all LTB documents.
- Having responsibility for the decisions of the LTB in approving schemes if for example subject to legal challenge.

To ensure accountability at all levels, this role will be supported by the LTB JWA and back to back legal agreements with the authority(ies) delivering the schemes setting out the respective responsibilities including reporting and audit requirements. These legal agreements will ensure that the funds allocated for a particular scheme can only be used in accordance with an LTB decision.

## **7. Audit and Scrutiny**

Appropriate and proportionate mechanisms will be established for independent assurance including local audits by a qualified auditor to verify the LTB is operating effectively and within the terms of the agreed assurance framework. An audit will be undertaken and reported to DfT prior to the start of devolution and thereafter annually. The outcome of these audits will be reported to the LTB who will be responsible for taking any necessary action through the LTB Board or accountable body.

## 8. Strategic Objectives and Purpose

The overall objective of the West of England LTB will be to manage the devolved major schemes funding in order to deliver high value for money transport schemes which support the policies and objectives of the Joint Local Transport Plan 2011-26 (JLTP3) and 'Place' aspect of the LEP Vision.

### Joint Local Transport Plan Goals

- Reduce carbon emissions
- Support economic growth
- Promote accessibility
- Contribute to better safety, security and health
- Improve quality of life and a healthy natural environment

### LEP Vision 'Place' Objective

Encouragement of sustainable economic growth and the creation of substantial numbers of new private sector jobs by:

Making the West of England highly attractive to inward investors and existing companies, by securing improved transport, environmental and broadband infrastructure that business needs; providing access to a range of employment land and premises; facilitate new housing and community structure. Maintain outstanding physical environment and high quality of life to retain and attract highly skilled workers and graduates.

More specifically the role of the LTB will be to:

- Identify a prioritised list of investments within the available devolved major schemes budget.
- Make decisions on individual scheme approval, investment decision making and release of funding, including scrutiny of individual scheme business cases.
- Be responsible for ensuring that the schemes which come forward deliver value for money.
- Monitor progress of scheme delivery and spend.
- Actively manage the devolved budget and programme to respond to changed circumstance.

The role of the LTB will be subject to periodic review to consider whether other functions should be included within its terms of reference.

## **9. Support and Administrative Arrangements**

Elected members of the West of England authorities have been meeting jointly, formally and in public for a number of years through the (then) West of England Partnership (with stakeholders), JTEC, the Planning, Housing & Communities Board and the Joint Scrutiny Committee. More recently a LEP Board and Infrastructure and Place Group have been added to the joint arrangements.

The LTB Board will be able to draw on the existing well established joint arrangements for the provision of administrative support and professional advice to these meetings, and in particular JTEC, provided by the officers of the authorities and West of England Office. This will include maintaining the official record of proceedings and a schedule of decisions. Technical and professional advice to the LTB including preparation and coordination of reports on prioritisation, scheme approvals and progress updates will be provided by staff already in post in the West of England Office who provide coordination of the area's major transport schemes.

The authorities have created a Programme Assurance Board (PAB) which meets regularly to provide critical review, monitoring of progress and performance, and oversight for the current major schemes programme. This Board includes representatives of the four authorities and the LEP at Director level. Schemes being brought forward through the devolved arrangements will fall within the PAB arrangements including quarterly progress and exception reporting.

An overview of the proposed functioning of the governance and functional arrangements is shown in Figure 1.

## **10. Working Arrangements and Meeting Frequency**

It is proposed that meetings of the LTB Board will be held quarterly and aligned with the programme of meetings of JTEC. It is planned that the inaugural meeting of the LTB will be on 13 March 2013. The LTB Board will meet formally and in public at key points in the prioritisation and scheme approval process, including to:

- Determine the initial decision on the composition of the scheme programme.
- Make individual scheme investment decisions at the three stages of the approval regime (see section 15 of this framework).
- Consider progress reports including scheme specification, programme and cost.

LTB Board meetings will be held in public providing an open forum for debate and decision making. A forward plan for the LTB Board will be agreed at the inaugural meeting, and maintained and published to ensure that stakeholders have the opportunity to attend and make representations at LTB meetings. Building upon the current arrangements for JTEC, LTB Board meetings will

include time at each meeting for a Member and Public Forum. There will be a minimum notice period of 10 working days for LTB Board meetings, with papers published at least 5 working days in advance of the meeting.

