



House of Commons
Transport Committee

Work of the Committee in 2008–09

Second Report of Session 2009–10

Report, together with formal minutes

*Ordered by the House of Commons
to be printed 13 January 2010*

HC 262

Published on 21 January 2010
by authority of the House of Commons
London: The Stationery Office Limited
£0.00

The Transport Committee

The Transport Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Transport and its associated public bodies.

Current membership

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Mr David Clelland MP (Labour, Tyne Bridge)
Rt Hon Jeffrey M Donaldson MP (Democratic Unionist, Lagan Valley)
Mr Philip Hollobone MP (Conservative, Kettering)
Mr John Leech MP (Liberal Democrat, Manchester, Withington)
Mr Eric Martlew MP (Labour, Carlisle)
Mark Pritchard MP (Conservative, The Wrekin)
Ms Angela C Smith MP (Labour, Sheffield, Hillsborough)
Sir Peter Soulsby MP (Labour, Leicester South)
Graham Stringer MP (Labour, Manchester Blackley)
Mr David Wilshire MP (Conservative, Spelthorne)

The following was also a member of the Committee during the period covered by this report:

Sammy Wilson MP (Democratic Unionist, East Antrim)

Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via www.parliament.uk.

Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at www.parliament.uk/transcom.

Committee staff

The current staff of the Committee are Annette Toft (Clerk), Adrian Jenner (Second Clerk), David Davies (Committee Specialist), Marek Kubala (Inquiry Manager), Alison Mara (Senior Committee Assistant), Jacqueline Cooksey (Committee Assistant), Stewart McIlvenna (Committee Support Assistant) and Hannah Pearce (Media Officer).

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1 Introduction

1. The Transport Committee is a Departmental Select Committee of the House of Commons charged with scrutinising the administration, expenditure and policy of the Department for Transport (DfT). The Department spends large sums of taxpayers' money, and transport is critical to the success of the UK economy and to most people's lives. In 2008–09, the Department for Transport budget exceeded £15 billion of public expenditure.¹

2. The range of subjects into which the Committee inquired in 2008–09 is listed at Table 2 below. Most inquiries result in a report, and the evidence gathered is always placed in the public domain. In this report we review our activities and achievements during the year, and set out how we have gone about fulfilling the core tasks for select committees, as described by the Liaison Committee. In Annex C, a detailed overview of our activities during the session can be found. Finally, we will briefly preview our work in the 2009–10 Session, which will be short but busy.

3. The Committee published eight reports in Session 2008–09, and the bulk of the work on a further four inquiries was also completed within the session. A report on one inquiry, the future of aviation, was published shortly after the Queen's Speech, on 7 December 2009, and others will follow shortly.² We have sought to combine major, strategic inquiries, such as the future of aviation and the major road network, with smaller inquiries, focusing on the work of an agency, for example VOSA, or on a specific issue such as the impact of the snowfall last February on the transport system.

Membership and support

4. In the course of 2008–09, we experienced several changes in Membership, but the rate of attendance at our meetings has remained very healthy at almost 75%.³

5. The Committee is assisted by a permanent secretariat of 6.5 staff. We have also received expert advice from a number of other sources. Over the past year, we have received assistance from the Committee Office Scrutiny Unit, the House of Commons Library, the Parliamentary Office of Science and Technology and the National Audit Office. On major or technical inquiries, we have also been advised by Specialist Advisers, each of whom are experts in the specific area of the inquiry. Our Specialist Advisers are listed in the Sessional Information at Annex C. We are grateful to all those who have assisted us in our work in 2008–09.

6. We have continued to enjoy courteous relations with the Department for Transport. Ministers and officials have generally been positive and flexible in meeting our requests for information and oral evidence. As we note below, the current Secretary of State, Rt Hon Lord Adonis, has been particularly forthcoming, and we are impressed by his open and

1 Department for Transport: *Annual Report and Resource Accounts 2008–09*: Appendix A: Table A1: Total Departmental spending, p 217

2 Transport Committee, First Report of Session 2009–10, *The future of aviation*, HC 125

3 Attendance stood at 74.4% for the year. See Annex C.

constructive approach to our work. The Government is required to respond to our reports within two months of publication, and over the last few years, we have received all responses promptly except where prior agreement had been reached on alternative arrangements. A table summarising our recommendations during 2008–09 and the Government’s responses to them can be found at Annex A. We are grateful to the DfT Parliamentary Relations team who have done their utmost to be helpful and meet our requirements over the years.

2 Highlights from the Committee’s work

Impact

7. In our July 2008 report on the Rail White Paper, we had criticised the Government for a lack of vision and long-term strategy for the railways.⁴ We particularly regretted the Government’s failure to plan for high speed rail and for not allocating money to electrification projects to enhance capacity and efficiency on the network, as well as reducing costs and emissions in the long term. However, six months later, on 15 January 2009, the Secretary of State announced that the Government had changed its position, and would henceforth be pursuing high speed rail through the creation of High Speed Two Ltd, a company set up specifically to develop route proposals for the first stages of a high speed network.⁵

8. Our report on road safety, published late in the 2007–08 session, provides a good illustration of the potential impact of our work, and our role in keeping important issues alive. Our report highlighted major shortcomings in the way road casualty figures are reported and presented, and we recommended major changes to these processes, including a national road safety survey. In early 2009, the UK Statistics Authority (UKSA)—a new body, answerable to Parliament, responsible for monitoring the quality of Government statistics—picked up our recommendations, bringing their own scheduled study of the validity and reliability of road casualty statistics forwards. UKSA published its report on the Department’s road casualty statistics in July 2009, requiring the Department to implement seven important changes, all of which were in line with our own 2008 recommendations, though they covered only the more technical issues. In November 2009, we asked the UKSA to give evidence updating us on their concerns about the road casualty statistics regime. We also questioned the Secretary of State, Lord Adonis on progress in meeting UKSA’s requirements and making additional improvements to the road casualty statistics.⁶ We continue to follow up this issue.

4 Transport Committee, Tenth Report of Session 2007–08, *Delivering a sustainable railway: a 30-year strategy for the railways?* HC 219

5 HC Deb, 15 January 2009, cols 355–360

6 Transport Committee, *Update on road safety —UK Statistics Authority: Oral evidence*, HC 1086; Transport Committee: *Transport questions with the Secretary of State: Oral and written evidence*, HC 1087

Key findings

9. Two of our inquiries have highlighted poor performance where responsibilities and targets are shared across Government departments.⁷ Our inquiry into taxes and charges on road users uncovered a lack of integration between HM Treasury's policy on road user taxes and the Department for Transport's policy on transport. We also uncovered evidence of poor coordination between the Department for Transport and the Department for Children Schools and Families as well as the Department of Health regarding school travel.⁸ Although the Government accepted there was room for improvement in some areas of inter-departmental co-ordination on school travel, both Government responses were disappointing. We believe we have identified a very important area for improvement, which merits further follow-up in the next Parliament.⁹

10. Many parts of the country descended into chaos as a result of the unusually cold weather and heavy snow last February. London was particularly badly hit, with the transport system grinding to a halt, leaving millions of people stranded. We heard evidence from key witnesses such as local authorities, transport engineers, the Highways Agency and the Minister, Paul Clark MP. The Mayor of London, Boris Johnson, appeared before us reluctantly, and only in April, following protracted correspondence. Such behaviour was very regrettable, not only because of the abject disrespect for parliamentary scrutiny, but also because it demonstrated lack of leadership and strategic oversight of the transport system in our capital. Our report concluded that better coordination, planning and leadership is key to improving the effectiveness of responses to adverse weather impacts on the transport system.¹⁰ We looked forward to the report from the UK Roads Liaison Group which was published in July.

11. The Government concurred with the majority of our conclusions and accepted our recommendations about coordination, collaboration and leadership.¹¹ The UK Roads Liaison Group,¹² which published its detailed study on the lessons from the severe weather in July, focused heavily on the procurement and management of salt stocks, but also highlighted the need for better coordination and collaboration between all the different players in the transport sector.¹³ The response to the snow and ice experienced in most of the country during December 2009 and January 2010 provided the first test of the ability of transport service providers to respond in a coordinated fashion to severe weather. Although some improvements have been made since February, many people have

7 This issue had also arisen forcefully in our late 2007–08 road safety inquiry. In that case, we found collaboration between the DfT and the Home Office deeply disappointing, indeed, we recommended a Royal Commission on Road Safety to help overcome this serious problem. See: Transport Committee, Eleventh Report of Session 2007–08, *Ending the Scandal of Complacency: Road Safety beyond 2010*, HC 460, paras 119, 124 and 132.

8 Transport Committee, Second Report of Session 2008–09, *School travel*, HC 351, para 51

9 Transport Committee, Third Special Report of Session 2008–09, *School Travel: Government Response to the Committee's Second Report of Session 2008–09*, HC 561; Transport Committee, Sixth Special Report of Session 2008–09, *Taxes and charges on road users: Government response to the Committee's Sixth Report of Session 2008–09*, HC 995.

10 Transport Committee, Fourth Report of Session 2008–09, *The effects of adverse weather conditions on transport*, HC 328

11 Transport Committee, Fourth Special Report of Session 2008–09, *The effects of adverse weather conditions on transport: Government response to the Committee's Fourth Report of Session 2008–09*, HC 957

12 The UK Roads Liaison Group (UKRLG) is a body which brings together national and local government from across the UK to consider roads infrastructure engineering and operations matters. It was established in 2001.

13 UK Roads Liaison Group: *Lessons from the Severe Weather February 2009*, July 2009, Recommendation 10

experienced dire conditions on the roads, railways and airports around the country during recent severe weather, and it is clear that there is a great deal of work still to be done. We will continue to monitor events over the next few winter months.

