



LEADER AND LEAD MEMBER FOR STRATEGIC MANAGEMENT AND ECONOMIC DEVELOPMENT

DECISIONS to be made by the Leader and Lead Member for Strategic Management and Economic Development, Councillor Keith Glazier

TUESDAY, 26 MARCH 2019 AT 1.30 PM

COMMITTEE ROOM - COUNTY HALL, LEWES

AGENDA

- 1 Decisions made by the Lead Cabinet Member on 20 February 2019 (*Pages 3 - 4*)
- 2 Disclosure of Interests
Disclosure by all Members present of personal interests in matters on the agenda, the nature of any interest and whether the Members regard the interest as prejudicial under the terms of the Code of Conduct.
- 3 Urgent items
Notification of any items which the Lead Member considers urgent and proposes to take at the appropriate part of the agenda.
- 4 Transport for the South East Sub National Transport Body (*Pages 5 - 12*)
Report by the Director of Communities, Economy and Transport
- 5 Any urgent items previously notified under agenda item 3

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18 March 2019

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LEAD MEMBER FOR STRATEGIC MANAGEMENT AND ECONOMIC DEVELOPMENT

MINUTES of a meeting of the Lead Member for Strategic Management and Economic Development, Councillor Keith Glazier on 20 February 2019 at Committee Room - County Hall, Lewes

11 DECISIONS MADE BY THE LEAD CABINET MEMBER ON 22 JANUARY 2019

11.1 The Lead Member approved as a correct record the minutes of the meeting held on 22 January 2019.

12 REPORTS

12.1 Reports referred to in the minutes below are contained in the minute book.

13 RESPONSE TO RELATIVE NEEDS AND RESOURCES AND BUSINESS RATES RETENTION REFORM CONSULTATIONS

13.1 The Lead Member considered a report by the Chief Operating Officer.

DECISIONS

13.2 The Lead Member RESOLVED to approve the consultation responses.

Reasons

13.3 On Thursday 13 December 2018 as part of the Provisional Local Government Finance Settlement, the Ministry of Housing, Communities and Local Government (MHCLG) released its latest consultations '**A review of local authorities' relative needs and resources**' and the '**Business Rates Retention Reform**'. The deadline for response to both of these consultations is 21 February 2019.

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Report to: Leader and Lead Member for Strategic Management and Economic Development

Date of meeting: 26 March 2019

By: Director of Communities, Economy and Transport

Title: Transport for the South East Sub-National Transport Body

Purpose: To consider the ongoing governance arrangements of TFSE.

RECOMMENDATIONS: The Leader and Lead Member for Strategic Management and Economic Development is recommended to:

- (1) note the continued operation of the shadow arrangements;
 - (2) agree to East Sussex County Council being the Lead Authority; and
 - (3) delegate to the Director of Communities, Economy and Transport authority to agree and enter into the Inter Authority Agreement, and thereafter to agree any variations required following decisions of the Partnership Board or reflect the evolving role of the shadow body.
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1 Background Information

1.1 In December 2016, Cabinet received a report about the establishment of Transport for the South East (TfSE) as a Sub National Transport Body (STB) under legislation contained in the Cities and Local Government Devolution Act 2016 and in June 2018 Cabinet received an update as to progress.

1.2 It was originally anticipated that TfSE would become a statutory body by the end of 2018, however largely due to pressures on the Government's legislative timetable it is now not likely that this will be until 2020. Consequently the shadow arrangements will continue for longer than envisaged.

2. ESCC as lead authority for TfSE

2.1 As reported to Cabinet during the shadow stage, TfSE does not have the statutory standing that it will have once formally constituted by the Secretary of State. Consequently, TfSE will not be able to enter into contracts or employ staff in its own right. TfSE has therefore appointed East Sussex County Council (ESCC) to act as Lead Authority and in summary in this role ESCC will:

- Coordinate and, where necessary, undertake the administrative arrangements in relation to the project and Board administration;
- Facilitate the operation of the Project and, if required, recruit additional staff;
- Claim, draw down and account for all funds due from the Constituent Authorities and any other body;
- Be responsible for the managing of the budget for, and the sound financial management of, the Project;
- Keep appropriate accounting and operational records; and
- Procure on behalf of the Constituent Authorities such external support, advice or consultancy services that are considered necessary by the Shadow Partnership Board or the Senior Officer Group.