The West of England Joint Scrutiny Committee, comprising three cross party Elected Members from each authority, will provide ongoing oversight and scrutiny.

## **11. Transparency and Local Engagement**

The LTB will operate under the procedures outlined within the JWA which will include the Terms of Reference and Constitution of the LTB Board.

The LTB will be open and transparent in its activities so that it is clear how decisions have been reached and priorities agreed. Decisions on prioritisation and the approval of schemes at the three identified stages (Initial Priority Status, Outline Business Case and Full Business Case) will follow the processes set out in Part 2 and Part 3 of this framework respectively. This will include adherence to the Code of Recommended Practice for Local Authorities on Data Transparency.

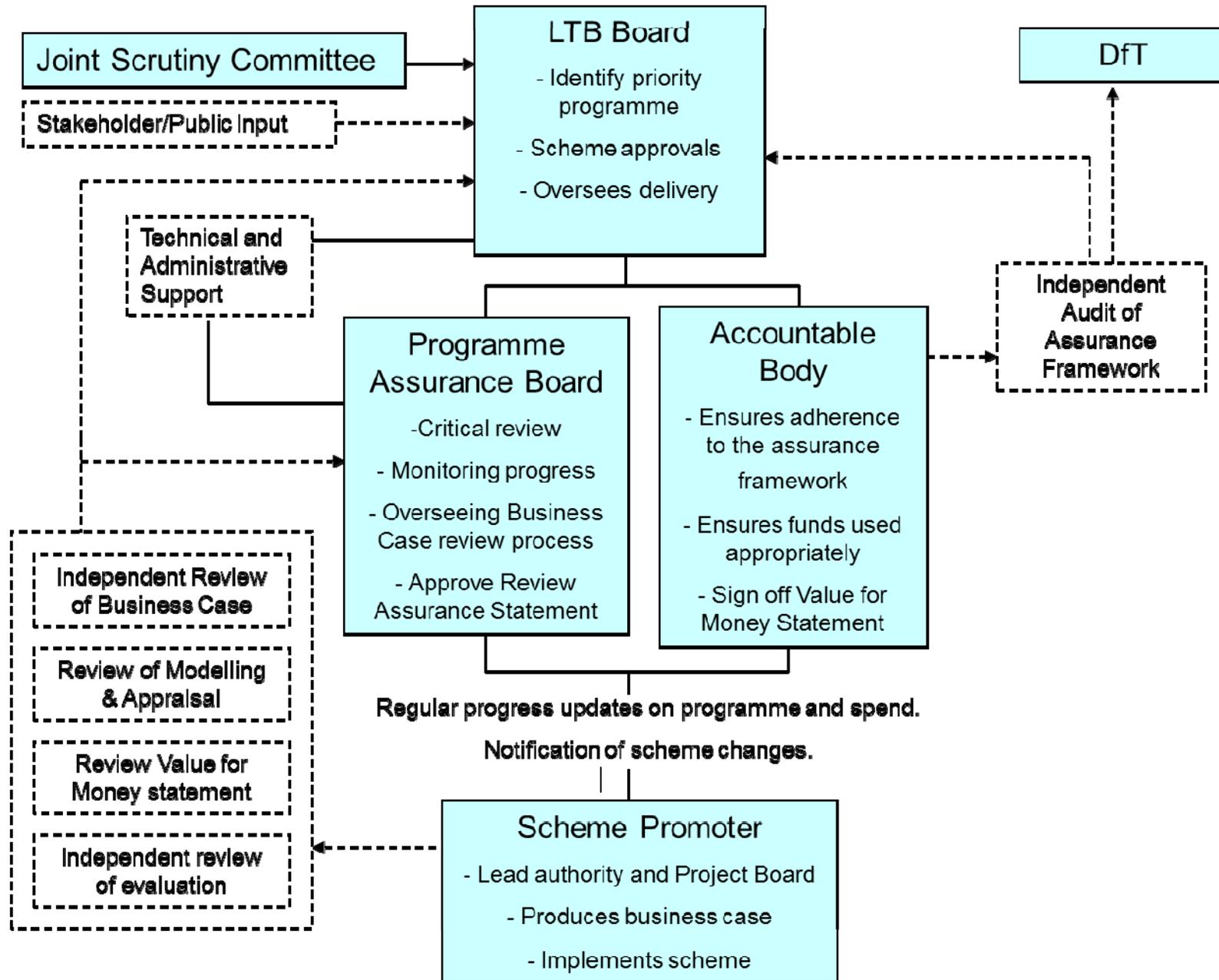
As with the existing JTEC arrangements all papers relevant to decision making by the LTB will be made available including publication on the LEP website ([www.westofenglandlep.co.uk](http://www.westofenglandlep.co.uk)). This will include:

- The assurance framework
- Joint Working Agreement.
- The Constitution of the LTB Board
- The LTB Board papers.
- Notes of meetings of the LTB.
- Technical reports which support decision making.
- Scheme business cases set out in the five cases – Strategic, Economic, Commercial, Financial and Management.
- Business Case Review Report.
- Scheme Value for Money Statements.
- Funding decision letters with funding levels and decisions.
- A scheme summary defining the outcomes to be delivered.
- Regular progress reports with updates on delivery and spend.
- Scheme monitoring and evaluation plans and evaluations reports.

There will be the opportunity for the public and stakeholders to attend the meetings of the LTB Board and to present petitions, statements and questions for consideration by the Board.

The LTB will comply with Freedom of Information Act 2005 and Environmental Impact Regulations 2004 rights to information through South Gloucestershire Council as the accountable body.

Figure 1 – Summary of LTB Governance and Functional Arrangements



## 12. Complaints and Whistleblowing

Any individual or organisation is entitled to make a complaint if they believe the activities of the LTB are in breach of the standards and operating arrangements set out in the assurance framework. Complaints will be treated in accordance with the procedure shown in Figure 2 based upon that of South Gloucestershire Council as accountable body.

### **Complaints Procedure**

Once we have received your complaint we will write to you to acknowledge it and to let you know when you can expect a response. We will send a further letter with the name of officer who will be investigating your complaint, if this is not known when we send the acknowledgement. This is the case at both stage 1 and stage 2 of the procedure.

#### **Stage 1**

If your complaint is being dealt with at stage 1 of the procedure, you can expect to receive a full response within 10 working days. If we think it will take longer than this, we will write to you with an explanation and a revised date. Once we have made a decision about your complaint we will write to you and let you know. If your complaint has been upheld we will let you know what have done to put right what went wrong. We will also tell you what we have done to prevent the same issue happening again.

If you remain dissatisfied you can ask for your complaint to be escalated to stage 2 of the procedure. This request should usually be received within 20 working days following the stage 1 decision letter. Please include the reasons why you are dissatisfied with the response at stage 1 and what you would like us to do to resolve your complaint.

#### **Stage 2**

At this stage of the complaints procedure an investigation into your complaint will be undertaken by a senior member of staff who does not have direct involvement in the operation of the Local Transport Body. A report will be produced which will include full details of the investigation along with a decision, suggested remedies and any changes to the way the LTB operates, which may have been identified as a result. The report will be sent to you with a covering letter summarising its findings. If at this point you remain dissatisfied you can ask for your complaint to be escalated to stage 3 of the procedure.

If you wish to progress to stage 3 this request should usually be received within 20 working days from the date of the stage 2 response letter. Please include the reasons why you are dissatisfied with the stage 2 investigation and what you would like us to do to resolve your complaint.

#### **Stage 3**

If you decide you would like your complaint to be escalated to stage 3 this will be considered by a senior officer who will undertake an independent investigation.

The complainant will have the option to escalate the issue to the DfT.

**Figure 2 – LTB Complaints Procedure**

## Part 2: Prioritisation

### 13. Scheme Identification and Prioritisation

The prioritisation process will identify a scheme programme which supports the policies and objectives of the Joint Local Transport Plan 2001-26 (JLTP3), is affordable within the available funding envelope using an objective and evidence based process.

The prioritisation methodology is shown diagrammatically in Figure 3 and set out in detail below. This has already been published and discussed formally and in public by JTEC providing the opportunity for stakeholders to make comments. Approval of this methodology will be sought at the inaugural LTB Board meeting.

#### Stage 1 - Development of Long List of Schemes

An initial long list of schemes will be derived from reviewing the JLTP3, the authority Core Strategies and other more detailed infrastructure plans eg for the Enterprise Zone or Areas. At this stage the long list will include a comprehensive set of schemes including those expected, or with the potential, to be funded by others, together with those outside of the immediate cost or delivery constraints.

