



From the Parliamentary  
Under Secretary of State

# Department for **Transport**

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## **LOCAL SUSTAINABLE TRANSPORT FUND**

### **Dear Leader and Chief Executive**

As you may be aware I announced last week plans for a new transport fund - the Local Sustainable Transport Fund.

I wanted to make clear to local authorities as early as possible the future direction of our policies for supporting local economies and reducing carbon so that they could be taken into account in developing your authority's Local Transport Plan due in April 2011.

It is at a local level that much can be done to change patterns of travel and to encourage more sustainable travel journeys in ways that stimulate growth. The Local Sustainable Transport Fund will provide both an opportunity and a challenge to local transport authorities outside London to build on their plans for taking forward sustainable travel measures through their LTPs and to develop enhanced packages of measures that support economic growth and reduce carbon. We anticipate these same packages could also help to tackle problems of air quality and deliver improvements in public health and transport safety in local communities.

The fund will focus on those authorities offering the highest returns, with schemes expected to start in the second half of 2011. It will be up to local authorities to identify what works best for their area in delivering sustainable travel, but schemes could include practical measures to increase the uptake of walking and cycling, initiatives to improve integration between travel modes and end-to-end journey experiences, better public transport priority and improved traffic management schemes, such as 20mph zones.

Naturally the Department will want to ensure best value for money, so we will be particularly interested in proposals that demonstrate partnership working with business, transport providers and users and the voluntary sector, that are financially robust and attract funds from other sources to aid delivery.

More generally, the Government is determined to reduce bureaucracy and to make local transport funding more efficient. We plan to significantly rationalise and simplify the many different centrally funded local transport grants, and the creation of a Local Sustainable Transport Fund will be part of that simplification.

We will announce further details about the Fund, including the resources available and how it will operate, later in the year following conclusion of the Spending Review. We plan to also announce at about the same time further details about how we intend to pool the different local transport grants and create a smaller number of largely formula-based funding streams.

I look forward to working with you on this important agenda.

Yours sincerely

*Norman Baker*

**NORMAN BAKER**