2.2 Due to the delay in the establishment of the statutory body the shadow arrangements will need to continue for longer than originally envisaged. It is recommended that ESCC continues in its role as the Lead Authority.

3. Inter Authority Agreement

3.1 An Inter Authority Agreement (IAA) has been prepared setting out the arrangements between the Parties in relation to the administration of the shadow body. The IAA sets out the Governance arrangements (appendix A), roles and responsibilities and the sharing of costs and expenses.

3.2 Throughout the time of the shadow operation it may be necessary to make amendments to the IAA to reflect changes in the shadow constitutional arrangements or the role of the Board as it operates pending statutory status. It is recommended to delegate to the Director of Communities, Economy and Transport authority to agree and enter into the IAA, and thereafter to agree any variations required following decisions of the Partnership Board or reflect the evolving role of the shadow body.

4. Proposal to Government

4.1 TfSE is seeking statutory status from Government and anticipates that this will be secured in 2020/21. A draft proposal to Government has been developed and this sets out the powers and responsibilities that TfSE is likely to request and the proposed governance arrangements. This will be subject to a formal consultation period between May to July 2019 and East Sussex County Council will be required to respond to this consultation period.

5. Resourcing

5.1 Grant funding of £1.1m was awarded by the Department of Transport for 2018/19. This funding was ringfenced specifically for the development of the Transport Strategy. Discussions are underway with the DfT about further grant funding for 2019/20, although this is subject to confirmation

5.2 To help with its establishment, TfSE has sought contributions from its constituent authorities amounting to just under £500,000 per annum. The approach for calculating the local contributions has been developed in a pragmatic manner and reflects the size of the different member authorities. The Shadow Partnership Board has agreed in September 2017 that all county councils will contribute £58,000 per annum, unitary authorities £30,000 and areas with a shared vote (i.e. Berkshire Local Transport Body) will contribute £58,000.

5.3 The local levy has been used to recruit a small staffing complement of 7.6 FTE. This dedicated officer support will help to ensure TfSE can deliver on the core functions envisaged by the Government, including the preparation of a Transport Strategy. Staff have been recruited on fixed term contracts for a two year period.

6 Conclusion and Reasons for Recommendations

6.1. Transport for the South East has made significant progress since its inception in June 2017. It has influenced government decisions on key issues, including the Major Road Network, and speaks with one voice on strategic transport decisions.

6.2. East Sussex County Council has been providing support to TfSE during this period. This report formalises these arrangements.

6.3. The Leader and Lead Member for Strategic Management and Economic Development is recommended to agree that East Sussex County Council continues to act as the accountable body for TfSE during its period of shadow operation. In addition it is recommended that authority for agreeing the inter authority agreement is delegated to the Director for Communities, Economy and Transport, and thereafter to agree any variations required following decisions of the Partnership Board or reflect the evolving role of the shadow body.

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Director of Communities, Economy and Transport

