



Government Response to the South West Regional Select Committee's report Transport in the South West

*Presented to Parliament by the Secretary of State for
Communities and Local Government
by Command of Her Majesty*

April 2010

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Introduction

- i. The South West Regional Select Committee published its report, *Transport in the South West*, on 26 February 2010. The Government welcomes the Report and thanks the Committee for its work.
- ii. The Government Office for the South West (GOSW) has a statutory duty to co-ordinate the Government's response to the Inquiry.
- iii. The Government responds specifically to the conclusions and recommendations on page 54 of the Committee's Report. The paragraph numbers and relevant text has been reproduced from the Committee's First Report and set in bold type above the Government's response.

National and Regional Transport

Draft Regional Transport Strategy

1. We support the move to a Single Regional Strategy. We think this should make it easier to demonstrate the inter-connections between housing, infrastructure and the economic needs of the region. It is essential that the evidence gathered as part of Regional Funding Advice and Delivering a Sustainable Transport System processes be fed into the Single Regional Strategy. (Paragraph 18)

2. We note that, with the loss of the Regional Assembly, the region lost one route for interested parties and the public to input into drawing up the Regional Spatial Strategy. It is important that the process for drawing up the Single Regional Strategy should engage widely with interested parties and the wider public, not only to ensure the resulting strategy does indeed reflect the priorities of the region, but also to build confidence that central Government is willing to listen to the priorities as expressed by the region. Central Government will also need to be convinced that the priorities expressed by the region are coherent. (Paragraph 19)

The Government welcomes the Committee's support for the Single Regional Strategy process.

The Government fully expects the evidence gathered in respect of Regional Funding Advice (RFA) and Delivering a Sustainable Transport System (DaSTS) to feed into the evidence base for the new Single Regional Strategy. This will be facilitated by the regional Transport and Infrastructure Board advising the Joint Strategy Board of the South West Strategic Leaders Board (SLB) and the South West Regional Development Agency (RDA) which will take the key decisions on the new Single Regional Strategy.

The Government guidance on Regional Strategies¹ says at paragraph 4.16

Partnership working and the engagement of stakeholders from across the region when preparing Regional Strategies is critical to ensure that the Strategy integrates competing demands and commands support across the region. Stakeholder engagement in the Regional Strategy preparation process should be effective, wide-ranging and contribute to building consensus around the Regional Strategy. It should also be timely and add value to the preparation process.

Consultation on stakeholder engagement and the new Single Regional Strategy project plan are expected in September 2010. Work undertaken to support the RFA and current studies under the DaSTS programme should help the region develop a more robust and coherent model to assess regional priorities, which will also have to take account of future spending review decisions.

¹ Communities and Local Government (February 2010) Policy Statement on Regional Strategies

3. We welcome the creation of the Joint Transport and Infrastructure Board and believe it will help transport planning and delivery in the region. (Paragraph 20)

The Government agrees that the creation of the Joint Transport and Infrastructure Board is a positive step. Effective governance structures and processes will be key to the success of the region in prioritising and delivering transport schemes. The Regional Minister has been encouraged by his recent exchanges with local authorities and regional partners on their need to prioritise transport expenditure. Rigorous programme management will enable the Region to maximise the available expenditure on the RFA schemes. The RDA and SLB should ensure that programme management is delegated to an appropriate level, where evidence based decisions about value for money, affordability and deliverability can be made. The performance of the Joint Transport and Infrastructure Board should continue to be reviewed to ensure that it fulfils its full potential.

Regional Funding Advice

4. We support the principle of inviting the appropriate bodies in the region to set out the priorities for investment expressed in the Regional Funding Advice process, and recognise that RFA2 was a significant advance on RFA1. However, there is still much that could be improved. (Paragraph 25)

5. We are concerned that the RFA process appears to lack strategic vision and an awareness of the regional picture. (Paragraph 27)

The Government welcomes the support of the Committee for the RFA process. The RFA process is an opportunity for the region to work together to develop a realistic, prioritised and affordable transport investment programme, to support its strategic vision and high level objectives for jobs, the economy, housing and the environment. It is central to the Government's thinking that regions are better placed than Whitehall to advise decision makers on how transport can help make regions into even better places.

The Government believes that the South West was reasonably successful in achieving alignment between transport policy and its strategic objectives (for example a significant focus of investment was to support planned growth and assist regeneration), but this could have gone further.

The Government is keen to discuss work with the regions on ways in which it could be improved further.

Objectivity and Transparency

6. There appears to be a substantial discrepancy between the priorities put forward by the groups and individuals that submitted evidence to the Committee and the priorities put forward within the Regional Funding Advice from the region. We conclude that the RFA process would be improved, and garner greater support in the region, if the process whereby the schemes chosen for the RFA was open to wider scrutiny. We recommend that the regional partners, and in particular the Joint Transport and Infrastructure Board, find ways to increase the transparency of the process whereby schemes are chosen in future RFA rounds. (Paragraph 31)

Engagement

7. Transparency and engagement go hand in hand. We recommend that the Joint Transport and Infrastructure Board develop a method to consult the public at the earliest possible stage and allow their views to contribute to the options put forward. Engagement must not only be done, it must also be seen to be done. (Paragraph 34)

The Government agrees that the views of stakeholders and the public must be taken into account when developing transport options, and that the decisions process should be transparent and explain why options have been chosen. Regions were encouraged to engage the public when gathering advice on regional priorities for transport. In preparing the South West advice two major integrated RFA2 stakeholders events were held attended by over 100 people. In addition to this a Regional Transport Forum event was attended by over 60 people. However discussion was intentionally restricted by the Region to a very strategic level and there were no opportunities for the discussion of specific schemes. Consequently, the reality was these events did little to inform the transport priorities.

