

Receipt of the following supplementary questions was agreed by the Chairman

Questions from members of the public regarding item 8, Local Transport Plan

Question and Response

Supplementary Question 1, in reference to Question 2 from Mrs E Morawiecka

In the Call in of the Cabinet Decision by Herefordshire Council on 18th Dec 2014 the minutes record that Herefordshire Council stated *“Subject to a preferred route being selected, this would be progressed alongside a complementary package of measures to achieve the overall objectives of the package. The complementary measures include provision for cyclists and pedestrians, public transport and public realm measures and will be outlined within the planning submission for the SLR element of the package. the delivery of these elements will be essential to the success of the overall SWTP and funding has been secured to enable them to be delivered alongside the SLR.”*

The current planning application by Herefordshire Council for the Southern Link Road includes no complementary package of measures for cyclists, pedestrians, public transport, etc. which are identified by the Council as essential to the success of the South Wye Transport Package. Apparently *“The LEP is satisfied that the scheme will contribute to our aims for sustainable growth.”*

To ensure the “complementary package of measures” are being progressed and delivered alongside the road project would the Marches LEP please confirm:-

- a) what exactly are the complementary measures that have been designed and agreed with the Marches LEP to support the current planning application for the Southern Link Road and to meet the aim of contributing to sustainable growth?**

Response: Proposals for a package of complementary active travel measures are currently being developed by the Councils consultants and will be consulted on in the autumn subject to the determination of the planning application for the Southern Link Road. Measures being considered include improved landscaping on existing routes in the South Wye area, provision for cyclists on these roads and improved pedestrian facilities to reduce severance in the area. Public exhibitions will be held later in the year to set out possible measures and encourage feedback from the public which will inform the preferred package of measures and the detailed design of these schemes.

- b) to ensure social inclusion for all, including non-car owners, how much of the SWTP funding allocated by the Marches LEP is ring fenced for delivery of these complementary measures, separately from delivery of the road?**

Response: The estimated cost of the South Wye Transport Package (SWTP) is £34m with cost of the Southern Link Road (SLR) estimated at £28m and Active Travel Measures estimated costs of £6m.

- c) how much Growth funding has been allocated by the Marches LEP for funding the road extension from the A465 to the B4349, which was not part of the original SWTP?**

Response: The Marches LEP has allocated Growth funding of £27m to the overall SWTP. This includes a road scheme from the A49 to the B4349 and a package of complementary measures as outlined above. The grant is not separated out to individual sections of the road scheme.

Supplementary Question 2, in reference to Question 3 from Mrs E Morawiecka

The answer states “this scheme provides traffic relief and would improve the operation of the A49, reducing the capacity constraints and assisting in releasing development”.

This answer seems to be at odds with the traffic modelling for the Southern Link Road produced by the Council’s Consultants Parsons Brinckerhoff who clearly state that

“Increased traffic along the A49 but level of delay at the A49/A465 junction proposed to remain at existing levels”.

Would the Marches LEP please explain what information they have to support their answer, in particular:-

a). how increased traffic along the A49 will provide traffic relief and improve the operation of the A49?

Response: The text quoted in the above question is from South Wye Transport Package Preferred Option Report (November 2014). The increase in traffic referred to takes place over short sections of the A49, focused on the approaches to the proposed junction with the Rotherwas Access Road. This reflects traffic choosing to travel via this section of road to access the new SLR. For most of the A49, and more generally within the local area, there is a reduction in traffic flow. The planning application for the SLR sets out the transport benefits of the SLR and demonstrates:

- Significant reduction in traffic on rural rat runs between the A465 and the A49, including Haywood Lane, B4348 and lane between B4348 and Haywood (with consequent increases in traffic on routes leading to the SLR roundabouts);
- Significant journey time improvement on journeys to the HEZ from south-west of Hereford in comparison to the existing route via Walnut Tree Avenue and Holme Lacy Road (Approximately a 50% reduction in travel time). The redistribution of traffic also leads to a modest journey time improvement along the existing route;
- An overall reduction in traffic flows on key urban sections of the A49(T), the A465, Walnut Tree Avenue, Holme Lacy Road, and the newly-created cul-de-sac section of Clehonger Road; and
- Without the SLR, journeys times on key corridors in South Hereford will continue to worsen significantly over time).

b). how increased traffic on the A49 promotes growth at the Hereford Enterprise Zone, when this is contrary to the Local Development Order?

Response: Already answered in the response above.

Supplementary Question 3, in reference to Question 7 from Mrs E Morawiecka

a). where has the Marches LEP accounted for these business rate receipts please?

Response: Business rate income is required to be accounted for by the authority receiving the funds, in this case Herefordshire Council, with the LEP element separately identified. The income is recorded in the councils collection fund.

The Marches LEP has not yet received any business rate uplift.

b). With the Chancellor’s changes to business rates announced in his Budget 2016, cutting income available to Herefordshire Council for local, accountable public services how binding is the contract between the Marches LEP and Herefordshire Council over the use of business rates income from the HEZ?