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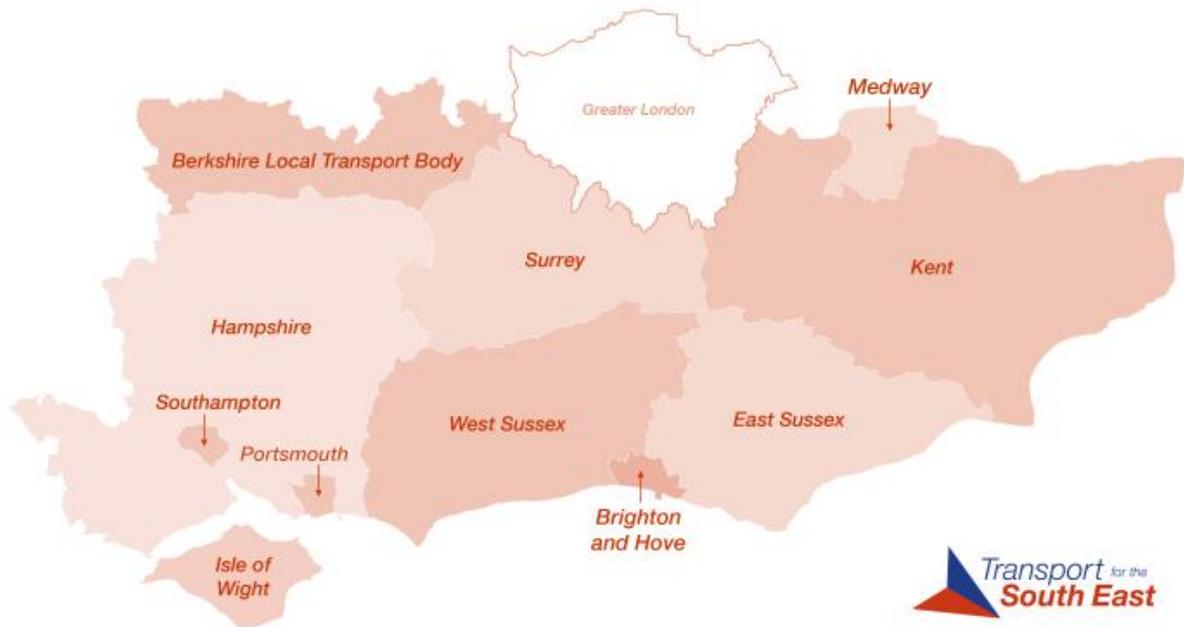
LOCAL MEMBERS

All

BACKGROUND DOCUMENTS

None

Appendix 1. A map showing the area covered by TfSE.



Appendix 2 : Shadow Partnership Board Draft Constitution

TRANSPORT FOR THE SOUTH EAST (TfSE)

CONSTITUTION OF THE SHADOW SUB-NATIONAL TRANSPORT BODY (SSTB)

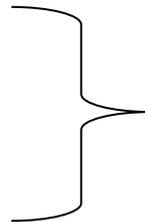
1. **Constituent Authorities**

The Constituent Authorities are the Local Transport Authorities situated wholly or partly in the South East region of England, namely:-

Brighton & Hove City Council
East Sussex County Council
Hampshire County Council
Isle of Wight Council
Kent County Council
Medway Council
Portsmouth City Council
Southampton City Council
Surrey County Council
West Sussex County Council

&

Bracknell Forest Council,
Reading Borough Council,
Slough Borough Council,
West Berkshire Council,
Royal Borough of
Windsor and Maidenhead
Wokingham Borough Council



Represented by the Berkshire Local
Transport Body (BLTB)

2. **Area of the SSTB**

The area of the SSTB is the area of the Constituent Authorities

3. **Name of the SSTB**

The name of the SSTB will be **Transport for the South East (TfSE)**

4. **Terms of Reference**

The Terms of Reference of TfSE will be those that TfSE may from time to time at its discretion determine but will include:

- Developing an overarching Transport Strategy for the area of the TfSE
- Developing responsibilities and accountabilities (including their delegation) for TfSE including governance and assurance arrangements
- Preparing a submission to Government in relation to the creation of a statutory Sub-National Transport Body for the area of the TfSE

Any amendments to the Terms of Reference will be considered a change to the Constitution for the purposes of the voting arrangements set out in paragraph 5.5 and 5.6.