The Government thinks it is disappointing that the region did not engage better with the public on the transport element. Discussion of proposals needs to be sufficiently detailed to enable meaningful stakeholder involvement. It should have been possible to put forward some suggested alternative real programmes options for debate. This would have helped in preventing some of the frustration of the process that the public has expressed to the committee. It looks forward to the Region securing greater engagement in future RFA rounds and as the new Single Regional Strategy is prepared.

Regional Infrastructure Fund

8. We support the use of the regional infrastructure fund to act as a facility to ensure projects do not stall because private sector developers unable to provide cash in the short term. However, it is important that the region can demonstrate that outstanding private funds are eventually paid in full. (Paragraph 37)

The Government agrees that the use of the Regional Infrastructure Fund (RIF) is helpful in bringing forward transport projects in advance of developer contributions being made available. As the Accountable Body for the RIF fund, the RDA has agreed operating and governance processes for the Fund with the Government. One of RIFs main attributes is its ability to bring forward anticipated funding contributions from developments not yet in the planning system. The Government is satisfied with the level of risk, at the whole Fund level, within which the RIF operates.

All RIF investments are formalised by legal contract. Where these contracts are directly with Local Authorities they seek to ensure that the full contributions required (equivalent in value to the sum drawn down) are made. However, as it is a risk taking tool, RIF contracts do not require full underwriting of the investment.

Where RIF contracts are made directly with the private sector, the RDA not only seek a proportion of fixed contributions (i.e. not linked to the progress of development) but will also require security, in the form of a land charge, bond or other suitable mechanism to underwrite the full value of the investment. So, for RIF investments made directly with the private sector, the full contributions required back into the Fund will be made over time.

Community Infrastructure Fund

9. There are concerns within the region as to the ability of the region's transport network to meet the housing expansion identified in the Regional Spatial Strategy. We support the use of the Community Infrastructure Fund as a complementary source of funding to help alleviate congestion as a result of development schemes. (Paragraph 39)

The Government welcomes the Committee's endorsement of the Community Infrastructure Fund through which some £27 million has been invested into the South-West to provide transport infrastructure to support the planned housing growth in some of the Region's Growth Points.

Funding

10. We recognise that in the current economic climate there are likely to be fewer funds available for the foreseeable future. The Government and the regional bodies have to be honest about the level of resources available and the degree of flexibility that will be given to the region if they adhere to the criteria given through Developing a Sustainable Transport System. (Paragraph 46)

Future funding is, of course, subject to a future spending review. Until then the exact levels of funding available to the region will not be known. But clear messages have been given to the region about the likely constraints on future funding. Therefore there is already a need to develop a more affordable programme based on realistic costings of future priorities. The Department for Transport (DfT) and GOSW will continue to work closely with the region to ensure partners are kept informed about policy frameworks and future funding availability as they emerge.

11. The region has to improve the costing and delivery of projects. In a tight fiscal environment it cannot afford to underspend its budget when there is such an obvious demand in the region for improving the transport infrastructure. It is imperative that the region acquires and retains the necessary resource to be able to develop, implement and deliver transport schemes to budget and deadline. (Paragraph 47)

12. We welcome measures taken, such as the creation of the Joint Transport and Infrastructure Board, to improve the alignment of regional priorities so that projects and programmes can be initiated with increased confidence that they will be delivered, and closer working between the regional partners, local authorities and the Department for Transport. (Paragraph 48)

The Government agrees that the region needs to improve its decision making and project management capabilities especially in a climate in which available resources are likely to decline. It hopes that the creation of the Joint Transport and Infrastructure Board will help in that process, and to avoid future transport programme underspend.

Capacity and Skills

13. We are concerned that the region has not always managed transport programmes effectively and risked losing investment from the Department for Transport as a consequence. There is an urgent need for increased transport planning and programme management resource in the region. (Paragraph 54)

As discussed above, the Government agrees that the region needs to improve its collective programme management in order to ensure that RFA schemes are delivered effectively. The Strategic Leaders Board should ensure that programme management decisions are delegated to an appropriate level, and that the prioritised RFA schemes are affordable, deliverable, and contribute towards the priority goals identified by the region.

14. We were told there are only six people within the RDA and the Government Office for the South West with responsibility for co-ordinating transport on a regional basis. Capacity is clearly limited. We support the Regional Capacity Fund request within the RFA to provide a pooled resource of staff available to assist the regional bodies and those smaller local authorities that might need assistance, and urge the Government to find a way whereby it can be included within the RFA. (Paragraph 55)

The GOSW team consists of five full-time equivalent members of staff dedicated to transport issues. Transport considerations are also embedded into GOSW's planning and housing, economic growth and locality management role reflections. Transport cannot and should not be considered in isolation. The Government considers that this level of resource is sufficient to enable GOSW to fulfil its responsibilities for influencing policy, integrating strategies and supporting local delivery in accordance with the priorities set by DfT.

The RFA2 proposed a Regional Capacity and Capability Fund (RCCF), which DfT has approved is a useful shared resource which should be applied as soon as possible both to enhance programme management and to encourage collective working between authorities.

15. The lack of competence in measuring the carbon impact of transport schemes is extremely concerning. If the potential for investment is related to reducing carbon dioxide emissions, it is essential that the region can demonstrate it is doing all it can to secure such investment. (Paragraph 56)

It is important that the region has the capacity to develop and take forward its transport proposals, and that it can provide appropriate evidential analysis to inform and support its decisions.

