



FINAL

CONSULTATION RESPONSE

Local Transport Funding

pteg Submission

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1. Introduction

- 1.1. **pteg** represents the six English Passenger Transport Executives (PTEs) in England which between them serve more than eleven million people in Tyne and Wear ('Nexus'), West Yorkshire ('Metro'), South Yorkshire, Greater Manchester, Merseyside ('Merseytravel') and the West Midlands ('Centro'). Leicester City Council, Nottingham City Council, Transport for London (TfL) and Strathclyde Partnership for Transport (SPT) are associate members of **pteg**, although this response does not represent their views. The PTEs plan, procure, provide and promote public transport in some of Britain's largest city regions, with the aim of providing integrated public transport networks accessible to all.
- 1.2. Our response has focused on those questions which can be addressed collectively.

2. CONSULTATION QUESTIONS

1. The only change that the Department is considering in either of the two formulae in advance of this year's Local Government Finance Settlement is the option to disregard road condition in the maintenance block formula. What are consultees' views on this approach?

- 2.1. This approach appears sensible for the reasons outlined in the consultation document.

2. What are consultees' views on possible longer term changes to the formulae, in particular on the comments above on potential developments to the IT Block?

- 2.2. Longer term changes which are more focused on carbon reduction and supporting the economy are to be welcomed in principle.

3. Do consultees agree that there should be a data refresh?

- 2.3. No comments.

4. Do consultees have any comments on the refreshed data as set out in Annex G?

- 2.4. No comments.

5. Do consultees wish to see transitional arrangements to mitigate the impact of the data refresh, and if so, what should these be?

- 2.5. Yes in principle, though details of how this would be achieved are difficult to devise.

6. Do consultees agree with the Department's approach for merging funding for structures on the Primary Route Network and for detrunked roads within the maintenance block formula from 2011/12?

- 2.6. No comments.

7. Would local authorities prefer to receive funding as grant or supported borrowing and what are consultees' views on the priorities for paying out grant if there is a mix of grant and supported borrowing?

- 2.7. ITAs cannot receive supported borrowing at present and therefore any government funding must therefore be paid out as a grant to ITAs.

8. What are consultees' views on the option to allocate the IT and maintenance blocks solely to Integrated Transport Authorities in the six Metropolitan Areas?

- 2.8. In principle this seems a sensible option, as the ITAs are the statutory body responsible for the Local Transport Plan and therefore it would be appropriate for funding to flow to ITAs for delivery of LTP objectives.

9. Should Metropolitan Areas and other areas producing Joint Local Transport Plans be allowed to retain the flexibility to vire IT Block funding between authorities as permitted in the last funding settlement?

- 2.9. Yes. Pooling of resources has helped deliver transport schemes at both city region and local levels.

10. Do consultees have any other issues they would like to raise about the calculation or distribution of the integrated transport or highways maintenance blocks, including on the overall size of the blocks relative to other capital funding and relative to each other?

- 2.10. In order to deliver on transport improvements at a time of restricted public finances, it would be sensible to make sure that there is sufficient flexibility between revenue and capital budgets. Therefore, the funding that is delivered to transport authorities should be flexible in this regard.