Innovation

12. With the appointment of Lord Adonis as Secretary of State for Transport in June 2009, we lost the regular opportunity to question the Secretary of State on the floor of the House at Transport Questions. That a Secretary of State for a major spending department cannot be held to account in the elected Chamber raises an important constitutional issue. Whilst options for resolving this problem are being considered by others, we decided to ask the newly appointed Lord Adonis to appear before us at regular intervals to answer ‘Transport Questions’ by Select Committee. To his credit, the Secretary of State was enthusiastic, and appeared before us for the first session on 4 November 2009 when he answered questions on road safety, the third runway at Heathrow Airport and the Department’s medium to long term investment priorities.¹⁴ Our next Transport Questions session is scheduled for February 2010.

13. Lord Adonis has also given evidence to the Committee on three other occasions since becoming Secretary of State, and with four appearances before the Committee in seven months he has demonstrated impressive flexibility and an exemplary commitment to parliamentary scrutiny, for which we are most grateful.¹⁵

3 The Committee’s effectiveness

The core tasks of select committees

14. The Liaison Committee¹⁶ has set out ten core tasks for departmental select committees based on the resolution of the House of 14 May 2002.¹⁷ It has asked that committees report annually on how they have fulfilled the core tasks.¹⁸ The core tasks are focused around four key objectives, and they provide a basic framework for the organisation of select committee scrutiny (see Table 1).

15. Naturally, in some years, we focus on some core tasks more than others. The need to respond to urgent issues, such as the impact of severe weather on the transport system last February, or *ad hoc* events such as draft bills or national policy statements, also shapes our

14 Transport Committee: *Transport questions with the Secretary of State: Oral and written evidence*, HC 1087

15 Lord Adonis was appointed Secretary of State for Transport on 5 June 2009. He gave evidence to the Committee on 17 June (Rail fares and franchises), 15 July (The future of aviation), 4 November (Transport Questions) and 2 December (Performance of the Department for Transport).

16 The Liaison Committee consists of the chairmen of departmental and some other select committees.

17 CJ (2001–02) 552–553 (14 May 2002)

18 The ten core tasks are: to inquire into: (1) Government policy proposals; (2) areas seen by the Committee as requiring examination due to deficiencies; (3) departmental actions; (4) associated public bodies; (5) major appointments; (6) the implementation of legislation, and (7) major policy initiatives, and to examine: (8) any draft legislation; (9) expenditure, and (10) Public Service Agreements.

programme. We are confident that we have covered each core task thoroughly in the course of the 2005 Parliament.

Table 1: Core tasks for select committees

Objective A: To examine and comment on the policy of the department	Objective C: To examine the administration of the department
1. To examine policy proposals from the UK Government and the European Commission in Green Papers, White Papers, draft Guidance etc, and to inquire further where the Committee considers it appropriate.	6. To examine the department's Public Service Agreements, the associated targets and the statistical measurements employed, and report if appropriate.
2. To identify and examine areas of emerging policy, or where existing policy is deficient, and make proposals.	7. To monitor the work of the department's Executive Agencies, NDPBs, regulators and other associated public bodies.
3. To conduct scrutiny of any published draft bill within the Committee's responsibilities.	8. To scrutinise major appointments made by the department.
4. To examine specific output from the department expressed in documents or other decisions.	9. To examine the implementation of legislation and major policy initiatives.
Objective B: To examine the expenditure of the department	Objective D: To assist the House in debate and decision.
5. To examine the expenditure plans and out-turn of the department, its agencies and principal NDPBs.	10. To produce reports which are suitable for debate in the House, including Westminster Hall, or debating committees.

16. In this chapter, we explain how we have discharged our responsibilities in relation to each of the ten core tasks during the 2008–09 Session of Parliament. Table 2 below summarises our work in relation to the core tasks.

Table 2: Work of the Committee in relation to the core tasks

Work of the Committee in relation to Core Tasks	Scrutiny of Policy Proposals	Examination of Policy Deficiencies	Draft Legislation Scrutiny	Department Output	Expenditure Scrutiny	Public Service Agreements	Executive Agencies, NDPBs and others	Scrutiny of Major Appointments	Implementation of Legislation	Debate in the House or committee
The new European motorcycle test		✓		✓	(✓)		✓		✓	
The future of aviation (Session 2009–10: HC 125)	✓			✓						
The major road network		✓		(✓)	(✓)		(✓)			
School Travel (HC 351)		✓			(✓)				✓	
Appointment of the Chair of the Office of Rail Regulation (HC 433)								✓		
The effects of adverse weather conditions on transport (HC 328)		✓		✓	(✓)		(✓)			

The use of airspace (HC 163)	✓	✓		✓			✓		✓	
Taxes and charges on road users (HC 103)	(✓)	✓		(✓)	(✓)		(✓)		(✓)	
The enforcement activities of the Vehicle and Operator Services Agency (VOSA) (HC 39)	✓	✓			(✓)		✓		✓	
Department for Transport's Annual Report 2008					✓	✓	(✓)			
Rail fares and franchises (HC 233)	✓	✓			✓					

Objective A: The examination of DfT policy

17. Almost all the work we do engages with Department for Transport policy and decisions at one level or another. It is not always straightforward to divide inquiries into those that deal with emerging policies as distinct from policy decisions or policy deficiencies, and we therefore consider our work in relation to core tasks 1, 2 and 4 together.

Emerging policy, policy deficiencies and decisions

The use of airspace and the future of aviation

18. During the 2008–09 Session, we carried out two major inquiries into aviation policy, which took up more than one third of our oral evidence sessions. Our report on the use of airspace was published on 10 July.¹⁹ We finished taking evidence on the future of aviation during the 2008–09 Session, and the report was published on 7 December 2009.²⁰

19. On 15 January 2009, the then Secretary of State for Transport, Rt Hon Geoff Hoon MP, had announced the Government's go-ahead for a third runway at Heathrow Airport as well as the intention to launch exploratory work on a high-speed rail network.²¹ Both our aviation inquiries probed the adequacy of existing strategies and policies for the aviation sector in light of these major decisions. We asked interested parties how adequate and robust the Government's plans were, given significant changes in climate change policy, passenger forecasts and the economic outlook for the industry since 2003.

20. In the use of airspace inquiry, we covered a great deal of highly technical material, some of which was brought home to us only during a very informative visit to NATS Air Traffic Services in Hampshire. The vast majority of our evidence praised the technical competence and professionalism of NATS and the airspace regulator, the CAA, and we found calls to create a separate new body with responsibility for airspace decision-making to be without solid foundations.²² We identified a range of shortcomings in terms of communication and consultation with interested parties. In some areas of airspace design and change processes, we could benefit from techniques already used in other countries. We emphasised the

19 Transport Committee, Fifth Report of Session 2008–09, *The use of air space*, HC 163

20 Transport Committee, First Report of Session 2009–10, *The future of aviation*, HC 125

21 HC Deb, 15 January 2009, cols 355–360

22 Transport Committee, Fifth Report of Session 2008–09, *The use of air space*, HC 163, para 22

importance of reducing stacking and of limiting flights over national parks and other Areas of Outstanding Natural Beauty.²³ In terms of the environmental impact of aviation, the industry is optimistic about the impact of new technologies. We agreed that significant efficiency and environmental gains can be made from improved navigation and descent approaches as well as better aircraft design.²⁴

21. We received a joint response to our report from the Government and the CAA.²⁵ The Government welcomed the report, but was disappointingly defensive in its approach to the relatively limited criticisms we made. Some of the shortcomings in respect of communications and consultation were recognised, but the tone of the response remained more defensive. Our conclusions stemmed from genuine concerns expressed by parties with a strong commitment to the industry, and it would be beneficial to the Government and the CAA if our recommendations were always met with an open and constructive mindset.

22. During our inquiry into the future of aviation, we concluded that the 2003 aviation White Paper had stood the test of time well, and remained a broadly sound basis for aviation policy and infrastructure planning. Aviation is important to the British economy, and whilst it is imperative that steps are taken to reduce the environmental impacts of aviation, including noise, air pollution and climate change, such measures need to be weighed carefully against any detrimental impacts on jobs and the economic benefits of aviation. We found the Government's policy on aviation infrastructure, including the expansion at Heathrow broadly persuasive, and urged the Government to ensure that a new high speed rail network provides good links to major airports. We questioned, however, the Government's policy of an additional runway at Stansted airport in preference to Gatwick.

23. We reiterated our long-standing concerns about the absence of financial protection for many air passengers, an issue which has been highlighted again and again when passengers of collapsed airlines are stranded abroad, often facing great costs and uncertainty. The Government has so far remained intransigent on this issue, but we hope they will accept our recommendation that the ATOL (Air Travel Organisers' Licensing) levy should be increased and extended to include all flights overseas and not merely package holidays.

24. We were also critical of the lack of clarity about taxation of the aviation industry. Our report emphasised the importance of clarity, something which could be achieved through a "statement of the revenues raised, the extent of any tax exemptions and how these compare to the social and environmental costs of aviation."²⁶ We expect the Government to provide this with its response to our report, due in February 2010. The aviation industry needs to contribute its fair share of Government tax revenues, but it is essential that this does not damage the long-term viability of the industry. To determine whether this balance has been achieved, we need access to the relevant data.