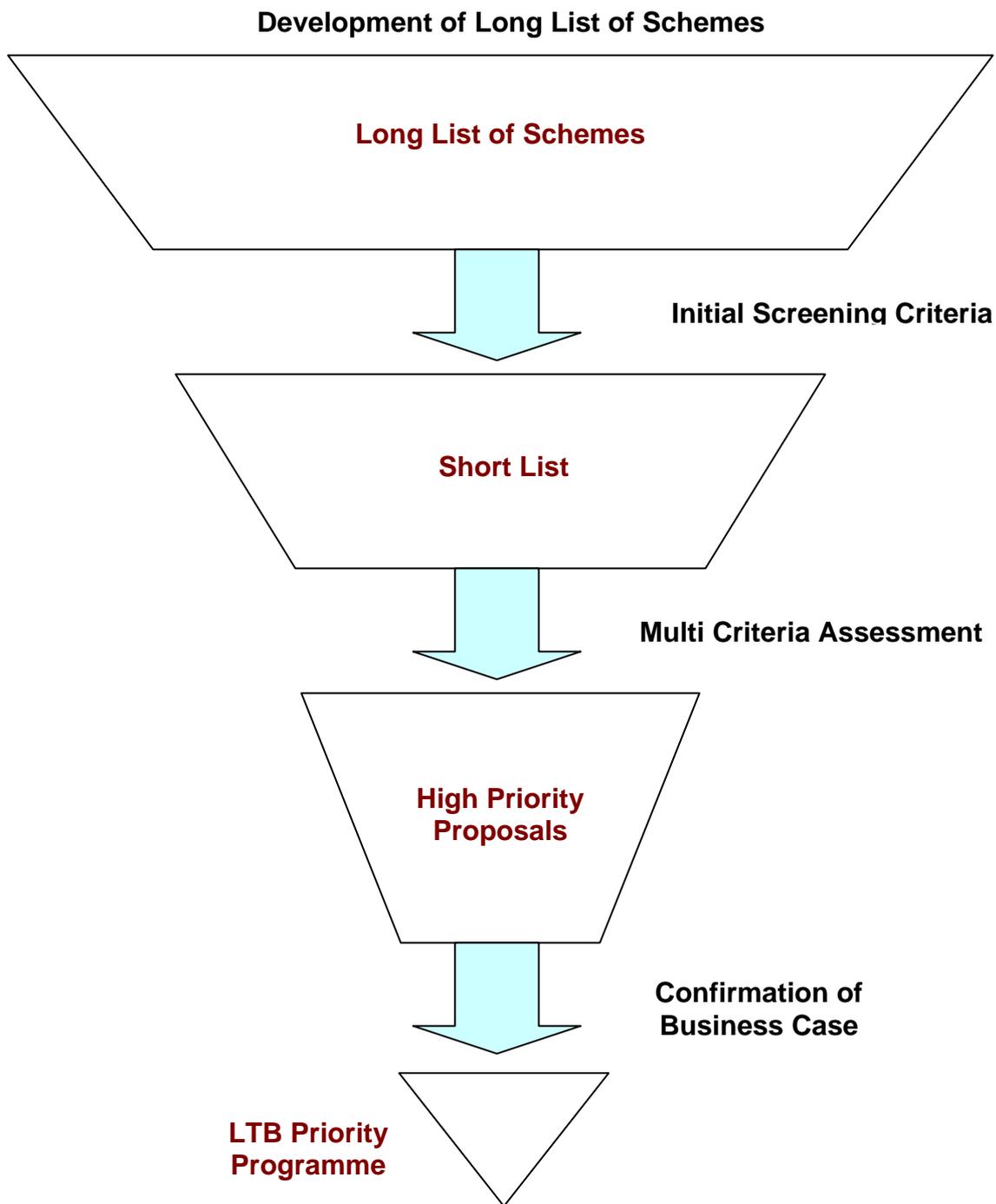
#### Stage 2 - Long List Assessment

The long list of schemes will be reviewed by officers across the West of England authorities to seek to identify those which fit less well in terms of deliverability or affordability within the allocation through the devolved major schemes funding approach. This process will involve the application of three initial screening criteria, namely:

- *Affordability* – schemes which cannot be funded within the likely allocation for the next 4 year Comprehensive Spending Review (CSR) period.
- *Minimum Cost Threshold* – given the requirement of the assurance framework and the associated resource implications, a minimum cost threshold of £2m will be applied.
- *Deliverability* – schemes must be sufficiently well defined to have the realistic potential to progress through design, consultation and statutory processes to be substantially complete within the next CSR period.