Response: The provisions are set by the Local Government Finance Act 2012, not the local area partners.

c) With the creation of just 254 jobs net to date since the Zone was created, is the total anticipated spend over the period of the project the best use of business rate income for Herefordshire Council and its' residents?

Response: As previously commented a proportion of business rates generated by the Enterprise Zone are being reinvested within the Enterprise Zone in order to expedite build out, this will generate further business rate income from the Enterprise Zone and lead to the creation, when fully built out, of approximately 4,200 private sector jobs. The Council, and the LEP, consider this to represent the best use of the business rate income generated via the Enterprise Zone mechanism.

Supplementary Question 4, in reference to Question 8 from Mrs E Morawiecka

Please note that the financial statements 2014/15 for Shropshire Council state *“The Council is part of the Marches Local Enterprise Partnership (LEP) along with Herefordshire and Telford & Wrekin. The Council acts as accountable body for the LEP and therefore receives grant income on behalf of the LEP and processes expenditure in line with the grant schemes. The Council has concluded that the role of accountable body is to be deemed as an agent, and therefore the net grant held should not be accounted within the Council’s accounts.”*. **(Link to financial statements is here**

<https://www.shropshire.gov.uk/media/1799488/Statement-of-Accounts-2014-15.pdf> a). a). Why does the answer from the Marches LEP contradict the audited accounts of Shropshire Council?

Response: As stated in our response to question 8 above, Marches LEP are not a registered company / legal entity and therefore is not required to produce accounts for publication. Shropshire Council does assume the role of accountable body for the LEP and ensures that all transactions relevant to the LEP are accounted for separately to Shropshire Council’s own accounts. In line with CIPFA’s Code of Practice on Local Authority Accounting in the United Kingdom, the Council does not account for the full Marches LEP’s transactions in its Statement of Accounts. The Council does however, along with Telford & Wrekin and Herefordshire Council, account fully for any grant funding they receive from the Marches LEP to fund specific projects. Each Council’s set of accounts are subject to external audit.

There has been no requirement for the Marches LEP to produce its own set of accounts since it was formed in 2010, however due to the significant increase in funding received by the Marches LEP in 2015/16 due to the Growth Deal Funding now being processed through the LEP, it has been agreed that accounts should be prepared in order to be fully transparent about how funding is being committed and spent. Therefore the statement of accounts for the 2015/16 financial year will be produced in June 2016 and then issued to the Board before formal publication on the website.

b). The Marches LEP Accountability and Assurance Framework states (para 5.5) “Account for these funds in such a way that they are separately identifiable from the accountable body’s own funds and provide financial statements to the LEP Partnership Board as required”. To confirm compliance with its own procedures and that of the Accountable bodies, at what meetings of the Marches LEP board were the financial statements for the organisation presented by Shropshire Council and approved by the board members of the Marches LEP?

Response: The Marches LEP board financial statement for 2015/16 will go to the 26 July LEP Board.

c) Please confirm the expenditure against budget and the output performance of the SEP growth programme to date?

Response: This information will be published in the LEP Annual Report on 27 April 2016.

Supplementary Question 5, in reference to Question 11 from Ms P Mitchell

Who are the people in Government who are indicated in the final sentence in the reply to Question 11, that is people who have responsibility for addressing concerns raised by councillors and members of the public about schemes prioritised for delivery the LEP in the SEP. Please provide the names and contact addresses for the appropriate people in all the relevant departments of Government.

Response: As previously commented the government takes the final decision on areas of work which support national policy guidance and might be funded for delivery. The LEP puts forward schemes for consideration by government. The LEP are not made aware of individual civil servants who are responsible for reviewing submitted schemes or for addressing concerns raised by councillors and members of the public about schemes prioritised for delivery by the LEP.

Supplementary Question 6, in reference to Question 1a and Question 15 from Ms V Wegg-Prosser

Noting that the Marches Enterprise Joint Committee met on 19 March 2015 and then not until 15 February 2016, and that this is the accountable body for which Herefordshire Council provides governance support, and that (in accordance with the answer to Q 1 A) the development and delivery of the SWTP is being directly overseen by the Department for Transport, what exactly was the nature of the signing of the SWTP contract (answer to Q 15) by the Marches LEP when planning permission has not been granted, the sustainable transport elements (fundamental to the funding approval of the scheme) have not been described or costed, the minerals and waste costs have not been estimated, and indeed the choice of route is still in doubt? Did the signing simply involve moving the scheme away from the LEP and passing it over to the DfT?

Response: The government funding for the SWTP scheme is routed via the LEP (through Shropshire Council as Accountable Body) and the LEP has therefore contracted with Herefordshire Council, as the recipient of the funds, as noted in the response to question 15. Effectively the LEP are the conduit of government funding to Herefordshire Council following the decision taken by DfT to support the SWTP project as a retained scheme.