23 Transport Committee, Fifth Report of Session 2008–09, *The use of air space*, HC 163, para 65

24 Transport Committee, Fifth Report of Session 2008–09, *The use of air space*, HC 163, para s 46–57

25 Transport Committee, Fifth Special Report of Session 2008–09, *The use of airspace: Government response to the Committee's Fifth Report of Session 2008–09*, HC 996

26 Transport Committee, First Report of Session 2009–10, *The future of aviation*, HC 125, para 127

25. Both our reports on aviation policy scrutinised elements of European Union policy. Airspace policy is a natural candidate for international collaboration, and the Single European Sky (SES) project brings many aspects of airspace policy and management under EU control. We found the SES and the accompanying research programme (SESAR) promising, though we were concerned to ensure that the high standards of safety and expertise practiced by the CAA and NATS in the UK would be promulgated across the continent, avoiding a lowest common denominator approach. We also concluded that it is crucial that the European level of decision-making does not acquire the power to overrule recommendations from the national regulator.²⁷

26. In our report on the future of aviation, we examined the adequacy of the EU Emissions Trading Scheme (EU-ETS) as a means of reducing carbon dioxide emissions. Although we highlighted the importance of international action in this area, we concluded that the track record of the EU-ETS so far is appalling, raising serious concern that it will ever become an adequate instrument of environmental policy.²⁸

Draft bills

27. The Department for Transport has not published any Bills in draft in 2008–09, and the opportunity to carry out pre-legislative scrutiny has therefore not arisen. However, we believe our scrutiny of the draft Local Transport Bill²⁹ and the draft Marine Navigation Bill³⁰ in 2007 and 2008 respectively resulted in valuable and constructive changes to subsequent legislation. We therefore hope the Department for Transport will publish any future substantive legislation in draft in order to ensure thorough Parliamentary scrutiny before a ‘real’ Bill receives formal consideration in the House.

Objective B: Expenditure

28. As in the past, the majority of our inquiries contain an element of scrutiny of expenditure. We also continued our practice of holding an annual evidence session with the Secretary of State for Transport and the Permanent Secretary on the Department for Transport’s Annual Report.³¹ In the course of this session, expenditure and targets were discussed together with issues of policy and its implementation.

Taxes and charges on road users

29. Our inquiry into taxes and charges on road users addressed both sides of the public expenditure equation, namely the revenue raised from motorists as well as the expenditure on transport, particularly roads infrastructure.³² However, we did not find motoring taxes

27 Transport Committee, Fifth Report of Session 2008–09, *The use of air space*, HC 163, paras 77 and 82

28 Transport Committee, First Report of Session 2009–10, *The future of aviation*, HC 125, para 69

29 Transport Committee, Ninth Report of Session 2006–07, *The draft Local Transport Bill and the Transport Innovation Fund*, HC 692

30 Transport Committee, Ninth Report of Session 2007–08, *The Draft Marine Navigation Bill*, HC 709

31 Transport Committee, *The Department for Transport’s Annual Report 2008*, HC 1112

32 Transport Committee, Sixth Report of Session 2008–09, *Taxes and charges on road users*, HC 103

to be unreasonably high, but there was little doubt the Government has lost public confidence and trust through poor and muddled communication in this area.

30. The notion of hypothecation, that is, the ring-fencing of roads revenue for re-investment in the roads network, has gained currency among some motorists' organisations in recent years. We heard no persuasive arguments in favour of hypothecation of roads tax revenue. On the contrary, we concluded that to create a balance between motoring taxes and expenditure on roads would be a poor way to make public policy or public expenditure decisions. However, we did accept that it was appropriate for funds raised locally through specific charges, such as the Central London congestion charge, to be ring-fenced for local transport spending. Whilst rejecting hypothecation, we recommended that investment in integrated transport provision should be increased, and we also highlighted the need for much better and more transparent connection between the DfT's transport policy and HM Treasury's policy on road user taxes. Whilst it was clear to us that a national road pricing scheme is off the agenda for the time being, we urged the Government to consider the introduction of a lorry user charging scheme, partly to level the playing field between UK and foreign registered operators.

31. Although the Government welcomed the inquiry, its response to our report was generally non-committal. Disappointingly, it rejected our recommendation that changes to road user taxes should be based on usage, for example through fuel taxes, rather than a tax on vehicle ownership, such as Vehicle Excise Duty.³³

Rail fares and franchises

32. Our inquiry into rail fares and franchises arose from our concerns about the impact of the recession on passengers and the rail industry. As we entered 2009, very large fare rises were introduced across the network even though inflation was near zero, and many passengers were suffering severe consequences from the recession. Rumours were also rife that several franchises were in financial difficulties, and might default on their contracts. We concluded the inquiry with a brief report reiterating and updating recommendations from several previous reports on rail fares and franchising respectively.³⁴ We have consistently highlighted the ineffective risk-sharing arrangements as well as the significant costs of the current franchising system to passengers and tax-payers alike.³⁵ In 2006, we had warned the Government about the systemic problems in the rail franchising system, and highlighted the risk of franchise holders creaming off the profit in good times, but defaulting on their contracts in less profitable times. Our concerns had been vindicated by the collapse of GNER in 2006. During our inquiry, the announcement by National Express, in July 2009, that it would provide no further financial support for the East Coast Main Line franchise once again vindicated our assessment that the franchising system is systemically flawed.

33. We have consistently urged the Government not to renegotiate franchise contracts, and our report therefore applauded the Secretary of State's decision to take the East Coast main

33 Transport Committee, Sixth Special Report of Session 2008–09, *Taxes and charges on road users: Government response to the Committee's Sixth Report of Session 2008–09*, HC 995

34 Transport Committee, Eighth Report of Session 2008–9, *Rail fares and franchises*, HC 233

35 Transport Committee, Fourteenth Report of Session 2005–06, *Passenger Rail Franchising*, HC 1354

Line franchise back into public ownership rather than renegotiate the contract, and we urged the Government to retain the franchise under public sector control. From the outset of our inquiry, we had deplored the systemic lack of transparency about developments. Only the Government is in possession of the evidence needed to judge the level of financial risk to which it is exposed in the event of other train operating companies defaulting on their contracts. Whilst the Government's response was comprehensive and engaged well with our recommendations, our views on rail franchising and fares continue to diverge from those of the DfT.

Objective C: Administration

Public Service Agreements, targets and statistics

Departmental Annual Report 2008

34. In our annual evidence session with the Secretary of State for Transport on the Department for Transport Annual Report, we examined the Department's performance against its then five PSA targets, among several other issues.³⁶ The session had been preceded by an exchange of correspondence, requesting specific information from the Department on expenditure and targets.

Non-Departmental Public Bodies and associated public bodies

The enforcement activities of the Vehicle and Operator Services Agency

35. Our inquiry into the enforcement activities of the Vehicle and Operator Services Agency (VOSA) concluded that VOSA is highly effective in most areas of its enforcement work, but that it does not always have the funding, staff or powers required to optimise its effectiveness. We found this to be particularly notable in relation to enforcement work with foreign registered vehicles and the punctuality monitoring of buses. To respond effectively to this situation, VOSA needs access to ports so that it can stop unsafe vehicles at the point of entry to the UK. It also needs access to a pan-European database of hauliers with a track record of breaking road safety regulations such as vehicle weight or drivers hours. This has the potential to allow much better targeting of foreign registered vehicles in the same way as UK-registered vehicles.³⁷

36. The Government and VOSA responded jointly to our report.³⁸ The response was broadly positive towards the majority of our conclusions, although the quality of the response was variable, being very vague in places. We decided to publish the report as a Special Report as usual, but also to write to the Minister to seek clarification on several points which had been inadequately addressed in the response. The Minister's reply can be

36 Transport Committee, *The Department for Transport's Annual Report 2008*, HC 1112

37 Transport Committee, Seventh Report of Session 2008–09, *The enforcement activities of the Vehicle and Operator Services Agency (VOSA)*, HC 39

38 Transport Committee, Eighth Special Report of Session 2008–09, *The enforcement activities of the Vehicle and Operator Services Agency (VOSA): Government response to the Committee's Seventh Report of Session 2008–09*, HC 1057

found in Appendix 1 to this report. We hope the omissions were an oversight rather than a conscious attempt to veil controversial issues such as fee levels and the privatisation of parts of the VOSA estate.

Appointments

37. The July 2007 Green Paper, *The Governance of Britain*, proposed the introduction of pre-appointment hearings by select committee for key public posts.³⁹ A list of posts covered by this arrangement was agreed between the Government and the Liaison Committee, and one such post, the Chairmanship of the Office of Rail Regulation (ORR) lies within our remit. This post came up for re-appointment in the spring of 2009 and, in accordance with the new process of scrutiny, the Secretary of State wrote to us on 22 April to invite the Committee to hold a pre-appointment hearing with the Government's preferred candidate. This took place on 29 April. The nominee, Anna Walker, is a career civil servant who had held the post of Chief Executive of the Healthcare Commission for three years. She had no previous experience of the rail sector.

38. Our questioning was designed to establish whether Anna Walker possessed the professional competence and personal independence required for the post. We were particularly concerned to establish whether her lack of rail industry experience might be a significant weakness in her CV. Contrary to our expectations, our questioning of Anna Walker persuaded us that coming fresh to the rail industry, but armed with very wide-ranging experience of regulation in other industries, could be a significant strength. Consequently, we were happy to endorse the appointment of Ms Walker as Chairman of the Office of Rail Regulation.⁴⁰ Anna Walker took up her position as Chairman of the ORR in July 2009, and we will naturally continue to monitor her performance in post.

39. We note that had the performance of the nominee been less persuasive, we would not have hesitated in reaching a different conclusion. Although the recommendation from a select committee on the appointment of a candidate is non-binding, we would not normally expect the Secretary of State to proceed to appointment in such circumstances.

Implementation of legislation and major policy initiatives

The new European motorcycle test

40. Our inquiry into the new European motorcycle test specifically examined the transposition of the Second European Driving License Directive into UK legislation. We received evidence from across the industry, indicating that the Government had been overzealous in its implementation, but evidence from road safety groups were at odds with these representations.

