

ENVIRONMENT SCRUTINY COMMITTEE 17 SEPTEMBER 2004

APPENDIX 1: SHORTER GUIDANCE FOR SECOND LOCAL TRANSPORT PLANS (AS SUMMARISED BY DEPARTMENT FOR TRANSPORT)

DRAFT FOR CONSULTATION, JULY 2004

1. *Note: This short form of the LTP guidance is aimed at a wide audience, including local authority members and senior officers, and their key partners and stakeholders. The Department is also preparing separate full guidance aimed at those directly responsible for compiling new LTPs. This version of the LTP Guidance is a draft for consultation.*

The central / local government context

2. The Government wants to deliver sustainable improvements in economic performance, social inclusion, and a better quality of life. Achieving these aims requires
 - co-ordinated planning and action across many agendas, including education and skills, housing, regeneration and other infrastructure
 - funding to match the desired outcomes
 - transformation of the way services are delivered to the public – putting the emphasis on the customer's and user's experience.
3. This is the context in which the Government approaches transport. In particular, it means
 - being clear that transport is, ultimately, one of a combination of factors contributing to sustainable economic growth and social inclusion: it is not an end in itself
 - recognising the responsibility of central government to decide on levels of public spending, national priorities and to set national strategic objectives.
 - providing structures for regional and local determination of issues best dealt with at that level, and the freedom to tailor solutions to reflect local circumstances.
4. The Government published its **overall transport strategy** 'The Future of Transport' in July, taking forward the strategy originally set out in 2000 (The Ten Year Plan for Transport). This recognises the vital role that improving mobility plays in meeting the wider objectives for the economy and an inclusive society. The Government wants to ensure that we can benefit from greater mobility and access, while minimising the impact on other people and the environment, now and in the future. The strategy is built around three central themes:
 - **sustained investment** over the long term whilst ensuring that each pound of investment works harder for the British taxpayer;
 - **improvements in transport management**, to achieve better value for money from both existing and new infrastructure. The Government will encourage local authorities to procure bus services through Quality Contracts, where this

is linked to a wider strategy including bold measures to reduce congestion, or modification of rail services.

- **planning ahead** of transport policies and programmes. Britain cannot build its way out of the problems it faces on its road networks, and doing nothing is not an option. So the Government will lead the debate on road pricing. The Government is also committed to sharing decision-making with regional and local stakeholders, ensuring that planning at regional and local levels is based on a shared view of priorities, deliverability and affordability.
5. Delivering better transport depends in large part on the planning and delivery of transport by local authorities in England, in support of authorities' wider agendas. The shared priority which the Government has agreed with the Local Government Association captures the continuing aims: **Improving access to jobs and services, particularly for those most in need, in ways which are sustainable: improved public transport; reduced problems of congestion, pollution and safety.**
 6. Alongside the Government's strategies in 'The Future of Transport' for aviation, railways and strategic roads, the key strategies to help local government deliver these outcomes are:
 - freer flowing local roads delivered through measures such as congestion charging;
 - more, and more reliable, buses - enjoying more road space;
 - demand responsive bus services that provide accessibility in areas that cannot support conventional services;
 - looking at ways to make services more accessible, so that people have a real choice about when and how they travel;
 - promoting the use of school travel plans, workplace travel plans and personalised journey planning to encourage people to consider alternatives to using their cars; and
 - creating a culture and improved quality of local environment so that cycling and walking are seen as an attractive alternative to car travel for short journeys, particularly for children.
 6. The Transport Act 2000 gave local authorities a statutory requirement to produce Local Transport Plans, in the light of guidance issued by the Government. This paper provides guidance for the second round of LTPs, covering the years 2006-07 to 2010-11. It reflects the principles of the Government's transport strategy, and, together with the accompanying full guidance for LTP practitioners, replaces the guidance issued in March 2000 for the first round of LTPs, covering the five years up to 2005-06.
 8. As part of delivering its transport strategy, the Government will expect high-quality LTPs from all authorities required to prepare one, and will aim to help authorities develop their LTPs through direct engagement.