The Government is committed to giving regional and local partners greater responsibilities and opportunities for reducing carbon locally. Local and regional partners have an important role in influencing the pattern of journeys, development and individual travel choices. The Government and the Region continues to support this aim by spreading skills and best practice and incentivising delivery. For example,

a carbon 'signposting' document is shortly to be issued to guide regional and local partners on where additional information relating to carbon appraisal can be found in WebTAG².

There are already a lot of tools and guidance available to help model and appraise the impacts of carbon from transport schemes. Carbon appraisal starts with estimating a proposal's impact on travel patterns. There is information on how outputs from transport models can be used to calculate carbon impacts and on modelling and appraising walking and cycling schemes in WebTAG.

Work is currently ongoing within the region, funded by the South West Regional Improvement and Efficiency Partnership to assess current existing approaches for assessing the carbon impacts on transport plans and this work is being used to support development of Local Transport Plans. In addition the Energy Saving Trust is engaging in the LTP process, with a view to improving the region's understanding of the carbon impacts of transport schemes. A regional event will be run on carbon reduction in transport which will focus on current practices for carbon reduction assessment and how these can be used.

Further research is also being pursued by DfT to better support regional and local partners tackle climate change, including better understanding the appraisal and monitoring of carbon emissions.

Tackling climate change and reducing carbon emissions is one of the five DaSTS goals and the region is already considering the impacts of options on greenhouse gas emissions and seeking to reduce such emissions across all of the DaSTS study proposals. It is likely that these studies will form the basis of much future transport investment.

16. We ask the Government to explain the extent to which there is flexibility within the RFA process to enable the region to put forward proposals that entail a revenue stream. (Paragraph 57)

While a certain proportion of the RFA, including the transport major schemes element, can only be used for capital investment, the RFA includes a number of funding streams, not just transport, with a mix of capital and revenue funding. The Government has always encouraged regions to make full use of the funding flexibilities within the RFA system to pool the different allocations and it is open to regions to recommend use of the non-capital elements for spending on transport schemes.

The Government has been in discussion with the RDA about the means by which the £1.4 million of RCCF in RFA2 can be used for revenue purposes and is confident that this can be made available quickly to realise capacity improvements.

² <http://www.dft.gov.uk/webtag/> (DfT's website for guidance on the conduct of transport studies)

Delivering a Sustainable Transport System

17. The region has to be able to justify the transport schemes presented in the RFA. Securing agreement and funding from central Government is more likely to happen with a set of programmes that agree more fully with the aims of Delivering a Sustainable Transport System. The RFA should include a clear statement of how the schemes put forward by the region aim to meet the aims of Delivering a Sustainable Transport System. (Paragraph 67)

18. We note that Delivering a Sustainable Transport System touches on areas beyond what are traditional Department for Transport responsibilities. Bringing together goals such as climate change; economic development; equality of opportunity; safety, security and health; and quality of life; will require considerable work with other Departments. Meeting this challenge will require strong leadership within central Government, regional agencies, and local authorities. (Paragraph 68)

Transport is a means to an end not an end in itself. This is at the heart of the Government's DaSTS approach. It is important that the region identifies the challenges it faces and develops transport options to address them. DfT has consulted widely throughout the development of the DaSTS work. DfT has a close working relationship with other government departments and has established a specific inter-government working group on DASTS in order to keep wider government updated on progress and to enable views to be shared as the work develops. Furthermore, DfT has emphasised in published guidance the links with other regional and local work, for example, with regional strategies and local transport plans. For its part, the region and individual local authorities must look at transport as a key part of delivering its wider objectives.

Local Transport Plans

19. The £5 million boundary between local and regional funding streams may affect the type of schemes presented as local or regional priorities. (Paragraph 73)

DfT has invited regions to make recommendations by the end of June 2010 on both the distribution of funding between local authorities and on the relative proportions of support for major schemes and small transport schemes. This gives the region the flexibility to tailor the funding it receives to the regional strategy, taking account of local circumstances.

Local authorities may also take forward major schemes costing over £5m themselves using local transport block and/or alternative funding sources, such as prudential borrowing.

The Government expects to see future RFA programmes to conform to the DaSTS goals, as informed by the studies currently underway, and of course for its principles to be fundamental to LTP3.

20. Local Transport Plans are fundamentally important to how transport is delivered to the average person in the street. This places a great importance on Local Transport Plans being in synchronicity with regional strategies, and being clear as to how they meet national policy. (Paragraph 74)

The Government agrees that Local Transport Plans (LTPs) must integrate with regional and national policy goals. In July 2009, DfT published statutory LTP Guidance, which local transport authorities must have regard to in developing their LTPs. This Guidance sets out the need for authorities to develop LTPs in line with the national transport goals and to engage the region at an early stage to establish how their LTP will contribute towards the regional strategy. The Government Office for the South West is working with all of the region's local transport authorities to challenge and support them in the development and delivery of their transport plans.

Integrated Transport Authorities

21. We received considerable evidence urging greater integration of public transport, which has been shown to be advantageous in urban areas elsewhere in the country. The creation of Integrated Transport Authorities was suggested to us in evidence as a positive step in this direction, and we urge local authorities to set up such Authorities. (Paragraph 79)

Through the Local Transport Act 2008 the Government has given the opportunity to local authorities to come together and create Integrated Transport Authorities (ITA). At the same time as recognising the benefits an ITA can bring to an area, the Government also recognises that local authorities are best placed to understand and tackle the transport challenges in their area. Therefore while Government stands ready to provide guidance and assistance on this topic, it is for local authorities and their leaders to decide whether an ITA (or possibly a combined authority under the Local Democracy Economic Development and Construction Act 2009) is right for them and, if so, for them to lead on establishing one.

