

Date: 29 September 2022

Environment, Economy, Housing and Transport Update Paper

Purpose of report

For information

Summary

This paper provides updates on a range of issues within the remit of the Board that are not already covered in other Board agenda items.

Recommendation

The Environment, Economy, Housing and Transport Board note the update.

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Environment, Economy, Housing and Transport Update Paper

Housing, Planning and Homelessness

Homelessness Prevention Grant Consultation Submission

1. The Department for Levelling Up, Housing & Communities recently announced their intention to change the funding formula for the Homelessness Prevention Grant. It is their intention to simplify the funding landscape and end the current mixed economy which can mean short-term pressures to fund temporary accommodation have to be traded off against the opportunity to invest in prevention. Their first steps towards achieving this have been to open a technical consultation with some suggestions for potential funding formulas which would fit around a multiyear funding approach. We submitted our response at the end of August which was generally supportive of a move towards simplified, multi-year funding but was critical of certain elements such as the use of Area Cost Adjustments and data such as population, which didn't necessarily reflect housing pressures.

Rough Sleeping Strategy

- 2. The Government published their new Rough Sleeping Strategy on 3rd September. We were pleased to see a number of LGA policy asks featured and a fair amount of crossover with our own report on how to create an effective rough sleeper strategy. In particular,
 - Better access to mental health and drug and alcohol support for people sleeping rough
 - A cross government commitment that no one will leave a public institution to the streets – this includes hospitals, prisons and care
 - More supported housing and Housing First nationally and a commitment to working with Adult Social Care for vulnerable adults who are homeless
 - Embedding the voices of lived experience into policy making
- 3. Government also unveiled a new Single Homelessness Accommodation Pathway (SHAP) which will deliver 2400 new homes across England to plug a gap in current RSAP and RSI provision. We are expecting a prospectus for councils before the end of the year.

Refugee Housing

4. We have been working closely with DLUHC on a number of key elements to help local authorities house refugees and new arrivals. This includes a potential stock acquisition programme for councils as well as incentives for the private sector.

There is a regular Refugee Housing group which meets weekly to discuss different elements of move on as well as ad hoc groups such as a roundtable with local authorities that have successful private sector schemes to see what is working nationally. Concern continues to grow, particularly as Homes for Ukraine placements stretch on for longer than the initial 6 months. As of the end of August there were 630 Ukrainian households in temporary accommodation

Kerslake Commission Progress

5. The Kerslake Commission have published their latest progress report informed by the commission board which is attended by LGA Chairman James Jamieson. Within the report there is an ask for central government to consider funding the LGA to expand our peer support programme – which has previously focused on "Everyone In" and the use of temporary accommodation – into a peer review model outside of our usual DLUHC grant. The report has also renewed its asks around a Duty to Collaborate which we are supportive of. The report also highlights cost of living as an ongoing risk to the goal of ending rough sleeping, with the latest London figures from CHAIN showing that rough sleeping is back on the rise despite hitting an eight year low in last Autumn's statistics.

Cost of Living Roundtable

6. LGA, National Housing Federation and Homeless Link are joint hosting a ministerial roundtable on the 7th October to "sound the alarm" with ministers, civil servants and other officials that the current cost of living crisis will lead to an increase in homelessness if emergency measure are not considered. Lead members from both EEHT and Resources board have been invited as well as R9 Chief Execs. The roundtable will look at short term solutions, longer term solutions as well as policy levers in both local and national government.

Housing Improvement

- 7. The 2022/23 Housing Advisers Programme (HAP) will open for applications at midday on 29 September 2022. This year there are two strands to the programme: in addition to the grant programme this year we will also be running an action learning programme for councils who want to play a more direct role in building more homes in their local area but have minimal or no experience of doing so. Application for both strands of the programme is via an online application form and more information will be available on the Housing Advisers Programme pages of the LGA website following the launch date.
- 8. The HAP launch will be supported by an <u>online event "A guide to applying to the Housing Advisers Programme"</u> taking place on 14 October 2022. This is open to all members and officers interested in applying to the programme, both for grant funding and for the action learning programme.

Private Renters Inquiry

9. The Levelling Up, Housing and Communities Select Committee launched a written inquiry and an oral evidence inquiry into reforming the private rented sector, in August and September respectively. The purpose of the inquiry was to examine the Government's proposals set out in its White Paper, which was published in June. We submitted <u>written evidence</u> and Councillor Darren Rodwell (Vice-chair for the LGA's EEHT Board) gave evidence at the oral evidence session on behalf of the LGA. In addition, we have been working with DLUHC to shape the reforms as they have been brought forward.