What makes a good LTP

9. The LTP system aims to encourage high quality planning and delivery of local transport, and also to provide a basis for tracking performance locally. This new guidance accordingly puts emphasis on 4 key themes:
 - **setting transport in a wider context**
 - **locally relevant targets**

- **identifying the best value for money solutions**
- **indicators and trajectories**

A) Setting transport in a wider context

10. This is necessary both to inform the transport agenda, but also to ensure that plans for regeneration and housing development are informed by realistic expectations about transport improvements. Many of the first round of LTPs were weak in this respect. This guidance places more emphasis on the need to:

- **set the LTP in the context of the regional economic and spatial strategies, and the local vision for the area;**
- **provide a longer term strategy**, within which the 5 year implementation plan is set;
- **take a realistic view of transport investment.** To facilitate this, this guidance explains the Government's intention to issue guideline budget allocations this autumn, to inform the construction of plans. LTPs should identify what can be delivered within these budgets;
- **work across authority boundaries**, reflecting the need to address some transport issues over a wider geographical area, such as travel to work areas. In some cases it will be sensible for local authorities to produce joint plans. Metropolitan districts need to ensure that their input to the plans reflects the contribution they can make as highway authorities, for example to PTE bus priority schemes;
- **develop the LTP in partnership with stakeholders and partners.**

B) Locally relevant targets

11. First round LTPs often appeared to set targets on the back of predetermined transport investment plans, rather than addressing the harder question of what transport targets needed to be set in order to support economic growth and social inclusion. Targets in the second round should:

- **visibly support local targets for sustainable economic growth, housing, and social inclusion;**
- **relate to outcomes, rather the inputs or outputs;**
- **focus on the shared priorities - congestion, accessibility, safety and air quality** - as well as other locally important **quality of life outcomes** such as health and liveability;
- **take account of national targets for road safety, public transport patronage and air quality, but should be tailored to local circumstances;**
- **be challenging but realistic.**

C) Identifying the best value for money solutions

12. The plan should demonstrate how an authority will deliver its targets. The plan should :

- **make full use of the growing evidence base on what works**, in particular on programmes which change behaviour;
- **make best use of existing infrastructure**, including through efficient maintenance and management of the local road network ;
- **avoid focussing on capital investment at the expense of other innovative solutions**. Packages of complementary measures, with measures to address both demand and supply, should be considered, including the new opportunities for supporting strategies to tackle congestion in towns and cities contained in 'The Future of Transport';
- **be underpinned with analysis of local problems and opportunities**, both now and in the future. There is a new requirement to include **accessibility analysis** and an **accessibility strategy**, on which separate detailed advice is being provided.

D) Indicators and trajectories

13. The Plan should set trajectories for the key targets, as a platform for tracking progress locally, and securing additional funding for delivering against the plan, including:

- **outcome targets and trajectories for a number of mandatory and locally relevant indicators**. Mandatory targets and indicators will provide greater consistency and robustness in assessing performance. Views on which indicators should be mandatory are being sought as part of the consultation on this draft guidance. The mandatory indicators will be confirmed in the final guidance;
- **targets for intermediate outcomes and outcomes for contributory measures**.

LTP funding

14. The Plan also serves other purposes - in particular, it influences the allocation of LTP funding to local authorities. There are three elements of LTP funding: capital maintenance; the integrated transport block; and major schemes.

15. As was the case in the first LTP period, the allocations for **maintenance** in the second LTP period will generally be made by formula. The Government also proposes to make 75% of the **integrated transport block indicative** allocations on a formula basis. We are working with the Local Government Association and local authorities to develop a proposal for the formula, and transitional arrangements, over the coming months. The proposed formula will provide the basis for guideline budgets to be issued to local authorities in the autumn, to inform the LTP development process - at which point we will also start a formal consultation on the formula. The Government also wants to incentivise good LTPs, and so 25% of the final block allocations will be allocated on the basis of the quality of submitted plans, and an assessment of the deliverability of those plans in the light of past performance.