39 Ministry of Justice, *The Governance of Britain* (Cm 7170), July 2007

40 Transport Committee, Third Report of Session 2008–09, *Appointment of the Chair of the Office of Rail Regulation*, HC 433

Objective D: Contributions to Debate in the House

41. Seeking debate of our major reports on the floor of the House and in Westminster Hall is an important part of our work. When the Government has responded to our conclusions and recommendations, we can raise awareness and benefit from the contributions of other Members through such Debates. The following Reports from the Committee were debated in the House or in Westminster Hall during 2008–09:

- a) Our report on the Government’s White Paper on the Railways, delivering a sustainable railway: a 30-year strategy for the railways,⁴¹ was debated in Westminster Hall on 12 February⁴², and also in an Estimates Day Debate on the floor of the House on 9 March 2009,⁴³ and
- b) Our report on road safety, *Ending the Scandal of Complacency: Road Safety beyond 2010*, was also the subject of an Estimates Day Debate on 2 July 2009.⁴⁴

42. We recognise that it is highly unusual for a select committee report to be debated both in Westminster Hall and on the floor of the House in quick succession. But in our view, the strategy for the railway network over the coming 30 years is of critical importance to the national infrastructure, and we believe the subject fully merited both debates. As discussed at paragraph 7 above, the announcement in January 2009 that the Government is going ahead with the development of high speed rail proposals as well as significant electrification projects had vindicated some of our key recommendations in our report on the White Paper.⁴⁵ However, major issues concerning investment priorities still remained, and were pursued in both debates. Both debates used up the available time, were well attended and attracted a broad range of participants from across the House in addition to contributions from members of the Committee.⁴⁶

4 Working methods

Transport Questions with a House of Lords Secretary of State

43. As noted above, the Secretary of State, Lord Adonis, agreed on his appointment that he would appear before the Committee at regular intervals for Transport Questions sessions. Within reason, these sessions are in addition to the appearances we would normally expect from any Secretary of State. Whilst this arrangement does not fully compensate for the fact that elected Members of Parliament are unable to question a Secretary of State who sits in

41 Transport Committee, Tenth Report of Session 2007–08, *Delivering a sustainable railway: a 30-year strategy for the railways?*, HC 219; Government response, HC 1105 of Session 2007–08

42 HC Deb, 12 February 2009, col 479WH

43 HC Deb, 9 March 2009, col 81

44 Transport Committee, Eleventh Report of Session 2007–08, *Ending the scandal of complacency: road safety beyond 2010*, HC 460; Government responses, HC 136 and HC 422, Session 2008–09

45 HC Deb, 15 January 2009, cols 355–360

46 In both Debates, all the available time was used up. During the Estimates Day Debate, a total of 23 Members spoke in the Debate (16 who do not serve on the Committee as well as seven Committee members). During the Westminster Hall Debate, 13 members, including four from the Committee, spoke in the course of the Debate.

the House of Lords, it does provide an immediate and common-sense approach whilst a solution which is constitutionally sound and satisfactory to all Members of Parliament can be identified. Lord Adonis has appeared before us no less than four times in the seven months since he became Secretary of State. This level of openness and commitment to Parliamentary scrutiny is commendable.

Evidence from Ministers from other Government departments

44. Our inquiries on school travel as well as taxes and charges on road users both involved scrutiny of policy areas shared between the Department for Transport and other Government departments. In both cases, the quality of our evidence was critically dependent on being able to question Ministers and officials from at least one department in addition to the DfT. On school travel, Sarah McCarthy-Fry MP, the then Parliamentary Under Secretary of State for Children, Schools and Families, and her officials gave oral evidence alongside Paul Clark MP, Parliamentary Under Secretary of State for Transport and his officials.

45. On taxes and charges on road users, we had invaluable oral evidence from the then Exchequer Secretary to the Treasury, Angela Eagle MP who, after lengthy negotiations with officials, agreed to appear before us together with Paul Clark MP. We recognise the pressure on ministers' time, and we would not expect such cross-departmental ministerial appearances to become a frequent occurrence. They are, however, vital if select committees are to conduct effective scrutiny of genuinely cross-cutting areas of policy making and implementation.

The representativeness of witnesses

46. Like many other committees, our evidence is not drawn from a particularly wide cross-section of society. Whilst we are fully committed to achieving the most representative sample of witnesses possible, we are, to a large extent limited by the demographic characteristics of the industry and those with an interest in it.

47. Over the past year, we have sought to widen representation by, for example, inviting the National Union of Students to give oral evidence on school travel and the UK Youth Parliament to give evidence on the future of aviation.⁴⁷ Four Members of the Youth Parliament provided fascinating insights into the thoughts of young people in relation to air travel and the environment when they appeared before us on 15 July. We believe this was the first time that MYPs have given evidence to a select committee in public. We hope such special invitations will encourage these groups to take an interest in our other inquiries and perhaps to submit evidence without prompting in future.

Engaging with the media and the public

48. Transport Committee oral evidence sessions are generally very well attended, with the public gallery in the committee room regularly reaching capacity. In conjunction with good media coverage and a steady flow of correspondence from the general public, we

⁴⁷ Transport Committee, Second Report of Session 2008–09, *School travel*, HC 351, Ev 47; Transport Committee, First Report of Session 2009–10, *The future of aviation*, HC 125, Ev 81

believe it is evidence of a healthy level of engagement from both the industry and the public.

49. The Committee receives nearly 400 items of correspondence per year, a significant proportion of which consists of informal e-mails, often reacting either to one of our reports or to an oral evidence session. Over the past year, we received especially large volumes of correspondence in connection with our work on road safety, taxes and charges on road users, foreign registered HGVs and the expansion of Heathrow airport as well as the impact of the snow in February, including our oral evidence session with the Mayor of London, Boris Johnson.

50. Most of our reports have generated very healthy levels of media coverage. Our reports on Taxes and charges on road users, The enforcement activities of the Vehicle and Operator Services Agency (VOSA) and Rail fares and franchises all received excellent coverage across broadcast and print media (general and specialist alike), with the latter running for several days. Coverage of the Committee's report on the use of airspace was limited, reflecting the relatively technical nature of much of the report, and the competition with other Committees in July. School Travel received a modest and, considering the importance of the subject, somewhat disappointing level of media attention and, predictably, our pre-appointment hearing with the nominee for the Chairmanship of the ORR received little coverage.

Visits

51. We undertake relatively few visits, and in order to maximise the benefit of any visit to our current inquiries, we select very carefully where we go and who we meet. Over the past year, we made four half-day visits within the UK, and one visit abroad. In connection with our inquiry into the use of airspace we visited NATS's Swanwick Centre, near Fareham in Hampshire. The Chairman visited a VOSA test site close to the M25, in connection with our inquiry into the enforcement activities of the Vehicle and Operator Services Agency (VOSA). Two visits did not relate to ongoing inquiries. Both our visit to Transec in March to receive an update on transport security and our visit to the Olympic Park in July to appraise progress on infrastructure and logistics for the games were designed to keep us up to date on issues of long-standing interest to us. Our one foreign visit was to Washington DC in the United States, where we met a wide range of representatives from the aviation industry, Federal Government and Congress in connection with our inquiry into the future of aviation. We also took the opportunity to learn more about recent developments in US surface-transportation policy. A summary of what we learnt on this visit is annexed to our report.⁴⁸

Government responses to our reports

52. Most of the Government's responses to our reports are of a reasonable standard. However, as noted above, the Government's responses to some of our reports have been less than satisfactory. In the case of the response to our report on the enforcement activities of the Vehicle and Operator Services Agency (VOSA), it simply did not address key points

48 Transport Committee, First Report of Session 2009–10, *The future of aviation*, HC 125, p 41

in our recommendations.⁴⁹ We therefore wrote back to the Department for clarification. The Government's letter of response is attached in Appendix 1 to this report.

53. Government responses to select committee reports should not merely be an exercise in self-defence. We make recommendations on the basis of evidence, and we always seek to be fair. We strive to produce unanimous reports wherever possible, and we believe our work merits serious consideration, and at times some serious internal examination and urgent action. We expect the Government to respond constructively to every recommendation we make.

Petitions

54. 17 petitions to the House were referred to us.⁵⁰ We considered and took note of each of these, and where appropriate, we also noted the observations from the Secretary of State in relation to a petition. A list of petitions referred to us, and the action taken, can be found at the Annex B to this report. Like last year, however, we note that most petitions are concerned with local or regional issues such as the safety of a particular junction or reductions in the number of trains serving a particular station, which do not fall directly under the competence of the DfT or its agencies. Such issues lend themselves better to in-depth scrutiny in other forums.

5 Looking ahead: Session 2009–10

55. A General Election has to take place by the first week of June 2010. This means that Parliament is likely to be dissolved at the very latest in early May. As a result, this Session will, under all circumstances, be a very short one. Before dissolution, we expect to publish reports on several inquiries where we have concluded evidence taking recently. In addition, we will be conducting a full inquiry into the Government's proposal for a National Policy Statement on Ports. This is a new process, but we look forward to contributing to the creation of a sensible framework for future planning applications for ports developments. We have also launched inquiries into mobility scooters and the impact of flooding on bridges and other transport infrastructure in Cumbria.

49 Transport Committee, Eighth Special Report of Session 2008–09, *The enforcement activities of the Vehicle and Operator Services Agency (VOSA): Government response to the Committee's Seventh Report of Session 2008–09*, HC 1057

50 The House resolved, on 25 October 2007, to approve a recommendation from the Procedure Committee, to the effect that select committees should keep records of public petitions received, and that these should be formally placed on committee agendas. See: Government response to the First report of the Procedure Committee, Session 2006–07.