#### Stage 3 - Short List Assessment

A short list of schemes which are considered affordable and deliverable through the Stage 2 assessment process will be subject to a multi criteria assessment with the aim to identify a set of high priority proposals for devolved funding. A set of weighted assessment criteria will be used based upon strategic fit, deliverability, outputs and value for money (see Figure 4).



**Figure 3 - Overview of Prioritisation Process**

The short list assessment will be undertaken by a panel of officers from across the West of England authorities. This will involve a review of technical information about each of the schemes provided through individual summaries prepared by the promoting authority(ies), and scoring for each criterion. Scores will be averaged and then weighted to provide an overall score.

Prior to confirmation of the priorities, further work will be undertaken to satisfy the LTB that the provisionally identified priority schemes will result in strong business cases which meet the requirements of the assurance framework including presenting 'high' value for money.

Criteria	Weighting (Highest 3)
<b>Strategic Fit</b>	
Core Strategies	3
Joint Local Transport Plan	3
Enterprise Zone and Area	3
Links with wider programmes	1
Identification in previous technical studies programmes	1
<b>Deliverability</b>	
Stakeholder Support	2
Construction Start	3
Reliance on Third Parties eg Network Rail, Highways Agency	1
Current State of Development	2
<b>Outputs and Value for Money</b>	
Ability to draw on other funding	2
Assist in delivery of job growth	3
Assist in delivery of homes	3
Contribution to congestion reduction	2
Contribution to carbon reduction	2
Other significant wider benefit: Noise/Air Quality, Accidents, Natural Resources, Landscape/Townscape, Heritage, Social/Distributional/ Equalities	2

**Figure 4 – Short List Assessment Criteria and Weightings**

Where schemes relate to or interact with the strategic road or rail network engagement will be undertaken with the Highways Agency and Network Rail utilising the existing relationships at the individual scheme, authority and West of England level. Similarly where schemes interact with authorities which border the West of England, liaison will occur through scheme specific arrangements or the established Neighbouring Authorities Cross Boundary Group meetings.

#### **14. Scheme Eligibility**

Funding will only be made available to well defined schemes which have followed the process of business case development described in section 15, 16 and 17.

It is not considered appropriate to include restrictive eligibility criteria within the framework, such as the type of scheme or its purpose, considering that such issues are better dealt with through the prioritisation methodology. The exception is the minimum scheme cost of £2m (see section 13 of this framework).

We do not intend to prescribe a minimum threshold for local contribution although we will explore additional funding that could bring added value, and development costs prior to devolved funding becoming available in 2015/16 will be met locally.

## Part 3: Programme Management and Investment Decisions

### 15. Scheme Assessment and Approval

The following approval regime for schemes will be adopted:

- Initial priority status (by July 2013)
- Preliminary Business Case
- Outline Business Case sufficient to support statutory processes
- Final approval to secure release of funds supported by a Full Business Case.

A Preliminary Business Case will be produced to enable the Local Transport Body to make an informed decision on selecting a single option to take forward. In the case of rail proposals this will be produced at the end of GRIP Stage 1-2 to identify the option to progress to GRIP Stage 3

For the Outline Business Case and final approval stages the LTB approval decisions will be supported by an assessment of the scheme carried out independently of the promoting authority. This review will be undertaken by technical officers from an authority other than the promoting authority(ies) supported by third party specialists procured specifically for this purpose, and will be signed off by a named individual.

A Business Case Review Report will be produced by the independent assessor which includes a set of recommendations on the Outline or Full Business case including ways that it can be improved. This will also identify any key issues or concerns regarding the robustness of the Business Case with particular emphasis on the costs, programme, quality of the transport modelling and evidence base, and BCR (including required 'high' value for money – see section 17). A traffic light categorisation of issues will be used to highlight the significance of the issue, with 'Red' being those which relate to concerns which require attention, 'Amber' those which require clarification, and 'Green' being advisory points.