Transport between SSCTS and inter-regional transport

Resilience

22. The region is particularly vulnerable to extreme weather because of its geography and a lack of alternative routes. This is an issue that needs to be addressed with much more urgency than at present. It also provides a major incentive for the region to invest in sustainable transport. (Paragraph 89)

It is accepted that the region needs to address the vulnerabilities in the transport network presented by the risks of extreme weather events.

A draft regional network vulnerability study in 2008 looked to examine the approach to understanding the network vulnerability in the context of extreme climate events. With the exception of flooding, it identified a gap in available data and so recommended that Local Transport Authorities should establish individual studies to look further at vulnerabilities and appropriate responses. Following this the Climate Change Impacts Partnership has engaged with the transport sector, and several authorities have been undertaking work around climate change adaptation issues.

Forthcoming transport events within the region, particularly to support Local Authority work to develop new Local Transport Plans, will provide a focus on climate change and will include work being undertaken by South West partners on adaptation work.

At the national level, the Highways Agency has a national work stream that examines flood risk across the strategic road network, and the Somerset levels has been identified as an area that could be exposed to significant flood risk, and is included in the Highways Agency national contingency plans. This work has been complemented by a study conducted into the potential impacts of climate change and flood risk in the South West and is being used to inform the stewardship of the M5.

Network Rail is responsible for maintaining the rail network and has contributed to a research study which determines the impacts of sea-level rise on the West Country economy resulting from increased risk of closure of the Exeter-Plymouth section of the London-Penzance railway line due to global warming.

DfT will shortly embark on a full review of the transport sector response to the severe winter weather of 2009/10. The review will examine salt stock management issues and consider additional measures to strengthen resilience for winter 2010/11.

The region committed over half of its RFA2 allocation to schemes that will deliver public transport, walking and cycling measures. It has also been successful in securing one of the six demonstration towns in England (Exeter) and the first national Cycle Demonstration City in the country (Bristol/ South Gloucestershire). In addition to South West local authorities are expected to consider climate change adaptation within their Local Transport Plans.

Connectivity

23. Better connections to the rest of the UK could substantially improve the South West's economic performance and lead to overall benefits for public finances. The region needs to come up with hard evidence to convince decision makers that this is the case. (Paragraph 95)

The South West Regional Assembly undertook a study in 2008 that examined how improved connectivity could unlock economic potential³. The report highlighted the importance of connections to London (on the South Wales – London corridor) and West Midlands (via the Exeter – Birmingham corridor). It also highlighted the importance of the West of England as a hub, connecting the various parts of the region.

There are planned improvements to the transport network that will benefit connectivity to and from the South-West. Electrification of the Great Western Main Line will enable the introduction of a predominantly electric high-speed train fleet, offering faster journey times, more seats, greater reliability, improved air quality and lower carbon emissions than their diesel equivalents, as well as being cheaper to buy, operate and maintain. This will boost hundreds of jobs in the south west and the rest of the country and reduce the business costs of unreliable trains and workers arriving late.

The 'managed motorway' scheme near the M4/M5 interchange will help journeys on the most congested parts of these corridors in the south west.

24. To improve the experience of tourists and to reduce the negative impact of tourism on the environment, local and regional government, and other stakeholders, should do more to inform tourists about, and encourage them to take, public transport when they are in the South West. (Paragraph 99)

Tourism is a key industry within the South West. However, over 80% of the Region's visitors arrive by car.

There is a need to strike a balance between the needs of the visitor, existing communities, and the environment. The South West particularly needs to manage capacity on existing transport networks during peak season.

The Government welcomes the committee's recommendation. It also wishes to encourage other modes to be considered that will reduce the negative impact of tourism on the environment including walking and cycling.

The Government and regional bodies are working in partnership with the tourist industry, public transport providers, local authorities and key stakeholders to:

- encourage holidaymakers and visitors to attractions to use coaches and rail rather than cars;

³ Faber Maunsell (AECOM) for the South West Regional Assembly (2009) Connectivity Problems, Challenges and Issues for the Region - Unlocking Economic Potential via Improved Connectivity

- advising holidaymakers to use the 'Transport Direct' journey planner website to help them to avoid peak congestion times;
- working with Tourist Boards and Councils to provide travel information for tourists;
- working with the industry on the implementation of leisure/tourism travel plans at specific attractions and destinations, with the aim of improving travel choices for visitors

25. We welcome moves towards cross-ticketing within the South West. We recommend that the regional bodies watch local pilots closely, and monitor work being done nationally, with a view to rolling out successful models in parts of the region. (Paragraph 103)

The Government welcomes moves towards better cross-ticketing in the region in accordance with the Government's Smart and Integrated Ticketing Strategy (launched in December 2009). The immediate goal of this strategy is to see integrated multi-modal smart ticketing schemes (similar to Oyster in London but using ITSO specification), in England's major urban areas by 2015.

With that in mind we have provided £20 million funding across the 9 largest urban areas in England, including Bristol in the South West. The Government is pleased that the region is using some of this resource to procure an open-access regional back office - ITSO Host Operator Process system (HOPs) - to be made available on a pay-per-use basis to its authority and local operator partners. The work of the South West Smartcard Board has been successful and we await with interest its submission to the Regional Improvement Efficiency Partnership for seed-corn funding to assist in the migration to smart schemes in the region.