6 Legacy

56. This will be our last Sessional report before a General Election. We are likely to come close to publishing 50 reports in this Parliament.⁵¹ In so doing, we have covered a very wide range of issues, and as demonstrated in this and previous annual reports, our work has influenced policy-making, administration and expenditure right across the remit of the DfT and its agencies—and sometimes beyond. In some areas, we have been able to highlight best practice, and any concerns we have raised have been resolved quickly and expediently. However, in a number of areas, we have raised major concerns, and these have been rectified only very slowly, or not at all. We hope our successors will wish to pick up the baton in these areas, and continue to hold the Department and its agencies to account. We briefly point to some of these issues below.

Areas for follow-up

The railways

57. Our predecessors in the 2001 Parliament had seen great turbulence in the rail industry, and reported several times on the fundamental problems of the sector.⁵² Although the industry has improved almost beyond recognition, including another round of structural changes in governance, regulation and strategic policy-making introduced through the Railways Act 2005, serious and fundamental problems remain. We have therefore kept up the pressure through inquiries into the key areas of rail franchising,⁵³ rail fares and ticketing,⁵⁴ strategic and investment policy as well as the governance and performance problems at Network Rail.⁵⁵ Our most recent report on rail fares and franchises demonstrated that the franchising system is as broken as it was five years ago. The Government take-over of the East Coast Main Line Franchise in 2009 highlighted once again the unrealistic financial basis of the system, as well as the untenable absence of proper risk-sharing between private and public sectors. Fare rises well above inflation and the lack of transparency of ticketing arrangements illustrate the lack of passenger focus across the industry. Network Rail's governance remains problematic, and performance problems have led to several catastrophic overruns on major engineering projects. These are very important and compelling issues for our successors to address.

51 At the end of the 2008–09 Session, we had published 43 reports, and we expect to publish a further six or seven reports (including this one) before dissolution.

52 See for example: Transport Committee, Fourth Report of Session 2002–03, *Railways in the North of England*, HC 782; Transport Committee, Seventh Report of Session 2003–04, *The Future of the Railway*, HC 145

53 Transport Committee, Fourteenth Report of Session 2005–06, *Passenger Rail Franchising*, HC 1354; Transport Committee, Eighth Report of Session 2008–09, *Rail fares and franchises*, HC 233

54 Transport Committee, Sixth Report of Session 2005–06, *How fair are the fares? Train fares and ticketing*, HC 700; Transport Committee, Eighth Report of Session 2008–09, *Rail fares and franchises*, HC 233

55 Transport Committee, Tenth Report of Session 2007–08, *Delivering a sustainable railway: a 30-year strategy for the railways?* HC 219

European transport policy

58. An issue which often has a less tangible and immediate impact on travellers, but is no less important, is the development of transport policy at European level. In the current Parliament, we have not addressed this area in an inquiry *per se*, but it is one that has come up repeatedly in the course of other work. Our report on Galileo, the European Satellite Navigation System, directly addressed the nature and process of European policy-making as well as budget management and financial oversight by Brussels. We were not impressed.⁵⁶ Our work on the European Aviation Safety Agency⁵⁷ and the “Open Skies” EU-US air transport agreement also gave rise to significant concerns,⁵⁸ whilst in other inquiries we found important positive developments such as joint European airspace management through the Single European Sky programme.⁵⁹ Occasionally, we have called for extended European collaboration, such as on efforts to bring to justice foreign-registered HGV drivers who break safety rules on the roads across the EU.⁶⁰

59. The quantity and importance of policy formulated or managed from Brussels has increased significantly in recent years. Furthermore, the ratification of the Lisbon Treaty provides an opportunity for national parliaments to engage more extensively in the scrutiny of European policy.⁶¹ Although the process is as yet unclear, we hope our successors will consider how most effectively to engage with this challenge.

Road safety

60. Road safety has returned to our agenda on several occasions over the past five years. As long as thousands of people lose their lives or sustain serious injuries on our roads every year, we trust this is a subject our successors will also wish to look at. We have looked at the subject from the vantage point of roads policing and technology as a means to reducing casualties,⁶² and we have considered the particular risks relating to novice drivers⁶³ and unsafe lorries, particularly those registered abroad.⁶⁴ We have also looked at road safety as a social problem, exploring the skewed risks which result in the socially disadvantaged being at significantly greater risk of death or injury than advantaged groups in society.⁶⁵ Finally, as discussed above, we have found road casualty statistics wanting, and the UK Statistics Authority has supported this assessment. Ensuring casualty data is correct is crucial to any

56 Transport Committee, First Report of Session 2007–08, *Galileo: Recent Developments*, HC 53

57 Transport Committee, Thirteenth Report of 2005–06, *The Work of the Civil Aviation Authority*, HC 809

58 The Transport Committee produced an opinion for the European Scrutiny Committee on this subject. It was included in the Fifteenth Report from the European Scrutiny Committee, HC 41-xv, paragraphs 1.1–1.16.

59 Transport Committee, Fifth Report of Session 2008–09, *The use of air space*, HC 163

60 Transport Committee, Seventh Report of Session 2008–09, *The enforcement activities of the Vehicle and Operator Services Agency (VOSA)*, HC 39

61 See: <http://europa.eu>

62 Transport Committee, Tenth Report of Session 2005–06, *Roads Policing and Technology: Getting the right balance*, HC 975

63 Transport Committee, Seventh Report of Session 2006–07, *Novice Drivers*, HC 355

64 Transport Committee, Seventh Report of Session 2008–09, *The enforcement activities of the Vehicle and Operator Services Agency (VOSA)*, HC 39

65 Transport Committee, Eleventh Report of Session 2007–08, *Ending the Scandal of Complacency: Road Safety beyond 2010*, HC 460

policy development in this area, and we hope our successors will follow up our inquiries in this important area.⁶⁶

Parking policy and enforcement

61. Over the past five years, few subjects have given rise to as much correspondence from members of the public as parking policy and enforcement. Our 2006 report on this subject was comprehensive, but little has changed since and many people feel the system is arbitrary and inequitable.⁶⁷ We have little doubt that the time is ripe for a follow up to our 2006 recommendations.

The quality of the passenger experience

62. The quality of the passenger experience on public transport is another subject which has arisen in many of our inquiries, almost irrespective of transport mode. Our reports on passengers' experiences of air travel,⁶⁸ financial protection for air travellers⁶⁹ and the opening of Heathrow Terminal 5⁷⁰ have all highlighted some of the frustrations experienced by air passengers. In other inquiries, we have heard wide-ranging concerns about the cost, reliability, punctuality, crowdedness and the complexity of ticketing systems on buses⁷¹ and the railways. Despite the fact that vast sums have been invested in public transport over the past decade, passengers continue to have mixed experiences. We believe passengers are entitled to better services, and we think this is an area our successors might wish to prioritise.

Transport security

63. The issue of transport security has, quite naturally, been a constant concern to us during this Parliament. The bombings on London's transport system on 7 July 2005 took place shortly before the first meeting of the Committee. The threat against our infrastructure has not abated. We gathered evidence on the issue of security across all transport modes in 2005–06, and material which was not classified or sensitive was published.⁷²

64. We recognise that this is a very difficult area to scrutinise by select committee. Much of the material is highly sensitive, and cannot be placed in the public domain. Doing so could endanger public safety or jeopardise ongoing police investigations. Taking evidence in

66 Transport Committee, Eleventh Report of Session 2007–08, *Ending the Scandal of Complacency: Road Safety beyond 2010*, HC 460

67 Transport Committee, Seventh Report of Session 2005–06, *Parking Policy and Enforcement*, HC 748

68 Transport Committee, Eighth Report of Session 2006–07, *Passengers' Experiences of Air Travel*, HC 435

69 Transport Committee, Third Report of Session 2005–06, *Financial Protection for Air Travellers: Second Report Abandoning Effective Protection*, HC 636; See also: Transport Committee, First Report of Session 2009–10, *The future of aviation*, HC 125

70 Transport Committee, Twelfth Report of Session 2007–08, *The opening of Heathrow Terminal 5*, HC 543

71 Transport Committee, Ninth Report of Session 2006–07, *The draft Local Transport Bill and the Transport Innovation Fund*, HC692; Transport Committee, Sixth Report of Session 2005–06, *How fair are the fares? Train fares and ticketing*, HC 700; Transport Committee, First Report of Session 2007–08, *Ticketing and Concessionary Travel on Public Transport*, HC 84

72 Transport Committee, Session 2007–08, *Transport Security: Travelling without Fear*, HC 191

public and publishing our conclusions on the basis of this evidence is at the very heart of select committee work. On the matter of transport security, it is problematic for us to work in this way. A further complication is that this is an area where much of the responsibility lies with the Home Office, and consequently, there is significant overlap between our remit and that of the Home Affairs Committee, and to some extent the Intelligence and Security Committee. We have, however, kept a watching brief on this important area, and we receive occasional briefings from Transec, which we visited in March 2009. We have no doubt that our successors will wish to retain a close watch on matters of transport security.

Transport for the 2012 Olympics

65. Since it was announced, in 2005, that London had been awarded the 2012 Olympics, we have held two brief inquiries into the Olympic Transport Plan.⁷³ As the implementation of the plan progresses, our successors may wish to examine it again to satisfy themselves that the plan is robust, and that progress on its delivery is timely.