The Business Case Review Report will be reported to the existing major schemes Programme Assurance Board (PAB) who will seek necessary action from the promoting authority(ies) to address the report recommendations and any specific concerns. The report to the LTB Board seeking Outline or Full Business Case approval will include both the Business Case Review Report and a description of action taken by the promoter under the direction of the PAB to address issues raised in the report. Where there are significant issues, the proposed amendment or corrective action will be the subject of further independent review, the outcomes of which will also be included in the Business Case Review Report.

Quality assurance of the Business Case Review Report process will be provided by staff at the West of England Office not directly involved in the development of the scheme, with support of independent specialists where necessary. A Review Assurance Statement will be reported to the major schemes Programme Assurance Board when they consider the Business Case Review Report.

Back to back legal agreement between the LTB and authority(ies) delivering the scheme will be put in place which will set out respective responsibilities including reporting and audit requirements. These will also include provisions regarding eligibility of expenditure, cash flow and cost escalation.

Scheme promoters will be responsible for the timely supply of:

- Information to allow regular progress reports to be provided to the LTB.
- Details of changes to scheme scope, cost or implementation timescales.

The LTB will be responsible for assessing the impact of any changes on the programme and working with the promoter to address any specific issues. Delays to a scheme may impact upon funding available and there will be no guarantee that cost escalation can be met in whole or part.

## **16. The Transport Business Case**

Scheme promoters will be required to use DfT's Transport Business Case guidance when producing the Outline and Full Business Case. The information provided and the assessment of the scheme will follow the five cases, namely:

- The Strategic Case.
- The Economic Case.
- The Commercial Case.
- The Financial Case.
- The Management Case.

The LTB may require additional information before making investment decisions for inclusion within the Business Case. In particular the Business Case will include a clear summary defining the schemes objectives and specific outcomes which will support:

- LTB decision making.
- Monitoring of progress.
- Assessing the achievement of aims for both the LTB and stakeholders.

## **17. Value for Money**

The importance of bringing forward schemes which provide value for money is recognised. Schemes which come forward will be modelled and appraised on the basis of WebTAG guidance current at the time the schemes are approved by the LTB. The LTB will, in discussion with the Department for Transport, seek to pursue an approach with appropriate proportionality, reflecting the scale and nature of the individual scheme.

The appraisal and modelling work will be scrutinised on behalf of the LTB by parties independent from the promoting authority. Given the technical specialism, we will explore how this can be most efficiently managed whilst minimising third party consultancy costs such as through reciprocal arrangements with other LTBs. However to ensure independent specialist resources are in place a specific consultant procurement has been undertaken. This will complement the wider Business Case assurance process described in section 15.

Assessment will include a central case based upon forecasts which are consistent with the definitive version of the National Trip End Model (NTEM).

A value for money statement in line with DfT guidance will be produced for each scheme seeking LTB approval at the Outline or Full Business Case stage. The VfM Statement will be produced by the promoting authority, approved by the scheme Senior Responsible Owner (SRO) and promoting authorities S151 officer, and will include:

- The VfM category of the scheme
- The present value of benefits and costs, and the Benefit Cost Ratio
- A concise summary of the way in which benefits and costs have been assessed, including any assumptions that influence the results
- Assessment of non-monetised impacts
- Identification of any key risks, sensitivities and uncertainties.

This will be subject to independent review and signed off as true and accurate by the LTB responsible officer, the S151 Officer of the LTB accountable body, independent of the promoting authority. The VfM statement, and sign off by the S151 Officer, to be reported to the LTB Board as part of Outline or Full Business case approval.

Schemes which come forward for funding will represent 'high' value for money (Benefit to Cost Ratio greater than 2:1) at each approval stage.

The LTB will put mechanisms in place to monitor and evaluate the impacts of the schemes which are implemented in line with DfT guidance. An Evaluation Plan will be provided to the LTB as part of the Full Business Case for independent review alongside other elements of the submission.

The results of the monitoring and evaluation will be independently reviewed and published.

## **18. External Views on Business Cases**

Business Cases and other supporting information which informs decisions of the LTB will be published at least 5 working days in advance of the relevant LTB Board meeting. Stakeholders will have the opportunity to make comment on the Business Case in writing, or in person, before a decision is made by the LTB Board.

The LTB Board will meet regularly, and stakeholders will have the opportunity to comment on schemes as they are developed and refined through progress reports presented at Board meetings.