Road

26. The cost of resolving the traffic situation regarding Stonehenge is beyond the resources of the region. The Department for Transport should accept that solving the traffic problems around Stonehenge is a national responsibility, whatever decision it takes about improvements to the A303. (Paragraph 109)

27. We received a considerable amount of evidence in support of improvements to the A303 and the A358. We note that the Government have said these roads do not satisfy the criteria to be a national route. We recommend that the Department for Transport, in its preparations of the National Policy Statement on the strategic highway, consider the value of the A303 in terms of the resilience it provides for the region as the only major alternative to the M4. (Paragraph 110)

In response to the Government's consultation on DaSTS a number of requests were received for the 'second strategic route' to the South West to be reclassified as a Strategic National Corridor (SNC), based on the A303 and also the London Waterloo – Exeter service. Current traffic levels do not justify this but, as in other locations, if

investment in the A303 or the rail service is the most appropriate way to relieve a problem elsewhere on the corridor then this may be proposed as a SNC intervention. The Government does not consider the resilience role of 'second strategic route' in providing the region with an alternative to the M4/M5 corridors sufficient to justify making reclassifying the route as an SNC. The costs of dualling the A303 at Stonehenge and the other single carriageway sections of the A303/A358 corridor remaining sections are prohibitively expensive regardless of their designation.

Although the Region did not prioritise dualling of the corridor because of the costs, it did recommend more localised improvements to be identified by a study currently being undertaken by the Highways Agency.

The results of the study are due to be reported later this year when the Region will be able to decide whether it wishes to prioritise the implementation of any of the measures identified.

28. As the Highways Agency implements its solution at the M4/M5 interchange, it should investigate the possibilities for introducing measures that prioritise multi-occupancy forms of transport. (Paragraph 112)

The Highways Agency fully supports the principle of encouraging a shift towards more sustainable transport and is actively exploring the potential for multi-occupancy vehicle lanes on the strategic road network. Decisions to progress specific measures are made on a case-by-case basis taking into account all strategic, operational (including technological considerations) and safety issues.

Unfortunately at the M4/M5 Almondsbury Interchange itself, the complexity of the layout, along with the close proximity of adjacent junctions, leads to a great many merging and weaving traffic movements taking place over a concentrated, relatively short length of network. This does not lend itself to lanes being dedicated for the sole use of multi-occupancy vehicles. Such a provision in these circumstances would potentially undermine the safe operation of the network, and would make congestion worse when the Agency is seeking to reduce it via the Managed Motorway scheme at this location. However, more positively, the nearby M32 link into Bristol is one of several sites under consideration on the strategic network for a 'High Occupancy Vehicle' lane. On this and other matters in the Bristol area, the Agency will continue to work closely with the West of England Partnership to identify and pursue, subject to priorities and available funding, measures that promote the use of more sustainable forms of transport.

Rail

29. We welcome the electrification of the main line between London Paddington and Bristol. We recommend that the Department for Transport and Network Rail tell us what feasibility work they have done to extend electrification from Bristol further into the region, first to Exeter and secondly to Plymouth. (Paragraph 121)

Network Rail's *Network Route Utilisation Strategy: Electrification*, published in October 2009, considered the case for further electrification right across the network, including from London to Exeter and Plymouth. Network Rail identified these routes as having a medium priority (being in the third of their six "tiers"). DfT continues to carefully consider the costs and benefits of further electrification, taking into account rolling stock and affordability considerations.

30. Whilst welcoming electrification, we note that the programme is estimated not to be completed before 2017. We also note that the resulting capacity gap in rolling stock is likely to hinder efforts to reduce overcrowding across the South West. We recognise that the Government was addressing the issue of insufficient rolling stock before the announcement to electrify the mainline, but since then the situation appears to have become mired in review. The paying public would be rightly aggrieved if they had to wait until 2017 for new rolling stock. Waiting longer in the event that electrification is delayed by unforeseen events would be untenable. We urge the Government to finalise its new rolling stock plan as soon as possible. (Paragraph 122)

Electrification on the Great Western Main Line is being delivered in two phases: London to Bristol by 2016, and Bristol to Swansea by 2017. The Government is working closely with Network Rail to ensure that delivery is as swift and efficient as possible. On rolling stock, DfT remains committed to providing an additional 1300 carriages across the network by mid-2014. Though until commercial negotiations on the Thameslink programme are completed, DfT is not in a position to update the rolling stock plan, which is critically dependent on the determination of the Thameslink rolling stock contract. However, the Secretary of State for Transport statement to Parliament of 14 December 2009 gave details of recent and projected rolling stock procurements.

31. At more than 70p a mile, the cost of travelling from Swindon to London at short notice is already the highest in Europe. 2010 has seen further increases in unregulated fares, despite low inflation over the previous year. In addition, train companies in the region have, during the last year, put further restrictions on the validity of off-peak tickets. We recommend that the Regional Minister investigate the impact of these fares on the region and take up the issue with the Department for Transport and the train operating company. (Paragraph 124)

Train operators face strong competition from coach companies and the private car and need to set unregulated fares which will compete with these alternative travel

options. It is not in their interest to price people off the railway as this would reduce their revenue.

First Great Western has three main return fares available on the day of travel between Swindon and London Paddington - the regulated £39.80 Super Off-Peak Return, the unregulated Off peak return at £48 and the unregulated £109 Anytime Return - valid for travel within five days from the date of issue and for return travel one month after the date of issue.

Season tickets are also available. The regulated weekly season ticket is £187.70, which enable the cost of travel to be reduced if as few as two return journeys are made a week.

The regulated fares were subject to decreases in January as RPI was negative in July 2009 (-1.4%). The flexibility of operators to raise individual fares by more than 1% was also removed in January.

