

## **European Transport Policy White Paper and EU Update**

### **Purpose of report**

For information.

### **Summary**

This paper updates on two areas of activity, first outlining EU transport developments, particularly key messages from the recently published EU White Paper on the Future of Transport Policy, and second updating on developments with regards to EU funds.

### **Recommendation**

Members are asked to note the report.

**Contact officer:**

Peter Broad / Nick Porter

**Position:**

Policy and Public Affairs Officer, LGA

**Phone no:**

020 7664 3113

**E-mail:**

[peter.broad@local.gov.uk](mailto:peter.broad@local.gov.uk) / [nick.porter@local.gov.uk](mailto:nick.porter@local.gov.uk)

## **European Transport Policy White Paper and EU Update**

### **White Paper on an EU strategy for the future of transport**

1. In March 2011, the European Commission published its White Paper on the future of transport, setting out an EU transport strategy for the next ten years (2011-2020).
2. The paper sets out ten targets for a 'competitive and resource efficient transport system' including a 60% cut in emissions by 2050. To achieve this it introduces an action plan including 130 initiatives, in particular the following may have implications for councils:
3. On **urban mobility**, proposals include: a requirement that urban mobility plans for cities of a certain size should meet certain EU standards, making EU funding contingent on them, and an EU 'framework' for urban road pricing schemes, potentially including mandatory standards on equipment and infrastructure.
4. Revisions to **EU passenger rights** to extend the rights and access to transport for passengers who have reduced mobility, and for passengers on multimodal journeys covered by integrated tickets. Currently local services are exempt from the most burdensome EU passenger rights obligations.
5. On **road charging**, the strategy proposes including mandatory charging for heavy goods vehicles (HGVs) on major inter-urban roads by 2016 and a comprehensive Europe-wide charging scheme for all road transport by 2020. Distance-based charging is preferred by the EU rather than time-based road charges, which are detailed in the UK government HGV charging proposals.
6. The strategy plans to further **liberalise competition** in the transport sector, including making competitive tendering compulsory as well as ensuring vertical separation of rail infrastructure from operations. In most cases, however, proposals do not go beyond the status quo in the UK. Neither the white paper nor current EU rules, on public service contracts for transport and on state aid, represent a barrier to the LGA proposals for reform of funding for buses.
7. The **Trans-European Transport Network (TEN-T)** programme, which offers co-financing for major transport infrastructure projects, will be

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revised. New EU debt financing instruments, in particular the Europe 2020 project bonds, could offer sources of finance for large-scale infrastructure projects.

8. **LG Group activity:** The LGA responded to the consultation which prepared the White Paper. The LG Group European and International Chair subsequently met with the European Parliament to raise local issues. LG Group officers are currently working with European counterparts to highlight the local implications of the proposed initiatives. The highlighted areas of interest will be monitored for the legislative proposals which will implement the strategy.

**Directive on green vehicle public procurement**

9. This directive dictates that all purchases of road transport vehicles by public authorities, or by transport operators charged with public service obligations, must take into account the lifetime energy and environmental impacts of the vehicles. All road transport vehicles are covered, although certain specialist vehicles, such as fire engines, can be exempted by national regulations. Councils have had to comply with the directive since 4 December 2010. Government is yet to introduce national regulations and guidance required by the directive, and the LGA is working to ensure that full guidance is available to councils as soon as possible.

**Road safety: cross-border enforcement of traffic offences**

10. A proposed EU directive on the cross-border enforcement of road offences will make it possible to prosecute drivers from one EU country who commit a traffic offence in another, by making vehicle registration data from other European states accessible. The draft directive focuses on specific offences with a road safety impact, and would help councils prosecute against certain traffic contraventions, particularly the use of bus lanes. It could also pave the way for other forms of cross-border enforcement to be introduced in future, for instance on parking violations. Government has said it supports the directive in principle, and may choose to opt-in once an agreement is reached. The proposal is expected to be agreed in autumn 2011. Domestically, the LGA is working to ensure that councils' road traffic enforcement powers, granted under the 2004 Traffic Act, are fully implemented by government.

## **EU funding update**

### **The current programmes 2011-13**

11. European Social Fund (ESF). The Department for Work and Pensions (DWP)'s has decided to spend £200m of ESF to support employment prospects of families with multiple problems, moving customers closer to the labour market. Invitations to tender are set to go out at the end of May, with contracts going live in the autumn. We are lobbying for local authorities to work locally with DWP and the Prime providers to co-commission provision, rather than acting solely as referral agencies, to ensure ESF provision is aligned with other support to families. Our view has been expressed at officer meetings involving many local authorities including those from Community Budget areas. The LG Group Chairman has written to the DWP Secretary of State requesting a meeting to find common ground on which to move forward, so that investment achieves the best possible local impact.
12. European Regional Development Fund (ERDF). New arrangements for managing ERDF are due to go live on 1 July 2011, when Regional Development Agency ERDF secretariats will move into DCLG. Since the last board meeting it has become evident that of the 50 successful Regional Growth Fund bids, only one was linked to ERDF, re-igniting concerns that valuable investment will be returned to Brussels due to an absence of match-funding. Members of the Board are due to meet with Baroness Hanham on 6 June to raise concerns and help seek assurances that communities will not be denied this valuable investment.

### **The future programmes 2014-20**

13. In Brussels, debate on the future of EU funds is entering a critical point, as regulations on the future EU Budget and the future of structural funds are expected in spring 2011. Key issues under debate include: the amount of resources allocated to structural funds and to the CAP, the range and type of priorities that EU funds might support; and the role of local partners. LG Group officers continue to work with European Commission officials and the European Parliament.
14. In Whitehall, LG Group officers have initiated a cross-Government working group to consider how local areas might support European funds. As part of this work the Group will commission a number of local areas to explore the issues in greater depth, making a series of recommendations back to government, and forming a central part of the local government lobbying effort.