REGIONAL TRANSPORT FORUM – 22 June 2012

LOCAL SUSTAINABLE TRANSPORT FUND

Report by: Lee Sambrook, Department for Transport

Purpose of report:

- To update members on the Local Sustainable Transport Fund announcements on Rounds 1 and 2 and on the timing for announcing decisions on the remaining Round 2 bids and the Large Projects.

Recommendation:

1. To note the report.

1 Background

1.1 The Local Transport White Paper *Creating Growth, Cutting Carbon*, published in January 2011, places localism at the heart of the transport agenda in order to cut carbon emissions and create local growth. The White Paper sets out ways in which local authorities can stimulate local growth – enhancing access to employment, shops and key local services – at the same time as cutting carbon and delivering other environmental and public health benefits – by improving access by sustainable modes.

1.2 To help to deliver this vision, the Department for Transport set out £560m over four years in the form of the Local Sustainable Transport Fund.

2. Round 1

2.1 On 5 July 2011, Norman Baker MP announced that the Department has awarded £155.5m to support authorities in delivering local economic growth whilst cutting carbon emissions from transport. 39 projects, to be delivered by 37 local authorities, have been awarded funding for 2011-15 (all projects are for £5m or less). Successful projects performed well against the Fund’s twin objectives: supporting the local economy and facilitating economic development, and reducing carbon emissions.

3. Large Projects

3.1 By 6 June 2011, the Department received 19 expressions of interest for larger projects (requesting funds ranging from £5 - 50m from DT). On 3 August 2011, the DT shortlisted 13 of these authorities to prepare a detailed business case for their proposal. These business cases were submitted to the Department by 20 December 2011. Funding decisions will be made by early summer 2012.
4. **Round 2**

4.1 The Department received 41 expressions of interest for Tranche Two small projects (under £5m), for submission by 24 February 2012.

4.2 15 further bids to Tranche One and Large Projects were invited to resubmit to Tranche Two instead, with promoters invited to improve their offer.

5. **Recent Announcements on Round 2 Bids**

5.1 On 24 May 2012, Norman Baker MP announced that the Department awarded £113m to support authorities in delivering local economic growth whilst cutting carbon emissions from transport. 30 projects, to be delivered by 29 local authorities, have been awarded funding for 2012-15 (all projects are for £5m or less). Successful projects performed well against the Fund’s twin objectives: supporting the local economy and facilitating economic development, and reducing carbon emissions.

5.2 The announcement did not include all round 2 bids received. This is because the Department for Transport needs to ensure all the bids are properly considered. A deferred decision does not necessarily mean that the bid will not get funded.

6. **Large Projects and Round 2 Bids**

6.1 A further announcement will be made by the end of June outlining decisions on large project bids and the remaining round 2 bids.

7. **Conclusion**

7.1 To note the report.