Air

32. We support the airports of the South West and recognise the contribution they can make to the economic wellbeing of the region. We recognise that without investment in alternatives that are quick and reliable, many people will choose to fly. (Paragraph 130)

The Government continues to recognise and welcome regional airports – including those in the South West of England – as key drivers for generating growth and investment in their regions, and to creating greater choice for air passengers.

33. However, we believe that the regional airports should be much more ambitious than they have been to date in improving public transport links and we encourage the Regional Development Agency to enforce its new rules on 'green' development robustly. (Paragraph 131)

The Government agrees that airports have a real role to play towards encouraging sustainable surface transport journeys, working with appropriate regional and local bodies and public transport operators, especially where airport expansion is proposed.

It is open to the RDA to work with airports on developing “green” transport links, subject to the standard local authority planning process.

Access to Heathrow

34. It is of economic importance for the region to gain direct access to Heathrow from the west. We recommend that, if the third runway goes ahead, part of the extra capacity at Heathrow is reserved for regional airports. (Paragraph 134)

The Government recognises the importance of air services to regional economies, including links to London's airports. An expanded Heathrow would potentially provide more opportunity in future for domestic air services to and from the regions.

Under the European slots regulation, the only means by which slots at a hub airport can currently be ring fenced for a particular route is through the use of a Public Service Obligation (PSO). EC Regulation 1008/2008 allows Member States to impose a PSO to protect air services to airports serving a peripheral or development region, or on thin routes to regional airports. Member States are also permitted to subsidise such services if necessary.

The Government has stated its willingness to intervene in certain circumstances to protect regional air links to London through the use of PSOs. In December 2005 DfT published guidance on protecting regional access to London via PSOs but no applications to impose PSOs on London routes have since been determined.

35. We support the Regional Development Agency's campaign to improve direct rail access to Heathrow from the South West. If High Speed Rail connects the Midlands and North West regions to Heathrow, there is a risk that the South West may fall further behind the rest of England in relative journey times and access to markets. We further recommend that the Department for Transport and Network Rail actively proceed with existing plans to facilitate access to Heathrow from the west by rail. (Paragraph 135)

Two proposals exist for facilitating rail access to Heathrow Airport from the west. BAA is currently promoting the Heathrow Airtrack scheme which would provide through trains from Reading to Heathrow via Bracknell. BAA has submitted a draft Order under the Transport and Works Act seeking powers to construct and operate the scheme. A Public Inquiry is likely to be held later in 2010. If approved, train services could be in operation by around 2015.

A second proposal is to provide a rail connection from the Great Western Main Line in the Iwer area to Heathrow. Local Authorities in the Thames Valley recently commissioned a report considering options for such a link - which is also identified in the Network Rail Great Western Route Utilisation Strategy as a long term aspiration. BAA is understood to be considering such options in its development of the surface access strategy for Heathrow.

Ports

36. The Regional Development Agency and South West Councils Leaders' Board should pay more attention to the issues affecting ports in the region, including by appointing subject-matter experts to help them achieve this. (Paragraph 140)

The RDA and SLB are best placed to understand what expertise they require to understand port issues in the region.

37. We urge the Regional Minister to do his utmost to ensure that the Port of Bristol project now proceeds as planned and without any further delays. (Paragraph 141)

A decision on a new deep sea container terminal at Bristol was not delayed. The decision process has involved careful examination of a number of issues, including the many and diverse environmental impacts of the scheme.

Transport Minister Sadiq Khan approved the Harbour Revision Order on Thursday, 25 March 2010.

Urban Transport

Road

38. As they take forward the challenge of reducing congestion in the towns and cities of the South West, all local and regional bodies should work on the assumption that the majority of their transport investment will go into reducing car use and supporting public transport. (Paragraph 153)

The Government agrees that the way forward for transport in our urban areas is to package public transport and smarter choices measures together with car demand management.

The new Local Transport Plan framework is about giving local authorities the flexibility to develop multi-modal solutions which are tailored to the needs of their local areas. The Government wants local and regional bodies to examine the merits of different modes, in order to explore and identify which give the best value for money, strategic fit, and benefits against the DfT's goals and challenges. Measures that encourage modal shift to public transport, cycling and walking, are likely to make a positive contribution to economic growth (by tackling congestion), reducing greenhouse gas emissions, as well improving public and personal health (by increasing the amount of exercise people take) and improve the quality of the local environment.

It is essential for local planning authorities as they bring forward their Local Development Frameworks to consider the supporting transport investment needed to reduce congestion impacts and improve sustainability.

39. Contributors to the Greater Bristol Bus Network, and other similar initiatives, should agree what outcomes they expect the project to achieve, should express these in terms of improvements to travellers and should make them available publicly to increase accountability and as an incentive to deliver. (Paragraph 158)

In submitting a proposal for major scheme funding, the local authority (the promoter) is required to be clear about the objectives of the scheme and consider possible options to meet those objectives. The Government would expect the promoter to be clear in consultation with its residents of the benefits of the scheme. Once the scheme is built, DfT require promoters to undertake an evaluation of the scheme to see how far it has succeeded in meeting the objectives. If from the outset the objectives are not clear, there has been no or limited consultation and there is no evaluation plan in place, DfT will either challenge or reject the promoters business case. In considering the Greater Bristol Bus Network, DfT was satisfied that these considerations were met before approving funding.

The Government is pleased to see that the scheme promoters are planning to use the bus provisions from the Local Transport Act 2008, in particular Quality Partnership Scheme provisions, to help secure best value from the public investment in the scheme.