HRA Research – Assessing the New Challenges

10. Savills were appointed in June to undertake this research. To support the research, a range of stock-holding councils and arm's length management organisations have been interviewed regarding the income and expenditure-related challenges that their Housing Revenue Account is facing. We have now received the initial report for the income research. The findings and recommendations from this research will assist the LGA in its lobbying going forward, including responding to the proposed social housing rent cap consultation.

Levelling Up and Regeneration Bill – Planning Reforms

11. The Bill is currently at Committee Stage in the House of Commons. We have set out <u>our position</u> on the reforms announced in and alongside the Bill, and we continue to <u>brief parliamentarians</u> as the Bill progresses through Parliament. In addition, we <u>responded</u> to DLUHC's Compulsory Purchase – Compensation Reforms consultation. The purpose of this consultation was to seek views on the reforms announced in the Bill to reform the Land Compensation Act (1961) and modernise the compulsory purchase order system.

Decent Homes Standard Consultation

12. The Government has launched a <u>consultation</u> on the proposal to expand the Decent Homes Standard to the private rented sector, which runs until 14 October. At present, the standard exclusively covers the social rented sector. The LGA will be responding to this consultation. To support our response, we have engaged with DLUHC officials and other stakeholders in the sector, including via DLUHC-led roundtables for tenant and council groups.

Social Rent Cap Consultation

13. The Government has launched a <u>consultation</u> on a proposal to cap social rent policy for the next financial year. We will be responding to this consultation, which runs until 12 October. To support our response to the consultation, we engaged DLUHC officials and the Housing Finance Advisers Network, which includes

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councils with a Housing Revenue Account and arm's length management organisations.

Right to Buy Media Story

14. In August, we issued a <u>media story</u> voicing the LGA's concerns regarding the sustainability of the Right to Buy Scheme. The central argument was that almost £6 billion has been given out in discounts through the Right to Buy scheme since the size of the discount was increased in 2012, and the Government must allow councils to retain 100% of receipts so that homes that are lost under the scheme can be replaced on a one-for-one basis.

Shale Gas Extraction

15. The Government has announced that the shale gas moratorium will be lifted. The Secretary of State for Business, Energy and Industrial Strategy, Jacob Rees-Mogg has confirmed via a written ministerial statement that the Government will now "consider future applications for Hydraulic Fracturing Consent with the domestic and global need for gas in mind and where there is local support". Developers will need to have the necessary licences, permissions and consents in place before they can commence operations. The LGA's current position is that local communities should decide, through their democratically-elected councils and the planning system, whether or not to host shale gas operations in their areas. Before they can consider granting planning permission for shale gas applications, councils will also need to be assured that the issues covered by relevant regulatory regimes can, and will, be adequately addressed. This should include potential incidences of seismic activity and water pollution, the disposal of waste water, well construction and well integrity.

Climate change

Engaging new Ministers and the LGA Climate Change Task Group

16. The new Prime Minister has appointed a range of new important political leadership posts in relation to councils and climate change, including a new Minister for Climate. The Climate Change Task Group met with Lord Callanan on 12th July. Topics of discussion included spend window for Social Housing Decarbonisation Fund rounds, the number of funding pots, lack of joined up thinking across departments on climate change and the need to get the political Local Net Zero Forum group up and running. Letters are now being sent to Rt Hon Jacob Rees-Mogg MP, the new Secretary of State for Business, Innovation, Enterprise and Skills, and Graham Stuart MP, Minister for Climate, inviting them to meet the task group. Lord Callanan remains a Minister at BEIS.

Net Zero delivery review

17. The Prime Minister has asked Rt Hon Clive Skidmore MP to lead a review into how to most efficiently and rapidly achieve the net zero goal in a pro-business

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and pro-growth way. It is understood that the review will conclude before the end of 2022. We are drafting representations to make into the review and are working with Rt Hon Clive Skidmore MP and his team on holding a roundtable meeting with the Climate Change Task Group.

