

Economy & Transport Programme Board – report from Cllr Peter Box (Chair)

Winter weather

1. I, along with other LGA Lead Members, have been representing councils at national level during the period of severe winter weather that occurred in late November and throughout December. Despite local authorities' unprecedented efforts to prepare for this winter, I have consistently said to Ministers that the domestic suppliers of salt would struggle to meet demand. Many councils are still waiting for grit ordered in advance of the season to be delivered by suppliers and stocks have been significantly depleted by the exceptionally early spell of cold weather. I wrote to Philip Hammond, Secretary of State for Transport, on 3 November and 24 November, highlighting the challenges councils face in relation to salt stocks and asking for additional national reserve stocks to be put in place. Cllr David Sparks and Cllr Richard Kemp represented councils' concerns at Ministerial meetings to oversee and manage issues arising from the severe weather and disruption to transport networks. We also appeared on numerous radio and TV broadcasts to defend councils' performance and highlight their role in keeping the country moving. The Prime Minister rang Baroness Eaton to thank local government and the Local Government Group for what they have been doing. We will continue to monitor the salt situation and raise councils' concerns with Ministers over the coming weeks.

Funding for local transport

2. In response to the Spending Review, I wrote to Philip Hammond to emphasise that the substantial reductions in transport funding for local authorities make it even more essential that councils are given maximum flexibility over how funding is spent locally. In particular, I argued that funding for sustainable transport should be rolled into general funding to councils rather than subject to a bidding process, I made the case for a devolved system of bus subsidies which will help to protect bus services whilst delivering savings and I highlighted the importance of DfT developing its own highways improvement efficiency programme alongside the LG Group's Place Based Productivity Programme.

Concessionary fares

3. Following the publication of the Local Government Finance Settlement we now know more detail about how funding for concessionary travel will be transferred from district councils to county councils. We are very concerned that this will not result in the fair and equitable transfer in funding that we argued for, and in particular that those districts who have been supporting the scheme using local taxpayers' money will be disproportionately affected. For county councils, it is vital that the funding they receive from government matches the cost of the scheme locally. But one of the oddities of the government's proposals is that there are even big losses among unitaries not involved in the transfer of responsibility.

4. I have written to the Leaders of district and county councils to share some LGA analysis on the impact of the transfer on individual councils, to let them know that the LG Group will continue to lobby government while the settlement is being consulted on, and asking them to share with us further information about how their councils will be affected by these changes because it is not possible to understand the full impact from the headline figures in the settlement.

Local Enterprise Partnerships (LEPs)

5. On 7 December I gave oral evidence to the Transport Select Committee's hearing on transport and local economy partnerships. I made the case for LEPs to be in control of economic regeneration and transport and for them to be given sufficient powers and freedoms, including financial, to develop local solutions.

Regional Development Agency (RDA) assets and liabilities

6. I have written to Mark Prisk, Minister for Enterprise, to argue that the transfer of RDA assets and liabilities needs to reflect the views of councils so that decisions take account of the impact on local regeneration, the future success of LEPs and the local taxpayer's interest in value for money. Specifically, I have argued that councils should have the right to sign off on what is proposed locally before it goes forward to be agreed nationally. We will continue to press this point on behalf of councils.

European Regional Development Fund (ERDF)

7. I have also written to Mark Prisk to say that whilst we welcome the Government's support of ERDF, which is currently managed by RDAs, we are concerned that there may be an expectation on local authorities to offer a significant proportion of match-funding at a time when councils are not in a financial position to provide it. We are keen to work with Government to consider how other investment, such as that in business support, technological development and innovation might be coordinated by LEPs as a means to draw down ERDF, so that it is not returned to Brussels. I also emphasised that in the post-RDA arrangements, the Government must remain committed to locally accountable ERDF priorities and that this is best achieved by local authorities and LEPs ensuring that allocations meet agreed local priorities.

Community Transport Association Conference

8. Cllr Jim Harker spoke at the Community Transport Association Conference on 25 November. He spoke about the valuable role that community transport has to play in meeting the transport needs of communities, and how in the face of significant budget pressures effective partnerships between community transport organisations and local authorities will be even more important.

LG Group Economy and Transport Programme Board

9. The LG Group Economy and Transport Programme Board met on 18 November. The Board discussed the private sector role in job creation, local growth and Local Enterprise Partnerships with the CBI, and heard from Surrey County Council about their innovative approach to investing in roads. The Board also agreed key lobbying messages on the economy and transport in response to the Spending Review.

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