40. As they seek to address problems with their road networks, planners in the South West should have as a key concern the impact on existing public transport services and the potential for new or expanded routes. (Paragraph 160)

In November 2009 the DfT published its *Future of Urban Transport*⁴ paper which highlights why our cities and large towns are so important and why effective transport systems are essential to making them successful. It considers how these transport systems affect different areas – economy, health and urban environment – both negatively and positively. The paper then puts forward a vision of urban transport that envisages enhanced mobility through a wider choice of journey, reduced congestion, better health and enjoyable urban spaces.

On 2 March the Government launched its plans for an Urban Challenge Fund⁵ designed to build on the principles within the *Future of Urban Transport* paper. The aim of the new Fund will be to deliver clear and measurable benefits for urban areas in terms of:

- enhanced mobility through offering people wider choices for their journeys;
- reduced congestion and increased journey time reliability;

⁴ <http://www.dft.gov.uk/pgr/regional/policy/urbantransport/>

⁵ <http://www.dft.gov.uk/pgr/regional/localauthorities/funding/fundingstreams/urbanchallengefund/>

- better health as a result of improved safety and much greater levels of walking and cycling;
- streets and public spaces which are enjoyable places to be, where exposure to harmful emissions is reduced and where quality of life is transformed
- improved safety; and
- reduced level of carbon emission from transport.

Local authorities will want to have regard to the principles set out in the paper as they develop their Local Transport Plans and think about transport more widely. Local authorities which want to access the new Urban Challenge Fund will need to understand its aims, qualifying criteria and are invited to shape its development by commenting on the discussion paper published by DfT.

Rail

41. As the major enhancement to rail in the South West over the next few years, the redoubling of the line between Swindon and Kemble is a good example. The Department for Transport and regional bodies should do everything possible to ensure that the project suffers no further delays, so that it can be completed on time and budget. (Paragraph 166)

Significant progress has been made on this project. Support totalling £2.6m, from the South West's RFA2 allocation, DfT and the Welsh Assembly, is now enabling a detailed study to be undertaken into the engineering implications of redoubling the route, which was originally singled in 1968. Although land is available, much work is required to re-instate the route to its original formation and to modern safety standards. The study also aims to identify the most efficient delivery mechanism to undertake the task. This examination is being conducted by Network Rail in conjunction with DfT. A further £45m has been allocated from the South West's RFA2 allocation towards construction and the challenge faced by Network Rail is to determine if the work can be undertaken properly within that amount.

Although the most recent estimated cost is £52.4m (including preparatory costs), Network Rail has identified a number of areas where opportunities for reductions are possible and these are being actively pursued. A final report, with a firm price, will be available in early summer and at that point a decision can be taken over the allocation of support from the RFA.

42. Local campaigns for transport improvements deserve to be taken seriously. Whilst we recognise that many schemes proposed in this way may be unachievable, there are cases of local campaigns eventually succeeding in their goals and achieving tangible improvements as a result. A greater willingness on the part of transport decision makers to engage with such groups would be welcome. (Paragraph 171)

The Government recognises and encourages the involvement of a wide range of stakeholders and public in helping to determine transport priorities.

Cycling and walking

43. Building on the good practice in Greater Bristol and other places, local and regional bodies should take more active steps to encourage cycling and other health modes of transport. In particular, public transport needs to be made more cycling friendly, with space on trains a pressing concern. The progress of Bristol as a cycling city should be monitored closely, with successful innovations spread more widely. (Paragraph 179)

A full-scale evaluation of the impacts of the cycle city and 17 cycling towns is currently underway. This will examine a number of packages designed to increase cycling, with the aim of building a better understanding of what works and sharing best practice outside of the current demonstration areas. The evaluation is due to report in 2012

The Government has long recognised the value of bike and rail journeys and we continue to encourage all Train Operating Companies (TOCs) to provide facilities at stations and on trains to promote this. DfT's Cycling Policy document and bidding guidance for rail franchises advises TOCs to facilitate the carriage of cycles on off-peak services and encourages the carriage of folding cycles at all times. The Government accepts that during the peak hours, where capacity is under pressure, there will be occasions where it is in the interests of the majority of passengers not to permit non-folding cycles on board.

Informed choices

44. Although the car will always have an important part to play, local and regional bodies should consider doing more to inform citizens about the full range of travel options open to them. The value of better information being provided direct to the people who can use it can vastly exceed the costs incurred in providing it. (Paragraph 183)

The Government is pleased to note that the committee recommends that further thought is given to 'smarter choices' measures aimed at enabling people to choose sustainable travel options like car sharing, flexible working, better school travel, more cycling and walking and better travel planning. Proper marketing of these initiatives, including providing good access to information, is a key component of their success. DfT launched a 5 year, £10 million sustainable travel town initiative in 2004 to promote safe and pleasant walking, cycling and bus use on a town-wide basis in 3 towns. A full evaluation published last month showed that on a target population of around 180,000, car trips have reduced by 9% with significant increases in walking, cycling and bus use. With these strong results, DfT Ministers want to see sustainable travel initiatives as a key part of local authority local transport plans. To support this, DfT published *'Delivering Sustainable Low Carbon Travel: An Essential Guide to Local Authorities'* in November last year to set out best practice examples to support local delivery.

Rural Transport

Buses

45. Despite the real assistance provided by central and local government we received a substantial amount of evidence on the paucity of decent rural bus services. We recognise that operating a bus service to a dispersed population in a rural area is difficult. However, we are concerned that the powers introduced by the Government to improve bus services do not seem to be embraced by local authorities. We recommend that the Strategic Leaders' Board work with local authorities to see if they could be making more use of the powers at their disposal. (Paragraph 194)

The Government endorses the Committee's recommendation that South West Councils Leaders' work with local authorities to encourage them to use the powers introduced by Government to improve bus services. The provisions of the Local Transport Act 2008 that give an improved role for community transport, and the introduction of new powers that allow Private Hire Vehicles (PHVs) to provide a local bus service, are particularly relevant to dispersed rural communities.