⁷³ Transport Committee, Seventh Report of Session 2005–06, *Going for Gold: Transport for London's 2012 Olympic Games*, HC 588; Transport Committee, Third Report of Session 2006–07, *Transport for the London 2012 Olympic and Paralympic Games: The Draft Transport Plan*, HC 199

Annex A: Government responses to the Committee’s recommendations

Government Response Table—Session 2008–09¹

Ending the Scandal of Complacency: Road Safety beyond 2010—11th Report (HC 460, 2007–08), PUBLISHED: 29 OCTOBER 2008, GOVERNMENT RESPONSE PUBLISHED 19 JANUARY 2009 (—1ST SPECIAL REPORT (HC 136))

Recommendation	Government Response
<p>1. There is a significant body of evidence to suggest that the current methods for recording road-traffic injuries are flawed. We recommend that the Government commissions an independent review of the STATS19 system in order to establish its strengths and weaknesses, bearing in mind our recommendation above for a British Road Safety Survey. The review should also examine ways in which the system could be simplified, with a view to promoting greater consistency, and consider ways of routinely linking police and hospital data. (Paragraph 34)</p>	<p>It has been recognised for many years that many road accidents, especially less serious ones, are not recorded as the police have not attended the accident. There is no legal requirement to report accidents, provided necessary details are exchanged by those involved at the scene of the accident. The ‘body of evidence’ mentioned depends largely on misleading comparisons with hospital admissions (Hospital Episode Statistics or “HES”).</p> <p>These data have been affected by administrative changes over time and are not suitable for trend analysis of road casualties. The HES website contains a weighty caveat about using the data for time series analysis given “organisational changes, reviews of best practice within the medical community, the adoption of new coding schemes and data quality problems that are often year specific”. For example, the introduction of “Payment by Results” in the NHS is undoubtedly improving the accuracy of HES data, but has also had the effect of making the current records less comparable with those of previous years.</p> <p>The first linkage of police and hospital data at national level was carried out in 2008, and some details were published in Road Casualties Great Britain in September.² It is planned to continue this linkage as a matter of routine to assist research into the medical effects of road accidents. The STATS19 system is reviewed about every 5 years, most recently with a National Statistics</p>

¹ A Government response to the Committee’s 1st Report (2008–09) was not required.

² Article 6 (page 66-78) in Road Casualties Great Britain: Annual Report 2007 <http://www.dft.gov.uk>

	<p>Quality Review, with independent external assessment. The recommendations were implemented in 2005. A further review is taking place. In addition, road casualty statistics have been included in the UK Statistics Authority initial programme of assessments announced on 10 November 2008.³</p> <p>Questions on road safety were added to the National Travel Survey in January 2007, and the first results were published in 2008. Over time, these data will provide useful extra information on trends to supplement STATS19.</p> <p>We are also working with the National Police Improvement Agency (NPIA) on a project known as CRASH to enable road accident details to be captured electronically by police officers. This will improve the quality and consistency of accident data as well as reducing the burden of reporting.</p>
<p>2. We understand that the Department is to shortly consult on proposals to address the problem of drink-drive collisions. As in our report on Novice Drivers, we welcome this much-needed investigation and look forward to a thorough examination of what should be the permitted blood alcohol concentration for novice drivers. Should our recommendation for a lower alcohol limit for novice drivers be implemented, this would provide further useful evidence on the impact of a lower alcohol limit for drivers in general. (Paragraph 118)</p>	<p>The Committee refer to the Government's proposal at the time of its Report to publish a consultation document looking among other things at measures to reduce road casualties relating to drink-driving; and looked forward to what that consultation document might say about the prescribed alcohol limit for drivers. The document, "Road Safety Compliance Consultation", was published on 20 November 2008.⁴</p> <p>Chapter 3 of the consultation document describes the Government's proposals on drink-driving. There are a range of measures designed to make enforcement of the law against drink-driving more effective. A number of proposals are also made to collect better information about the problem, including the involvement in accidents of all drivers who have been consuming alcohol, whether over the prescribed limit or not.</p> <p>The paper also delivers on the Government's commitment to keep the prescribed limit under review. Respondents are asked to say –</p> <ul style="list-style-type: none"> • what priority they think should be given to a change in the prescribed alcohol limit for driving? • what evidence are they able to offer – and what further evidence do they consider should be obtained – to support a fully-considered decision whether or not to change the limit? <p>We will give a view on the drink-drive questions in the compliance consultation, in light of the</p>

3 <http://www.statisticsauthority.gov.uk>

4 <http://www.dft.gov.uk>

<p>3. It is unacceptable that such a major element of the Government's road safety strategy can be given such a low priority by a key department. It is imperative that the Home Office gives much higher priority to enforcement of drink-drive and drug-drive offences. This should include the type-approval of roadside evidential breath-testing devices and development of equipment to assist the police to identify and prosecute drug-impaired drivers. (Paragraph 119)</p>	<p>responses, in the final road safety strategy which we expect to publish later in 2009</p> <p>It is not the case that the Home Office gives a low priority to roads policing. It is a specific responsibility within the portfolio of a Home Office Parliamentary Under-secretary of State. Home Office Ministers have repeatedly emphasised that roads policing is an integral and important part of police work. It is about reducing and detecting crime, enforcing the law and increasing safety. This is core police business and none the less so because it involves how people behave on the roads and how they use vehicles.</p> <p>It is a mark of the importance which the Home Office has attached and continues to attach to roads policing that there is a separate, specific, national roads policing strategy. This was agreed by Home Office and Department for Transport Ministers and ACPO to emphasise their shared commitment. The National Community Safety Plan 2008-11 gave further recognition to roads policing's importance. It set implementation of the strategy as a key action for the police, with the aim of reducing the numbers of people killed or seriously injured. It committed the Government to supporting the police service in implementing the strategy, with a particular focus on drink driving, speeding and failure to wear a seat-belt, as well as driving whilst disqualified, uninsured or unlicensed. The Plan set out the consistency of this with the Government's Public Service Agreement 23, Making Communities Safer. How police chief officers deploy their resources to comply with these policies and achieve their aims is however a matter for them, taking into account the specific local problems and concerns with which they are faced.</p> <p>As part of the Home Office's support for roads policing, the Department is determined to play its part in enabling effective action on drink and drug driving. Its objective expert advisers are continuing work to develop a specification for a type approved drug screening device and to prepare a type approval guide for mobile evidential breath test instruments. In both cases it is essential that the specification guarantees devices that do all that is required of them and are accurate, reliable and practical. This is necessarily a complex and lengthy task, but to approve devices that did not meet the requisite standards would be counter-productive and damaging. Separately, the Home Office Scientific Development Branch is continuing its own long-term work on drug and impairment testing devices.</p>
<p>Appendix 2 - Association of Chief Police Officers Response</p>	
<p>I am writing to you in my capacity as the ACPO Motorcycle Safety Lead concerning the submission earlier this year by the former head of the Roads Policing Business Area of ACPO.</p>	

Following the publication of the evidence submitted to the Select Committee, further discussion has taken place within ACPO concerning Paragraphs 7.2 to 7.4 inclusive, which specifically relate to motorcycles. There has been some adverse reaction within the motorcycling community following the publication of these paragraphs and, for the sake of clarity, I would like to amplify those paragraphs to provide some context and qualify some factual information.

Firstly, in Paragraph 7.2, the original ACPO position made reference to the vehicle excise duty evasion by powered two wheelers as being on a "massive scale". At the time this submission was made, the latest research available indicated that a significant problem did exist in relation to vehicle excise duty evasion by motorcyclists. Subsequent to this, further research has indicated that whilst vehicle excise evasion by motorcyclists is a problem, it is not, in fact, very much greater than that of other vehicles.

In relation to Paragraph 7.3, which suggests consideration be given to "the creation of protection zones where all motorcycles other than those specifically permitted would be prohibited", ACPO would like to contextualise this comment because it seems there has been some misinterpretation of this which has erroneously been reported as an ACPO position of seeking to ban motorcycles from using certain roads. In actual fact, the discussions that took place within the ACPO business area related to environmental concerns over noise and damage caused by off-road motorcycles (and other vehicles) in areas of outstanding natural beauty. ACPO does not hold the view that consideration should be given to banning or restricting road-going motorcycles on public roads. I apologise if this was the impression created by the submission and would seek your permission to have the record qualified in that respect.

Turning to Paragraph 7.4, reference is made to production motorcycles being available with "top speeds in excess of 200 miles per hour". It has been pointed out that, in actual fact, no production motorcycle in the UK has a design top speed in excess of 190 mph. We understand that manufacturers have a voluntary restriction of 186 mph although we have found evidence of motorcycles being tested with top speed capabilities approaching 190 mph. Whilst, with some minor modifications, production machines can be made to be capable of speeds of over 200 mph, I acknowledge that to suggest they are readily sold as such in the UK is factually incorrect. The point actually being made in the submission is that it is of concern to ACPO that a significant number of production models of motorcycles in the UK are capable of extremely high speeds, which in some cases are not far off 200 mph.