Local Net Zero Forum

18. The first meeting of the Forum was held on 20th June including senior officials from across Whitehall Departments and local government, the LGA is represented on the group and is playing the lead liaison role with BEIS and some coordination role of local government voices on the group. The Forum established three initial Task and Finish Groups to cover – Roles and Responsibilities, Data and Finance. The three groups had their first meeting over the summer and the outputs of which will be discussed at the second LNZF meeting set to take place the beginning of October. The LGA is working with BEIS on the Task and Finish Groups to help ensure maximum value added. The LGA is also continuing to work with BEIS on establishing a political oversight of the officer group, including Ministers and lead LGA members.

Retrofit - Heat and Buildings Decarbonisation by 2050

19. The LGA has awarded Energy Systems Catapult a project to design an approach whereby local and central government would work together to further enable decarbonisation of heat and buildings up to 2050, building on existing local strategies and bringing them together into a single national framework. It will focus on: the objectives and value added of locally led approaches; the governance and process for how existing and new local strategic approaches can be brought together into a single coherent framework clarifying roles and responsibilities, and how to shift to joined-up multi funding plans for delivering outcomes and market change. The EEHT Board Lead Members will act as a task and finish group to oversee the progress of this work.

Advancing local and central government collaboration in climate change adaptation

20. The LGA is commissioning a piece of work to investigate, understand and present what local government would like to see from the refreshed National Adaptation Programme (NAP3), and the wider national government policy, regulatory and funding framework, in order to accelerate central and local government's collaboration on place-based adaptation to climate change. The preferred bidder will be selected in October with the project due to complete in the first quarter of 2023. The aim is to draw on the experience of councils in adapting to climate change, including learning from recent extreme weather events (such as heat, and London floods).

Fuel poverty and accelerating the transition

21. Considering increasing energy costs, we have made representations on the need for Government and councils to work together to rapidly scale investment in

energy efficiency, the transition to renewables, and energy saving advice. We are linking this ask to the establishment of a new partnership delivering the long-term transition to net zero up to 2050. For instance, we have <u>published research</u> on the options and cost benefits for increasing energy efficiency measures to protect more households from fuel poverty as energy costs increase. We will revisit this considering the impact of the Energy Price Guarantee both in terms of cost/benefits for households and the Government, our modelling suggests Government's intervention to support bills means that it will be directly losing billions through drafty homes. We are also working with other LGA Boards on developing the wider cost of living messages and support, for instance the <u>LGA's cost of living hub</u>, linking welfare, health, housing and other issues.

Energy Price Guarantee

- 22. In Sept 2022, the Prime Minister announced an energy price cap on gas and electricity unit rates and standing charges for two years, the average cap will be £2,500 per annum per household. This will be welcome help to households although it will still mean, on average, households will pay twice as much on energy as they did two years ago (Feb 2020 price cap was £1,042). The Government is continuing the £400 payment and other additional energy and welfare support.
- 23. A separate scheme will apply to businesses, charities and public services (incl councils) for six months, with a review for action beyond 6 months to conclude within three months. We are working with the LGA finance and growth teams to understand the impacts of this, and what the asks might be for beyond six months.

Green Streets

24. DG Cities will shortly complete a piece of work that will seek to demonstrate the case for a local approach to decarbonising buildings and transport at the street or neighbourhood level. Through a combination of literature review and interviews identifying national and international best practice, the case will be heavily evidenced and implementable in the UK. The final report will be on the LGA website end September / early October and a webinar to present the findings is planned for the morning of 15 November, coinciding with COP27.

Renewables

25. We are exploring options to refresh our guide to councils on developing renewable energy, the current <u>LGA Renewable Energy Good Practice Guidance</u> report was published in 2020.

Hard to decarbonise homes

26. In July we <u>published a report</u> we co-funded with the National Housing Association on Hard to decarbonise social homes. The report examines the decarbonisation

of social homes, looks at why some are harder to decarbonise than other and explores changes required to make hard to treat social homes easier to decarbonise.

Energy Company Obligation (ECO4) Guidance for Local Authorities

27. The LGA submitted a short response to the Draft ECO4 Guidance for Local Authorities from Ofgem in which we argued for a proportion of resources to be used for outreach and engagement with communities to identify those in most need of ECO4, and for a strengthened obligation on energy providers to undertake works in households identified by councils.

COP27

28. Working with productivity, we are currently preparing communications activity for the build-up and duration of COP27 which will be hosted by Egypt in Sharm El-Sheikh in November 2022. Building on the success of COP26 communications, the focus will be on showcasing exemplar local authority action to address the global climate crisis. We have also prepared a Locally Determined Contribution (LDC) which highlights the role local government plays in mitigating and adapting to climate change. The LDC aggregate's local action and presents it in the same format as a Nationally Determined Contribution to highlight the critical role councils play in addressing this global issue.