DfT continues to support the development and use of community transport, by publishing new guidance on the DfT website and part funding the Rural Social Enterprise Programme, a Community Transport Association led programme to promote and develop more sustainable community transport services in rural areas. A wider range of vehicles can now be used for community transport, restrictions on the payment of drivers of community buses have been removed, and a new category has been added to the 'classes of persons' that can be carried to include rural and isolated communities.

The Local Services (Operation by Licensed Hire Cars) Regulations 2009 established a legislative framework which allows taxi and PHV owners to provide more flexible services than the conventional "exclusive hiring" by a single passenger. Regulations came into force in November 2009; they allow the owners of PHVs to use their vehicles to provide local bus services. It is now possible for taxi and PHV operators to coordinate pre-booked hirings which are going towards a similar destination.

In addition, DfT commissioned the Improvement and Development Agency (IDeA) to produce and present a toolkit of guidance and best practice for local authorities developing rural transport policy, and this is available on the IDeA website.

Rail

46. We strongly urge the government, Network Rail and First Great Western to work together to make available sufficient rolling stock to allow trains to run to the South West at the same minutes past the hour to facilitate onward connections with local public transport. (Paragraph 200)

The Committee is seeking a clock face timetable, presumably so that trains can connect with a clock face bus timetable at the same minutes past each hour every hour.

Although on some routes, the provision of rolling stock may be a factor in preventing a clock face timetable from operating, other factors may be present. These might include the need to run some services at specific times to meet the need of local markets, such as schools and colleges.

The Government priority is to deliver additional capacity to meet growth and additional rolling stock is being directed first and foremost to meet this objective.

47. We believe that regional bodies—the Regional Development Agency and South West Councils—should conduct work to identify which communities are the most isolated and at greatest risk of being cut off, and should use this to prioritise improvements to rural public transport in the future (Paragraph 202)

As part of LTP2 all local authorities were asked to prepare accessibility strategies. Mapping audits were undertaken using data on the local transport network, and the location of services, disadvantaged areas and people groups, to identify particular accessibility problems.

People can be disadvantaged by personal circumstances and by where they live. In practice, the two often overlap. The Government's aim is to ensure that we have a transport system that not only promotes economic growth but also provides everyone with access to goods and services, employment opportunities and social and leisure activities. Accessibility planning will continue to be a key element of local transport planning.

48. Where improvements to the rural road infrastructure are essential, regional and local bodies should consider funding these in parallel with investment to encourage the more sustainable use of cars. (Paragraph 208)

Through the DaSTS and LTP process, we would expect regional and local bodies to develop realistic and deliverable investment programmes which are based on robust evidence of need and a consideration of a wide range of options, including public transport, active travel, innovation and behavioural change measures.

49. The South West region, like everywhere else, needs to plan for a future in which car use must be greatly reduced. It should make the best use possible of its status as a Low Carbon Economic Area to contribute to national and international measures to revolutionise travel. (Paragraph 211)

The Government wishes to see measures that promote sustainable transport alternatives such as walking, cycling, public transport and sustainable car use. The benefits of sustainable travel measures are increasingly established with the early positive results of the Sustainable Travel Demonstration Towns and Cycling Demonstration Towns. Benefits include reduced congestion, better quality of life, improved air quality, health benefits, and carbon savings. Sustainable travel initiatives have the potential to add real value to the next round of Local Transport Plans.

Looking Ahead

Evidence base

50. We support the further work being carried out to gather evidence and increase the options for providing solutions. While we recognise the greatest dilemma remains between ensuring economic growth and reducing carbon, we strongly recommend gathering evidence on the broader aspects of DaSTS including equality of opportunity, health and quality of life. (Paragraph 218)

The Government expects the development of our transport system collectively to support all five DaSTS goals, and this is a fundamental principle underpinning its approach to appraising transport schemes. It is vital therefore that it has the evidence on these broader aspects of DaSTS as the Committee recommends.

Promoting Sustainable Travel

51. We accept that if DaSTS is asking for a change in traveller behaviour, this will be done by a combination of measures, including improvements in technology, but importantly it will be done by informing the traveller that an alternative exists and actively promoting the options. We recommend that the Strategic Leaders' Board, and other regional bodies, explore the value of introducing a position for promoting sustainable transport on a regional basis. (Paragraph 220)

The Government encourages the regional bodies to explore the Committee's recommendation and decide whether there is a need for someone to promote sustainable travel options in the region that is not currently fulfilled by local authorities or other bodies.

Alignment of Priorities

52. Major transport investment decisions are made at a national level, for example electrification of Paddington to Swansea. Competing for such investment requires the region to be able to argue its case convincingly. To do so, it is important that the region has an efficient method for agreeing what its priorities are, and is able to present a single voice expressing those priorities. The South West is a disparate region, and the sub-regions have different priorities. Securing agreement is not simple and an effective, regional-level decision-making process is required. We welcome the creation of the Joint Transport and Infrastructure Board as a way of aligning regional priorities and urge all parties to work together to develop a coherent and lasting strategic vision for transport in the region. (Paragraph 229)

The Government welcomes the committee conclusions and recommendation. The regional transport strategy sets out the strategic vision, the Board's role is to identify how this can be delivered within the resources available. This will need some tough decisions to be taken and may involve a move towards a different type of RFA programme e.g. smaller, collaborative schemes that are focused on smarter choices.



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