5. **Membership**

- 5.1 Each Constituent Authority, with the exception of those set out in paragraphs 5.2 and 5.3, will appoint one person as a member of TfSE and shall be entitled to one vote. The person appointed shall be that organisations elected mayor, Chair, Leader or Committee or Cabinet Member for transport.
- 5.2 Bracknell Forest Council, Reading Borough Council, Slough Borough Council, West Berkshire Council, the Royal Borough of Windsor and Maidenhead and Wokingham Borough Council, who are Constituent Authorities and through their Joint Committee Berkshire Local Transport Body (BLTB), will appoint one person as a member of TfSE, and the Councils shall therefore be entitled to one vote between them. The person appointed shall be an elected mayor, Chair, Leader or Committee or Cabinet Member from one of the six Authorities.
- 5.3 Portsmouth City Council and Southampton City Council will jointly appoint one person as a member of TfSE, and shall therefore be entitled to one vote between them. The person appointed shall be an elected mayor, Chair, Leader or Committee or Cabinet Member for transport from one of the two Authorities.
- 5.4 The Constituent Authorities will appoint, another of their Councillors as a substitute to act as a member of the TfSE in the absence of the person appointed. Such appointments will reflect the levels of representation set out in paragraphs 5.1, 5.2 and 5.3 above.
- 5.5 There will be a presumption that decisions are normally agreed by consensus. In exceptional circumstances where consensus cannot be achieved, a formal vote shall be taken. Subject to paragraph 5.6, the matter shall be decided by a simple majority of those members present and voting.
- 5.6 Notwithstanding paragraph 5.5, the following decisions will require the support of more than 75% of the members present and voting to be carried:
- The approval and revision of TfSE's Transport Strategy
 - The approval of TfSE's annual budget
 - The approval of the submission to Government in relation to the establishment of a statutory Sub-National Transport Body
 - Any changes to TfSE's constitution.

6. Co-opted Members

- 6.1 The TfSE can appoint persons who are not elected members of the constituent authorities to be co-opted members of TfSE.
- 6.2 Persons who may be appointed as co-opted members will include:
- (a) the person appointed by TfSE as Chair of the Transport Forum
 - (b) two people nominated collectively by the Local Enterprise Partnerships
 - (c) A person nominated by the National Parks, to represent environmental and protected landscapes organisations
 - (d) A person nominated by the District and Borough Authorities
- 6.3 Co-opted members will be non-voting members of TfSE, except to the extent that the voting members of TfSE resolve that such members should have voting rights.

6.4 Co-opted members will be able to appoint a substitute to act as a member of the TfSE in the absence of the person appointed.

6.5 The LEP members may collectively agree to withdraw their representative(s) and nominate a new member or members to represent them by giving written notice of this to the Chair no less than two clear days in advance of the next meeting of the Board.

7. Election and role of Chairman and Vice-Chairman

7.1 The Chair and Vice-Chair will be elected for a term of one year on a simple majority of those members present and voting.

7.2 The first election will take place at the inaugural meeting of the TfSE and at the meeting scheduled nearest to the 12 month anniversary of the inaugural meeting, every year thereafter.

7.3 In the absence of the Chair, the Vice-Chair will Chair the meeting

7.4 In the event of a tied vote, the Chair will have a casting vote.

8. Quorum

8.1 The Quorum shall be five voting members of TfSE, of which three must be members appointed by Constituent Authorities pursuant to section 4 above.

9. Executive Arrangements

9.1 TfSE will not operate formal statutory executive arrangements.

9.2 TfSE may delegate the discharge of its functions to a Committee, Sub-Committee or officer, or to another Local Authority. As such, TfSE may establish a Committee(s) to discharge any functions.

9.3 The functions of agreeing a budget and the Transport Strategy of TfSE will **not** be delegated functions and will only be determined by a meeting of the full TfSE.

10. Executive Body

10.1 TfSE may establish an executive officer body of its own, but may also delegate the discharge of agreed functions to the officers of the Constituent Authorities in accordance with a scheme of delegation or on an ad hoc basis.

Appendix 3: Transport for the South East Structure