## **19. Release of Funding, Cost Control and Approval Conditions**

Cost contributions from the LTB to an individual scheme will not be capped although there will be no guarantee that cost escalation can be met in whole or part. This will be considered on an individual case by case basis by the LTB Board.

Preparatory costs incurred after Preliminary Business Case Approval from 2015/16 will be eligible to be claimed. The LTB will not release any funds for implementation to the promoter prior to the approval of the Full Business Case and the signing of the back to back legal agreement. These agreements will include any DfT grant conditions together

with those on cost eligibility, reporting requirements and audit included within the LTB assurance framework. Provisions will also be included for the recovery of funds.

Funds will be released to scheme promoters quarterly in arrears based upon spend and supported by a claim. Promoters will be required to maintain robust records of spend and ensure compliance with procurement regulations, and the accountable body will undertake appropriate audit of claims and supporting evidence. Any variation of claim against the agreed spend profile will be reported, with suitable explanation to the LTB Board.

## **20. Programme and Risk Management**

The LTB arrangements will include a robust system of project and risk management for the individual schemes being progressed, building on arrangements already in place for our existing major schemes. This will enable spend profiles to be effectively monitored and managed, supported by arrangements for risk management at the programme level overseen by the major schemes Programme Assurance Board (see section 9 and Figure 1) and LTB Board.

## Annex A - Local Transport Body Assurance Framework Checklist

Guidance Minimum Requirement	Response
<p>The following organisations have an automatic right to full LTB membership</p> <ul style="list-style-type: none"> <li>• All LTAs falling wholly or partially within the LTB area (in the unlikely event that an LTA declines membership that should not prevent establishment of the LTB)</li> <li>• ITAs whose area (or any part of it) lies within the LTB area</li> <li>• The primary LEP (or LEPs) on whose geography the LTB is based</li> <li>• Other LEPs with significant coverage within the LTB boundary</li> <li>• District Councils covering any areas where the relevant LTA is unrepresented.</li> </ul>	<p>Membership 4 LTAs and West of England LEP.</p>
<p>There must be some mechanism in place periodically to review LTB membership and to allow for expansion if necessary.</p>	<p>Provision included in the assurance framework and Joint Working Agreement (JWA).</p>
<p>The majority of voting members on an LTB must be democratically elected councillors (or mayors), or an alternative mechanism to ensure that elected members cannot be outvoted.</p>	<p>Membership 4 LTAs representatives and 2 LEP representatives.</p>
<p>LTB must have a statement to say how conflicts of interest are managed.</p> <p>LTB must maintain, or enable access to, publicly available registers of member interests.</p>	<p>Included in the assurance framework and JWA.</p>
<ul style="list-style-type: none"> <li>• The accountable body should be identified and its role clearly set out, ensuring that the issues set out in the guidance are adequately addressed.</li> <li>• The responsibilities set out in para 16 are clearly allocated.</li> </ul>	<p>South Gloucestershire Council will be the accountable body.</p> <p>The accountable body will be responsible for these functions.</p>
<ul style="list-style-type: none"> <li>• Confirmation that an independent local audit will be carried out in line with the above requirements and submitted to DfT.</li> </ul>	<p>Independent local audit will be carried out to verify that the LTB is operating effectively within the terms of the assurance framework.</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>The LTB will perform these roles and these are included in the JWA.</p>

<p>LTBs must set out what resources they will have at their disposal and how these can be guaranteed.</p>	<p>LTB will draw on existing well established joint arrangements for the provision of administrative support and technical advice.</p>
<p>There must be a meeting of the LTB when</p> <ul style="list-style-type: none"> <li>(a) determining the initial decision on the composition of the scheme programme</li> <li>(b) when making individual scheme investment decisions</li> </ul> <p>Such meetings must be open to the public and subject to a minimum notice period.</p>	<p>The LTB will make these decisions and these functions are included within JWA.</p> <p>LTB meetings will be in public.</p>
<p>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>All papers, business cases, funding decision letters with funding levels and supporting technical documentation will be published.</p> <p>These requirements to be included in the assurance framework and JWA.</p>
<p>Prioritisation (i.e. sifting long list of schemes down to a programme) must be evidence based, robust and based on clear objectives.</p> <p>The prioritisation methodology must be published.</p> <p>The selection criteria must consider value for money, deliverability, environmental and social and distributional impacts.</p>	<p>The prioritisation process is evidence based and has been published.</p> <p>These criteria to be considered as part of prioritisation.</p>
<p>Arrangements that ensure funding is considered only for specified major transport schemes and not passed on to Local Transport Authorities for unspecified or loosely defined uses.</p>	<p>Confirmed through the assurance framework and JWA.</p>
<p>Every individual scheme approval decision made by the LTB, must be supported by an assessment of the scheme, carried out independently of the promoting authority and signed off by a named individual.</p>	<p>Confirmed and requirement included in the JWA.</p>