Finally, also in Paragraph 7.4, the phrase "motorised toys" was used. The context of this remark relates to the relatively small number of very high powered sports machines ridden by a minority of thoughtless riders in an inconsiderate way, causing danger to themselves and other road users. This was not intended to describe the vast majority of motorcycles used for both

	<p>leisure and business purposes. In retrospect, it would have been prudent to contextualise the comment to avoid the potential for misinterpretation.</p> <p>I realise that it is somewhat unusual to be in a position where we are seeking for a qualification to be made to published evidence of the Select Committee but, I am sure you will appreciate, given the reaction to publication of the original evidence in the motorcycling community, it would be remiss of me not to seek to contextualise the evidence submitted. I apologise on behalf of ACPO for any misunderstanding that has arisen as a consequence of this and would be grateful if you could accept this clarification of the material submitted to the Select Committee. Should you wish to discuss the matter, please feel free to contact me and, in any event, I would be grateful to receive any observations you may have.</p>
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Ending the Scandal of Complacency: Road Safety beyond 2010—11th Report (HC 460, 2007–08), PUBLISHED: 29 OCTOBER 2008, GOVERNMENT RESPONSE PUBLISHED 27 APRIL 2009 (—2ND SPECIAL REPORT (HC 422))

Recommendation	Government Response
<p>Progress towards the 2010 targets</p> <p>1. We commend the Government on having set and maintained ambitious road traffic casualty reduction targets. We also commend it for recognising that road safety needs to be integrated with other important policy objectives such as promoting good health, reducing carbon-dioxide emissions, tackling deprivation and improving quality of life. The Government has not sought to reduce casualties by discouraging vulnerable road users from taking to the streets; but some trends, such as increased traffic, have had this effect. We recommend that in the forthcoming White Paper on sustainable transport, road safety objectives should be integrated with these wider objectives. We also recommend that the road safety strategy for beyond 2010 be explicitly set in the context of wider policy objectives. This should help to ensure that road safety is seen as relevant in other policy areas and that road safety policies do not have unintended consequences on other</p>	<p>The Government welcomes the Committee's support for its road safety targets and for the work it is doing to integrate road safety into the wider policy context. Improving health, safety and security is one of the five key policy goals for the Department for Transport, alongside supporting economic growth, tackling climate change, quality of life and the natural environment and equality of opportunity. We have sought to integrate road safety policy fully with the Department's wider goals.</p> <p>We want the new road safety strategy to have an overall positive effect on public health, taking account of the health benefits of walking and cycling. This is why we are taking steps to support the delivery of more 20mph zones in residential areas, which can encourage more active travel, as well as reducing road casualties. We are alive to the need to avoid unintended consequences, which is why for the first time, we are recommending a target for walking and cycling casualties which takes account of the distances travelled, so as to avoid militating against work to encourage growth in walking and cycling activity.</p> <p>We have rigorously assessed the interventions proposed in the road safety strategy consultation document and are clear that their overall impact is not detrimental in terms of greenhouse gas</p>

<p>important objectives, such as improving public health by encouraging walking, cycling and play. (Paragraph 15)</p>	<p>emissions. Maximising the synergies between reducing emissions and improving safety is also important—road safety measures can often have a positive environmental effect, by encouraging eco-driving, for example. We will also make sure that road safety measures pass the test of better regulation and are proportionate in terms of their economic impacts on different sectors of society.</p>
<p>2. We urge the Government to renew its focus on tackling the appalling level of child road traffic deaths associated with deprivation. (Paragraph 20)</p>	<p>We have always maintained our focus on tackling the higher casualty risk in disadvantaged areas. Although we met the specific target for this in 2005, it has continued to be a priority. Our child road safety strategy published in February 2007 identified road safety and disadvantage as a cross-cutting theme:— http://www.dft.gov.uk/pgpr/roadsafety/child/childroadsafetystrategy2007.</p> <p>Projects to address the higher casualty rate in disadvantaged areas have been one of the priorities for the latest round of our local authority partnership grant scheme. Three of the eight projects we are supporting will target disadvantage. We will be supporting work in Oldham to engage with adults in disadvantaged communities to improve road safety skills and knowledge. A project in Hounslow will support road safety engagement with the Somali community. And in Bristol, we plan to assess the effect of social marketing on young drivers in deprived areas.</p> <p>We are also undertaking a major research project on road safety and disadvantage, with Faber Maunsell and Loughborough University. We are working closely with DCSF to take forward broader work on child safety as part of PSA13, in particular, on preventing unintentional injuries. This has found that other types of unintentional injury are also more prevalent in disadvantaged areas, such as those related to safety in the home, and some of the underlying causes are connected.</p> <p>The consultation document proposes new targets and performance indicators to drive effort to reduce child road casualties and pedestrians (often children) in disadvantaged areas.</p>
<p>3. The Government should establish a British Road Safety Survey to track overall casualty and safety trends. This would be a structured survey, gathered from a statistically significant sample of households, similar to the National Travel Survey. It would, therefore, not rely on levels of reporting by road users or police. It would be akin to the British Crime Survey which is seen as a more reliable long-term monitor of crime than the police crime statistics. This would involve original survey work, and</p>	<p>Questions on road safety were added to the National Travel Survey in January 2007, and the first results were published in 2008. Over time, these data will provide useful extra information to supplement STATS19, which remains the main, detailed data source. Additionally, analysis of hospital admissions data (Hospital Episode Statistics (HES)) is now adding to our detailed understanding, though HES data are not yet suitable for monitoring trends in road safety. We will continue to explore the potential of other data sources to extend our understanding.</p> <p>The Department also monitors attitudes to road safety through an annual survey to track attitudes and self reported behaviour over the long term and shorter surveys to track</p>

<p>might also draw on existing data sources, including police, hospital and insurance company data, to obtain a more rounded picture. A survey would have the additional benefit of being able to monitor attitudes to road safety including, for example, the fears of vulnerable road-users. (Paragraph 31)</p> <p>4. There is a significant body of evidence to suggest that the current methods for recording road-traffic injuries are flawed. We recommend that the Government commissions an independent review of the STATS19 system in order to establish its strengths and weaknesses, bearing in mind our recommendation above for a British Road Safety Survey. The review should also examine ways in which the system could be simplified, with a view to promoting greater consistency, and consider ways of routinely linking police and hospital data. (Paragraph 34)</p> <p>Priorities beyond 2010</p> <p>5. The systems approach to road safety, now adopted by the Netherlands, Sweden and elsewhere is different to that pursued by the UK. We believe that it is time for the UK to move towards this more fundamental approach which is accepted for other transport modes. The Department for Transport needs to explore this approach further and to engage the public in a discussion of the ideas and implications. (Paragraph 51)</p>	<p>campaigns pre and post advertising activity.</p> <p>In addition, the British Social Attitudes Survey is an established survey which has monitored public attitudes to road safety for a number of years. The Department has recently entered into a new agreement to extend the use of the survey for a further three years.</p> <p>In the light of these additional data sources, we do not consider a new stand alone survey is needed.</p> <p>Please see the Department's response to the Committee of 8 January 2009.</p>
	<p>We agree that there is merit in taking a "systems approach" to road safety.</p> <p>We propose an approach which makes our roads, vehicles, drivers and riders safer, through ensuring that each of these elements of the system takes account of the limitations of the others.</p> <p>For example, vehicle safety technology can help drivers to avoid making mistakes. Highway design can help to mitigate the consequences if a vehicle does leave the carriageway and vehicle structures and safety features can protect vehicle occupants and other road users in the event of a collision. And we all have a responsibility as road users to adjust our behaviour to reduce the chance of collisions happening.</p> <p>In particular, we appreciate the importance of understanding:</p> <ul style="list-style-type: none"> • the limits of human physiology and perception; • the impact of collisions of different recurring types;

	<ul style="list-style-type: none"> the effect of road design in reducing the likelihood and severity of collisions. <p>The proposals in our consultation document aimed at achieving lower speeds in streets with high pedestrian populations and on the more dangerous rural single carriageways with poor casualty records, for example, are based on problems which we have identified in the system. First, that pedestrians in collisions with cars at above 20 mph have eight times less chance of dying than where the car is going at 30 mph. And second, that common accident types on rural single carriageways have an unacceptably high likelihood of death at the current 60 mph speed limit. For example, in a head-on collision in which two cars crashed at 60 mph a driver would have a 90% chance of dying. This is reduced to 65% at 50 mph. That is why we are making sure that highway authorities have the accurate risk information and the support they need to alter speed limits and zones where this is the right thing to do.</p>
<p>6. The emphasis needs to shift from treating localised problems to one of long-term improvements to the safety of the infrastructure. At the same time, it is essential that a multi-disciplinary approach is taken to ensure that safety measures are compatible with a good quality local environment. (Paragraph 57)</p>	<p>Long-term improvements to road infrastructure play an important part in achieving casualty reductions and we believe that a targeted, evidence-led approach is best. We want to enhance safety on the parts of our network that are known to be less safe than the norm.</p> <p>However, there is also plenty of scope for local highway authorities to identify and treat points on local roads with known casualty problems. Evidence from stakeholders and from new research suggests that on average, these schemes result in casualty savings whose value to society in one year after implementation, exceeds their construction costs. For this reason, we feel that the current balance between treating localised problems and long-term improvements is reasonable.</p> <p>We have also proposed to support the Road Safety Foundation in identifying high-risk routes, through their process of producing risk maps. These can help inform highway authorities, central Government and the public about the risk of particular sections of road and help to focus investment in engineering and enforcement. We propose to ask highway authorities to create partnerships of relevant authorities to improve the casualty records of the riskiest routes.</p> <p>We fully agree that road safety measures should be compatible with a good quality local environment. Conversely, measures aimed specifically at improving the local environment should be at least as safe as would be the case in their absence. These principles are embodied in the Manual for Streets which we published in March 2007. The Manual covers the design and provision of residential and other streets. It presents a radical change in approach compared with that of the 30 year-old guidance it superseded.</p>
<p>7. Ways must be found to satisfy the desires of local communities for safer streets. We recommend that local</p>	<p>Too many pedestrians and cyclists continue to be killed and injured by cars in residential streets. There is an established 'toolkit' of measures which can help protect pedestrians and cyclists,</p>