Waste

Inflation challenges

29. Councils are reporting concerns about rising costs and the capacity to make reductions without impacting services, some councils are also reporting concerns about strikes. Defra has issued a survey to councils regarding workforce, costs and capacity challenges in the waste sector. The National Association for Waste Disposal Authorities has issued a similar survey. This is a big issue for the sector, and we will be working with Defra, NAWDO and other networks of council waste teams to understand and disseminate the findings, and to consider recommendations for the next steps working with LGA boards leading on finance and workforce.

Tackling waste crime

30. We continue to make the case for reforms that will be successful in preventing waste crime. We recently launched research warning that <u>lenient sentencing</u> <u>guidelines were not a significant enough deterrent</u> which was widely covered in the media. This builds on our recent submissions on waste tracking, waste carriers, and research work on the costs of dealing with fly-tipping.

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Next steps on the Resources and Waste strategy

31. We continue to work with Defra on the progress of the Resources and Waste Strategy. The Government has set out its next steps on the Extended Producer Responsibility for which payments to councils are due from April 2023/24, and we are pushing for the LGA to have a role on the governance arrangements for the new scheme administrator. However, it is looking increasingly likely that there will be further delays to implementation. We are also beginning to work with councils and Government on the new burdens considerations for proposed food waste collections. There is less certainty about what decisions Government will make on other elements of the consistency reforms (such as Garden waste) and on Deposit Return Schemes. It is also possible that a new Secretary of State may want to revisit some of the objectives the Government were previously working towards. The delays and uncertainties are causing a range of issues for councils seeking to develop long-term strategies.

DIY waste

32. In July we responded to Defra's call for evidence on booking systems at household waste and recycling centres, and a technical consultation on preventing charges to households for the disposal of DIY waste at household recycling centres. In our response, we focused on the fact that there is no evidence of higher rates of fly-tipping for councils that have introduced charges for DIY type waste and that the operation of HWRCs is a local matter that is best determined by councils, who are accountable to residents for the way waste and recycling services operate. Further, we are concerned that the consultation suggests a decision has been made to forgo the new burdens process for this policy decision entirely, which is a concern we are taking forward with both Defra and the DLUHC new burdens team. We are working with the National Association of Waste Disposal Authorities to develop an evidence base on the costs of this policy, and the views of councils on its impacts on the ground.

Persistent Organic Pollutants

33. The UK is a signatory to the UN Stockholm Convention on Persistent Organic Pollutants, an international environmental treaty that aims to eliminate or restrict the production and use of persistent organic pollutants (POPs). Some Polybrominated diphenyl ethers (PBDEs) have been designated as POPs for several years under the Stockholm convention. They were used as flame retardants in products such as domestic seating, cars and electrical goods. These chemicals are also responsible for 100% failure of the Environmental Quality Standard in biota, one of the methods used to assess the health of English rivers. The law requires that POPs in waste are destroyed to prevent lasting environmental harm and impacts on the food chain. This means waste containing POPs must be incinerated and must not be re-used, recycled or landfilled. At the end of August, the Environment Agency (EA) wrote to businesses and local authorities requesting they reply by 31 December 2022 confirming they are compliant with the regulations. Compliance by 31 December

2022 is unlikely to be achieved across England due to several factors including contractual arrangements, suitable incineration capacity, suitable treatment and storage capacity. The LGA is working with council officials, the EA and Defra to bring this issue to a sensible, pragmatic conclusion.

Waste and Emissions Trading Scheme

34. We have submitted a response to the consultation on extending the <u>UK</u>

<u>Emissions Trading Scheme</u> to council waste services. The response supported the ambition from Defra and BEIS to decarbonise emissions from waste, and argued the first principle of the waste hierarchy is to prevent waste in the first place, and this is where action on net zero must focus.

Environment

Nutrient and water neutrality

- 35. We have launched a policy enquiry on nutrient and water neutrality. Both issues relate to river catchment areas and advice to local planning authorities to stop housing development immediately in order to protect weakened natural environments, we have published research on the impact of this on local housebuilding objectives. The enquiry's aim is to bring together councils with a range of partners to explore solutions in the short term and find long-term resolutions to protect the environment. The enquiry is being led by a team of LGA politicians that has now closed it's call for evidence via a survey and is now planning roundtable discussions with stakeholders. The enquiry will present recommendations in the Autumn.
- 36. On 22 September the Government have set out their ambition to <u>revoke or reform</u> <u>transposed EU laws</u>. Reporting suggests that this might include elements of the Habitats Directive which underpins the requirement for nutrient and water neutrality in protected habitats. It might also include recreational disturbance protections.