16. The Government's assessment of authorities' LTPs will focus on the **quality of planning** against the 4 key themes and each of the best practice points highlighted above. Account will be taken of **the degree of challenge in the locally determined targets**. The Government will be discussing the methodology for its assessment with the Audit Commission. More detailed advice on how planners might tackle these issues is included in the more detailed guidance published in parallel with this document.
17. Decisions on funding for **major schemes** will continue to be taken during the LTP period. The targets that authorities set in their plans should be on the basis of no new major schemes beyond those currently provisionally or fully approved. LTPs should nevertheless provide details of any major schemes an authority expects to submit over the LTP period, how they contribute to meeting the authority's longer term strategy, and how they would impact on the targets. If a new major is subsequently approved, some adjustment of the targets and trajectories may be required, though in most cases the impacts may not be significant within the plan period. Where more than one new major scheme is anticipated in an LTP area, the LTP should indicate priorities, with reasons.

Performance Assessment

19. The Audit Commission will assess the quality of the Plan as part of its **corporate assessment**, under the sustainable communities and transport heading. The Audit Commission will therefore also be looking for LTPs to be set in the wider context of an authority's policy for sustainable communities. The Audit Commission will also take account of Department's assessment of annual progress against the plan, as one element of its own assessment of the environmental services block, alongside progress on national Best Value Performance Indicators and Commission inspections.
20. The Department's annual assessment in 2005 and 2006 will be on the basis of delivery of the first LTP, with an increasing emphasis on delivery of outcomes against LTP targets. The first assessment under new LTPs will be in late 2007. Our aim will be to further simplify the assessment process, with a focus on tracking performance against the targets and trajectories set out in the new LTP.

CPA Excellent authorities

21. Local transport authorities categorised as 'excellent' under the Comprehensive Performance Assessment are not required to submit a local transport plan in accordance with the Department's LTP guidance. Our minimum requirement from all 'excellent' authorities is submission of a set of targets relating to the mandatory indicators for the shared priority areas, with milestones for each year from 2006 to 2011, informed by the funding levels set out by the guideline budget. They should also include any other local targets that they wish to be taken into account in the Department's annual performance assessment.
22. The Government is minded to provide to 'excellent' authorities meeting the minimum requirement indicative allocations determined entirely by formula (i.e. it would not adjust allocations, either upwards or downwards, based on an assessment of the quality of transport planning). If an 'excellent' authority chooses to submit a full LTP, rather than just the minimum requirement, its LTP will be assessed according to the criteria described above for all other LTPs, and that authority will then have the opportunity to gain additional funding for a good plan.

Working with LAs

23. The Government wishes to help share and promote best practice, and to offer constructive challenge, as the plans are developed. Over the past nine months the Department has had a detailed dialogue with 11 sets of local authorities, predominantly in urban areas, to inform the Spending Review process and the development of the second round of LTPs. Working with the Government Offices we propose to continue this activity throughout the production of new LTPs, and extend it to all other authorities (often in groups rather than one-to-one). This will help us understand the local issues, and will also ensure that there is a consistent approach, especially to the degree of challenge in the targets and trajectories that will subsequently be used in performance assessment.

Submission of plans

24. Final plans should be submitted by the 29th July 2005 to the Department for Transport and the relevant regional Government Office. Final allocations for 2006-07, and indicative allocations for later years (to be not less than 75% of the guideline budgets) will be issued in December 2005.

Consultation on this draft

25. *This consultation is open to all who wish to take part. The Department for Transport will aim to take account of comments in preparing a final version of this document for publication in the Autumn of 2004. All comments on this draft should be sent to ltp@dft.gsi.gov.uk or posted to: LTP1a, Department for Transport, 3/18 Great Minster House, 76 Marsham Street, London, SW1P 4DR, by 8th October 2004¹. Please include, with any comments, clear references to relevant paragraphs, and full contact details. The Department for Transport anticipates that this consultation will be particularly relevant to:*

- *local authorities;*
- *all other organisations and individuals with an interest in local transport issues;*
- *all organisations and individuals with an interest in the impact of local transport on the delivery of other services;*
- *organisations and individuals with an interest in spatial planning and local economic development;*
- *organisations and individuals with an interest in the implications of local transport for the environment.*

**Department for Transport
July 2004**

¹ Responses from local transport authorities should be copied to their regional Government Office.