<p>An approval regime that protects the financial interests of the LTB and enables it to fulfill its responsibility to deliver value for money. There needs to be a formal agreement between the LTB and the LA when funding is approved for a scheme setting out respective responsibilities, including reporting and audit requirements.</p>	<p>Three stage approval process proposed:  1) Initial priority status  2) Outline Business Case sufficient to support statutory processes  3) Final approval with Full Business Case to secure release of funds.</p> <p>Respective responsibilities defined in JWA, and agreement between the accountable body and the delivery authority for approved schemes.</p>
<p>Individual scheme business cases must meet the requirements of the Department's Transport Business Case guidance.</p>	<p>Confirmed and requirement included in the JWA.</p>
<p>The modelling and appraisal of schemes contained in business cases must be developed in accordance with the guidance published in WebTAG at the time the business case is submitted to the LTB for approval.</p> <p><sup>4</sup> Central case assessments must be based on forecasts which are consistent with the definitive version of NTEM (DfT's planning dataset). This requirement doesn't stop LTBs considering alternative planning assumptions as sensitivity tests and considering the results of these in coming to a decision about whether to approve a scheme.</p> <p>The appraisal and modelling will be scrutinised by the LTB and this will be undertaken independent of the promoting authority. The assurance framework will set out how this will be done.</p> <p>The assurance framework must set out how the assessment and scrutiny of business cases will be quality assured</p>	<p>WebTAG based approach will be adopted.</p> <p>Modelling and appraisal will be scrutinised by an individual separate and independent from the promoter with the required technical competency.</p> <p>Assessments will use forecasts consistent with NTEM.</p> <p>Business cases will be quality assured via the existing major schemes Programme Assurance Board.</p>
<p>A value for money statement for each scheme in line with published DfT WebTAG guidance must be presented for consideration to the LTB at each approval stage.</p> <p>The VfM assessment must be signed off as true and accurate by a named officer with responsibility for Value for Money assessments within the LTB.</p>	<p>Confirmed in assurance framework</p> <p>Confirmed in assurance framework</p>
<p>The LTB must either; only approve schemes that offer at least "high" value for money, as assessed using DfT guidance, or; set out the limited circumstances under which schemes offering lower than "high" value for money would be considered. Schemes must be assessed against the relevant thresholds at each approval stage.</p>	<p>Approved schemes will offer 'high' value for money at each approval stage.</p>

<p>The LTB must put in place mechanisms to ensure that schemes are monitored and evaluated in line with DfT guidance on the evaluation of local major schemes.</p> <p>The LTB will put in place processes to ensure that the results of evaluation and monitoring are published and to have these reviewed independently of the promoter and LTB.</p>	<p>Confirmed in assurance framework.</p> <p>Results will be independently reviewed and published.</p>
<p>Business cases must be published (and publicised) before funding approval decision is made so that external comment is possible. Opinions expressed by the public and stakeholders must be available to LTB members when decisions are being taken.</p>	<p>Business cases will be published and publicised.</p> <p>Decisions will be taken in public with opportunity for public and stakeholder comment.</p>
<p>There must be a mechanism to ensure funding can only be spent on the specified scheme and only on capital and that there are arrangements in place to avoid payment in advance of need so that funds are not tied up in the event of subsequent delay in a scheme's implementation.</p> <p>Adequate mechanisms are in place for local audit, detection of misuse of funds and recovery of funds by the LTB.</p>	<p>This will be a defined role of the accountable body and conditions will be included in back to back agreements with promoters.</p>
<p>Statement or policy on management of programme risk.</p>	<p>A process of programme risk management will be put in place overseen by the existing major schemes Programme Assurance Board.</p>