Biodiversity Net Gain

37. We continue to work with Defra, Natural England and the LGA's Planning Advisory Service on the planned implementation of Biodiversity Net Gain (BNG). We are currently planning a conference for councils jointly with Natural England and property developers to explore preparation work, to take place approximately one year ahead of the BNG becoming mandatory. Although, amid delays in progressing proposals it is beginning to look possible that the implementation point may be delayed. It is also not clear what the new Secretary of State's position is on the progression of BNG.

Local Nature Recovery Strategies (LNRS)

38. We continue to work with Defra on this issue and pushing for further guidance and clarity on the ambitions for LNRSs in line with local efforts to lead the local nature recovery. Defra has recently issued communications to councils and is expected to published guidance on how to develop and use a LNRS shortly. We hope to ensure this is useful to councils, and is aligned with other national policy development, including BNG, Environmental Land Management, and so on. However, it is also not clear what the new Secretary of State's position is on LNRS.

Economy

Economy update

- 39. The economy continues to show signs of stress. The latest <u>CPI inflation data</u> was published on 14 September 2022 and stood at 9.9% for August; this was down slightly on the July figure as a result of the fall in petrol prices. Rising food prices made the largest upward contribution to the change in the rate. The Bank of England said in a statement in 21 September that the Energy Guarantee is likely to limit significantly further increases in CPI inflation.
- 40. The impact of inflation will be felt in the <u>public sector</u>. Research by the Institute for Fiscal Studies has suggested that an additional £18 billion would need to be found in each of the next two years to restore public service spending plans to the real-terms levels intended when the plans were set.
- 41. Wages are not keeping pace with the increase in prices. In real terms regular pay (annual) fell in the period May to July 2022 by 2.8%.
- 42. For the period May to July 2022 the employment rate was 75.4%, which was 0.2 percentage points lower than the pre-covid level. The unemployment rate is down 0.2 percentage points to 3.6%, but inactivity is up by 0.4 percentage points to 21.7%, which is 1.5 percentage points above the pre-covid level. A recent report by the Institute for Fiscal Studies looked at the rise in economic inactivity among people in their 50s and 60s. it noted that there have been particularly large increases in the proportions of part-time workers, self-employed workers and workers in their 60s moving out of employment and into economic inactivity during the pandemic. There will be many reasons for this trend, but the IFS report concludes that the change is not driven by health or labour demand issues but rather "looks more consistent with a lifestyle choice to retire in light of changed preferences or priorities".
- 43. The new Chancellor is seeking to overturn the perceived Treasury orthodoxy and to place growth as a priority above fiscal discipline (the most senior civil servant in the Treasury, Tom Scholar, has been sacked). The Chancellor is expected to set a 2.5% growth target; a level not seen consistently since before the financial

crisis in 2007/2008. It has been said that the Treasury's long-standing position has been to concentrate on the dangers of deficit spending and the need to control inflation. It is not clear that the Treasury has always stuck to these policy tenets, and there are examples of its capacity to spend, including in response to Covid. The Chancellor is expected to set out a number of measures in a statement on Friday 23 September.

- 44. The Energy Guarantee announced on 8th September is expected to cost £150 billion and together with an expected £30 billion of tax cuts and additional debt servicing costs, this could lead to significant additional bond issuance by the Government (tax cuts and increases in benefits and pensions, as a result of inflation, are likely to have a longer term impact on borrowing levels even after the Energy Guarantee has washed through the system). The yield on gilts has been increasing in recent months, with the benchmark 10-year gilt yield now at 3.27% up from 0.77% in September 2021. At the same time Sterling has been falling in price against the Dollar. It is unusual for this to happen at a time when UK interest rates are rising. The fall in Sterling, which itself has the effect of pushing up inflation, reflects the increase in US interest rates, but also some concern about the strength of the UK economy, which the BOE expects to go into recession in the fourth quarter of this year and remain in recession in 2023.
- 45. At its meeting ending on 21 September 2022, the Bank of England Monetary Policy Committee voted to increase Bank Rate by 0.5 percentage points, to 2.25%.

