

DECISION-MAKER:	CABINET
SUBJECT:	DEVOLVING MAJOR SCHEMES TRANSPORT FUNDING
DATE OF DECISION:	13 NOVEMBER 2012
REPORT OF:	THE DIRECTOR OF ENVIROMENT AND ECONOMY
STATEMENT OF CONFIDENTIALITY	
Not applicable.	

BRIEF SUMMARY

This report seeks to agree the inclusion of the Isle of Wight (IoW) into Transport for South Hampshire (TFSH) to become a full member. It also informs members of the Governments proposals to devolve major scheme funding for transport measures from 2015 and notes the principles by which Southampton City Council will bid for this funding.

RECOMMENDATIONS:

- (i) To agree to the inclusion of the Isle of Wight into Transport for South Hampshire as a full member and delegate authority to the TFSH monitoring officer to make appropriate changes to the joint agreement; and
- (ii) To note the principles set out in paragraph 5 by which the City Council will bid for from the devolved major scheme funding.

REASONS FOR REPORT RECOMMENDATIONS

1. The Isle of Wight Council have requested to join Transport for South Hampshire. On the 25 September, the last Joint Committee of TFSH agreed that each member authority should recommend its Executive to approve the Isle of Wight's inclusion.
2. As a result of the proposed decentralisation of major scheme transport fundin, the City Council is presented with an opportunity to secure significant funding towards transport infrastructure improvements. In order to maximise these opportunities it is necessary for the City Council to make a good case and implement an effective bid strategy.

DETAIL (Including consultation carried out)

- 3 Transport for South Hampshire is an existing joint committee of local highway authorities including Southampton and Portsmouth City Councils and Hampshire County Council. It performs a role in joining up transport decision making across highway authorities and in making the case for investment in transport locally. The Government is seeking to devolve decision making on the allocation of future major scheme funding to local areas that are coterminous with Local Enterprise Partnership (LEP) boundaries i.e. representative of functional economic areas. Partly as a result of this but also because of the considerable linkages between the IoW and the mainland, the Isle of Wight have made a formal request to join TFSH. The nature of the existing joint committee requires that such a decision is formally agreed by each of the existing member authorities.

4 In January of this year the Government confirmed their intention to devolve major scheme funding to a local level from 2015 onwards. At the time of writing this report the Government had not yet published its requirements for assurance frameworks. Neither had it confirmed the level of funding that would be available. They have however stated that:

“Promoters of schemes that believe they stand a good chance of being prioritised may wish to consider whether to begin developing their business cases now. While this would be at the authorities’ own risk it may place the scheme in a stronger position when prioritisation decisions are made.”

5 Noting the Government’s advice above and to place Southampton in a strong position the following strategy is being followed:

- That we should prioritise and put forward schemes likely to best meet the funding criteria of supporting growth and reducing carbon. Of all the measures the City Council put forward this favours a package of transport measures supporting the City Centre Masterplan
- The package should be a convincing ten year plan for investment in transport infrastructure that will support inward investment and confidence in city centre development
- Officers are undertaking feasibility and design now on the schemes so that we are prepared to deliver from 2015 onwards. This includes the schemes around the station VIP (Very Important Project) project including Civic Centre Place Junction and South and North of the Station.
- Officers are identifying a good proportion of match funding from sources other than the General Fund. These include the Local Transport Plan, developer contributions and Community Infrastructure Levy. Taking a ten year approach allows a high proportion of match funding to be identified and spreads the financial strain.
- As none of the above funding sources are guaranteed over such a period the council must be prepared, at least for the purpose of bidding, to underwrite the costs of the match funding

Members are asked to note this strategy.

6 Individual bids will be subject to normal decision making processes in due course including, where appropriate, match funding approvals and detailed impact assessments of bid proposals.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

7 The option to reject the inclusion of the IoW has been considered and rejected on the basis that the inclusion of the IoW makes TfSH stronger and larger and therefore more likely to be able to access funding in the future.

8 Options not to follow the strategy for bidding outlined in paragraph 5 have been considered and include:

- Bidding for other less likely to be successful schemes, and
- Not bidding at all

Such options would probably result in us not being successful in maximising success in accessing devolved funding. Neither would they be in compliance with the best interests of the city and its residents as identified in the Local Transport Plan, Community Strategy and other corporate policy strategies. This is because they would not deliver the growth aspirations of the Local Development Framework or City Centre Masterplan.

RESOURCE IMPLICATIONS

Capital/Revenue

9 The IoW will be making an appropriate financial contribution to the administration of TfSH and so will not create any new burdens on partnership resources.

10 The impact of following the bid strategy is low in risk. In the event that Southampton were successful and the match funding did not come forward as expected then the authority would either have to find the match funding from elsewhere or withdraw.

Property/Other

11 No property issues apply.

LEGAL IMPLICATIONS

Statutory Power to undertake the proposals in the report:

12 The inclusion of the IoW into the TfSH Joint Committee requires the agreement of all existing TfSH members. The TfSH Joint committee has passed a resolution to allow the monitoring officer for TfSH to make these alterations.

Other Legal Implications:

13 The work of TfSH and its member organisations, together with the proposed bidding strategy and forthcoming bids will be subject to the Council's public sector Equality duties as set out in the Equalities Act 2010, it's crime & disorder functions in s.17 of the Crime & Disorder Act 1998 and any other statutory duties or conditions imposed on public bodies in relation to the exercise of their statutory functions.

POLICY FRAMEWORK IMPLICATIONS

14 The scheme we are putting forward for funding are a critical part of the Local Transport Plan 3 strategy. Success will mean that the longer term LTP3 aspirations can be delivered.

15 The transport measures being put forward for funding are compliant with the City Centre Masterplan and the emerging City Centre Action Plan. They also help facilitate and are potentially the key catalyst to achieving city growth aspirations identified in the Local Development Framework.

- 16 The funding is designed to address two critical issues including reducing carbon from transport and supporting economic growth. These core objectives are also key themes of numerous corporate policies. The acceptance and delivery of the scheme is therefore a significant enabler of the Community Strategy, the Local Transport Plan and the Local Development Framework. In addition, many of the schemes will support educational and training opportunities and healthier lifestyles. It is therefore in support of many of our skills, education and health policies.

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SUPPORTING DOCUMENTATION

Appendices

1.	None
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Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject/recommendations in the report require an Equality Impact Assessment to be carried out.	Yes
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Other Background Documents

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	The Equality Impact Assessment can be obtained from the author upon request.
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Equality Impact Assessment and Other Background documents available for inspection at:

WARDS/COMMUNITIES AFFECTED:	Bevois and Bargate
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