Identifying and promoting green growth opportunities

46. The LGA is commissioning a report highlighting the social and economic benefits of having businesses located in a local authority area that provide low carbon and environmental goods and services. The report will be evidence based with case studies and the provider will suggest measures councils can take to make their area more attractive for these businesses to locate in. Focus will be on the supply of goods and services required for the Net Zero transition. Work will commence end September 2022 with a view to completion in December / January.

Identifying local authority best practice in repurposing shopping centres

47. The LGA is commissioning a report highlighting the social and economic opportunities and benefits of repurposing shopping centres to reflect the needs of the town centre, the community, the local authority, and the businesses located within their area. The report will be evidence based with case studies and the provider will suggest measures and approaches councils can take to repurpose shopping centres or support the repurpose of shopping centres where their ownership lies solely in the private sector. Work will commence at the end of October with a view to completion in the first quarter of 2023.

Transport

Buses funding

- 48. There have been further announcements on Government support for local buses. The first announcement, on 19th August, extended the previous support provided by DfT for bus services with an additional upto £130 million available from October 2022 to March 2023 to protect bus routes and travel, which remains at around 75% of pre-pandemic levels.
- 49. The Transport Minister, Baroness Vere, wrote to local transport authorities (see attached letter) to confirm this announcement, making it clear that the current cycle of providing long-term recovery funding packages is not a sustainable long-term solution. Baroness Vere anticipates "that this will include Local Authorities tendering more services in future to accommodate changing travel patterns or making changes to networks so that demands to travel can be met effectively."
- 50. In relation to lower levels of concessionary passengers, the letter states "If concessionary patronage does not increase, and the funding spent on local bus services declines, we have to be clear that Local Authorities should expect funding from the Revenue Support Grant (RSG) to decrease in future Spending Reviews to reflect this position."
- 51. Whilst the LGA <u>welcomed</u> the extension to the Bus Recovery Grant, what councils want to see is the Government back its own National Bus Strategy in full, providing the £3 billion over three years for Bus Service Improvement Plans which have been produced by every local transport authority and local bus operators. This will help to protect and grow bus travel. Fewer that half of places that applied for BSIP funding were successful, and most of those that were received well below what they asked for.
- 52. It also appears unfair to expect councils to have their RSG decreased given that it is estimated that the national concessionary fares scheme is already underfunded by £700 million. The letter also fails to reflect the structural changes in demand for concessionary fares following the pandemic, with fears of coronavirus safety, reduced bus services and switch to alternative modes cited as key reasons in recent Transport Focus research.
- 53. On 5th September the Government <u>announced</u> plans to put a £2 cap on single adult bus journeys from January to March 2023, funded via £60 million by Government. This is to assist with the current cost-of-living crisis as well as help to achieving a long-term ambition to reduce fares. We await further details on how this will be funded.
- 54. Given the recent and ongoing changes in Government it remains unclear who the minister for buses will be going forwards. Once this has been established the LGA will seek to set out the position of councils and how local and central government can work with the industry to secure a more prosperous and longer-

term future for local buses.

Local bus schemes

- 55. A number of Metro Mayors, including Greater Manchester, Liverpool City Region and West Yorkshire have announced a maximum adult bus fare of £2 beginning this month.
- 56. The Greater Cambridge Partnership has issued a proposal for the future bus network in the Cambridge area which includes new bus routes, longer service hours and cheaper fares. Key route corridors would have six to eight buses an hour with hourly rural services, and fares of £1 to travel in the city or £2 in the wider area. To fund the improvements a Sustainable Travel Zone road user charge is proposed that could see drivers pay £5 a day.

Cost inflation

- 57. In a <u>recent press release</u> the LGA highlighted increased costs of undertaking highways work.
- 58. In partnership with ADEPT (Association of Directors of Economy, Environment, Planning, and Transport) the LGA undertook a snapshot sample survey of ADEPT members to identify the extent of cost inflation relating to highways activities.
- 59. Our analysis revealed significant inflationary pressures: with figures estimating increases of 21% to 37% in costs of roads maintenance, running and repairing streetlights, and capital works, such as new roads and infrastructure.
- 60.LGA officers will continue to monitor this and feed into other ongoing work on cost inflation within local government.

TfL funding deal

61. Transport for London has agreed a financial settlement with the Government until March 2024. £3.6bn of capital investment will be made and ongoing revenue support will be provided should passenger numbers not recover at the budgeted rate.