<p>authorities be given the powers and resources to introduce 20-mph limits much more widely. Flexibility is required to avoid the prohibitive costs associated with some approaches. The balance of engineering measures, technology, policing and community influence should be a local matter. Systems, however, must not rely on high levels of fines or draconian enforcement. (Paragraph 60)</p>	<p>which local highway authorities can use to improve safety in such areas. We agree that the balance of measures used in any particular area should be decided at a local level.</p> <p>The 'toolkit' includes appropriately engineered 20mph zones, which are proven to make our streets safer. Our consultation paper proposes that we should amend our guidance on speed limits, recommending that local highway authorities, over time, introduce 20mph zones into streets which are primarily residential in nature, or other areas where pedestrian and cyclist movements are high.</p> <p>We will research the effect on speeds and casualties of wide-area un-engineered 20mph limits. Our previous evidence has suggested that these reduce average speeds by only 1-2 mph, but we will re-examine this issue.</p> <p>We agree that 20mph zones and limits should not rely on heavy-handed enforcement measures and that enforcement should be an issue for local decision.</p>
<p>8. The Government should take a more proactive approach to determining the safety benefits of new vehicle technologies. It should make clear which ones it believes have most safety benefits and encourage their adoption into the UK vehicle fleet. The Government should use the various tools at its disposal, including fiscal and financial incentives, to encourage employers to use vehicles with additional proven safety features. Government departments and agencies should also give a lead in their fleet purchasing decisions. This would help to reduce work-related casualties and speed up the adoption of these features into the wider UK vehicle fleet. (Paragraph 66)</p> <p>20. The Government should work with employers' organisations and trades unions on the issue of work-related road accidents, including an evaluation of its Driving for Better Business initiative. It should use the tools at its disposal, including fiscal and financial incentives, to encourage employers to use vehicles with additional proven safety features. This would help to reduce work-related casualties and speed the adoption of these features into the wider UK vehicle fleet. (Paragraph 109)</p>	<p>The Government is committed to influencing the development and implementation of advanced vehicles and technology and securing the early take up of existing technologies across the vehicle fleet.</p> <p>We will extend and improve our evidence base to assess the effectiveness of existing measures and identify new areas where technology can deliver improvements, particularly in the area of primary safety. This will include trialling new systems; working in international fora to obtain the best available data; and exploring ways to get new safety systems into car fleets. We will continue to promote regulatory solutions where this brings greatest benefit in a timely manner.</p> <p>We also think that market-based measures, such as providing better consumer information and raising awareness of safety technology will complement regulation and speed up the penetration of the safest vehicles into the market. We are determined to work closely with all our partners, including employers and fleet operators, to encourage the wider take-up of safer vehicles.</p> <p>The Government Car and Despatch Agency (GCDA), which provides a car service for Ministers and other public officials, is keen to act as a flagship for road safety. Safety is already taken extremely seriously by the agency and it takes care to provide high quality training for all its drivers. Its fleet of Toyota Prius's and hybrid Honda Civic's already achieve 5 and 4 star NCAP (European New Car Assessment Programme) ratings respectively and it is committed to making NCAP ratings a key criterion in its purchasing decisions.</p> <p>The Department is pleased with the initial progress of the Driving for Better Business project</p>

	<p>but, given the time needed to establish something of this sort, it is too early to evaluate its impact properly. We have renewed the grant arrangement for Roadsafe to continue to manage the project for a further three years up to March 2012, and intend to undertake an evaluation during that period.</p>
<p>9. There are clear links between uninsured and unlicensed driving, and crash involvement. A twin-track approach is needed. The Government should encourage greater partnership working at local level to prevent offending by young people. At the same time, greater levels of enforcement are needed to prevent uninsured and unlicensed driving. The Committee recommends the Department for Transport identify projects of this type that have been successful and disseminate these more widely. (Paragraph 71)</p> <p>24. The connections between unlicensed, untaxed or uninsured vehicles, crime and antisocial behaviour, and road safety need to be more widely acted upon. We welcome the recent increase in enforcement activity by VOSA. This must be continued and consistently applied in all areas. The lack of congruity between the priorities of the Home Office and the Department for Transport on road safety continues to be of great concern to us. (Paragraph 124)</p>	<p>The DfT and its agencies are fully committed to tackling unlicensed, untaxed and uninsured vehicles and to this end we work closely with the police, other agencies and the insurance industry.</p> <p>People who drive with no licence or insurance or who fail to register and tax their vehicles are more likely to be involved in other types of criminal activity and collisions. We estimate that uninsured and untraced drivers kill 160 people and injure 23,000 every year. Uninsured drivers add £30 a year to every motorist's insurance premium.</p> <p>On unlicensed driving, we assist the police and the courts in detecting and prosecuting cases of unlicensed driving, for example by providing the police with 24 hour access to accurate driver licensing information at the roadside to assist detection and enforcement.</p> <p>In 2005, police access to the Motor Insurance Database was improved.⁵ This enabled them to have data on uninsured vehicles for use with their automatic number plate recognition (ANPR) equipment. The police were also given powers to seize, and in appropriate cases destroy, vehicles being driven uninsured.⁶ Under these powers the police removed in excess of 175,000 vehicles in 2008.⁷</p> <p>The seizure programme has contributed to improved compliance. In 2006 and 2008, the police forces carried out spot checks on vehicles and found:</p> <ul style="list-style-type: none"> - the level of unlicensed drivers stopped fell by half over two years - the proportion of uninsured drivers stopped fell to 1.2% from 1.9% - the level of vehicles stopped which required but were without a current MOT fell to 1.5% from 4.2% - the proportion of drivers stopped without valid vehicle tax fell to 1% from 2% - the level of drivers committing a serious offence, such as no insurance, or driving whilst

5 Disclosure of Vehicle Insurance Information Regulations 2005 (SI 2005:2833) made under section 153 of the Serious Organised Crime and Police Act 2005.

6 Sections 165A and 165B of the Road Traffic Act 1988 inserted by section 152 of the Serious Organised Crime and Police Act 2005. See also the Road Traffic Act 1988 (Retention and Disposal of Seized Motor Vehicles) Regulations 2005 (SI 2005:1606) made under section 165B.

7 Source: Association of Chief Police Officers

	<p>disqualified, fell to 3.4% from 7.5%.</p> <p>The Road Safety Act 2006 introduced a new offence of being the registered keeper of an uninsured vehicle.⁸ Further regulations are required to bring in the provisions into force and our consultation on the detail of the scheme closed on 16 April. The new offence will allow enforcement action to be taken where it is shown from the record that there is no valid insurance in place, rather than by police observation of an uninsured vehicle in use.</p> <p>In August 2008, a new offence of causing death by driving while unlicensed disqualified or uninsured which carries a custodial sentence of up to 2 years was introduced.⁹</p> <p>DVLA has established a significant number of partnerships with local authorities and police forces which have proved very successful in tackling unlicensed vehicles using devolved powers to undertake direct enforcement action. Devolved powers partnerships add approximately 30,000 unlicensed vehicles per year to the 120,000 unlicensed vehicles wheel clamped or impounded by DVLA's own contractor. Additionally the Vehicle Operators and Services Agency (VOSA) carries out substantial compliance and enforcement activities for commercial vehicles and drivers.</p> <p>We agree that the relationship between DfT and the Home Office, and through them the police, is vital to delivering road safety. We work closely with the Home Office where appropriate. We recognise that road safety is one among many competing priorities for the police. Our collective aim is that the police should give appropriate weight to road safety issues, as well as recognising the benefits of road policing to other areas of enforcement. The joint roads policing strategy gave a clear statement from DfT, the Home Office and ACPO that roads policing is a key priority, and we continue to collectively support that message.</p>
<p>10. We support the Government's efforts to revise the driver training system and to place greater emphasis on attitudes and behaviours as well as driving skills. The proposals in Learning to Drive are steps in the right direction, but we are not confident that they will be sufficient to arrest the carnage of young drivers on our roads. We recommend that the Government takes bolder and more urgent steps to cut the number of collisions involving young drivers, particularly young men. We urge that it</p>	<p>The issue of additional regulation of the way that people learn to drive or post-test restrictions on newly-qualified drivers was examined in our consultation document, Learning to Drive. The consultation prompted almost 7,000 responses, which showed general support for the Government's view that education and incentivisation through improved training and testing is the best way to improve the safety of newly-qualified drivers. The placing of restrictions on newly qualified drivers would indicate that the learning and testing process is failing to produce safe drivers. Furthermore such restrictions would aim to protect them by keeping them away from risk. However, the Government's view is that young people ought to be learning</p>

8 Section 144A of the Road Traffic Act 1988 (not yet in force) inserted by section 22 of the Road Safety Act 2006

9 Section 32B of the Road Traffic Act 1988 inserted by section 21 of the Road Safety Act 2006

<p>reconsiders its response to our recommendations in Novice Drivers regarding a graduated licensing scheme and, in particular (p36), restrictions on young drivers carrying teenage passengers between the hours of 11pm and 5am. (Paragraph 75)</p>	<p>how to handle risks before taking the driving test. Our Learning to Drive proposals therefore sought to improve learner drivers' attitude to road safety and driving, and ensure that they learn and demonstrate the knowledge, skills and understanding needed to drive unsupervised in a safe and responsible manner after passing the driving test. This approach also considers the needs of all young drivers, the majority of whom want to drive safely and responsibly, whereas restrictions are aimed at a minority who behave badly, but would have many adverse effects for the responsible majority such as restricting access to education and evening jobs.</p> <p>Following the Learning to Drive consultation, we have announced a programme of measures that will strengthen the way that people learn to drive and are tested, and create a culture of continued and lifelong learning. The Learning to Drive programme will be delivered through a phased implementation programme, which supports progressive improvements whilst avoiding disruption to those currently learning to drive. The first phase aims to deliver, over the next two years, real changes focussing on an improved learning process; improved theory and practical driving tests, and further options for learning and qualifications.</p> <p>Full details are set out in Learning to Drive: Report on Consultation.¹⁰</p>
<p>11. More link-up is needed between the various road safety education programmes. It is disappointing that, in a relatively wide-ranging review of driver training, the Government has not consulted on the possibility of strengthening links between driver training, and pedestrian and cyclist training in the ways that some local authorities are doing. We recommend that the Department for Transport and the Department for Children, Schools and Families consider ways in which a range of road-user training schemes might be targeted at school students of the appropriate ages. (Paragraph 77)</p> <p>15. We note that there is a wealth of educational materials aimed at pre-school and primary age youngsters. However, we are concerned that similar efforts have not been made to produce material for pupils in secondary school. We believe that there needs to be a more co-ordinated approach to the provision of such materials and a consolidated approach to risk education across the age range. (Paragraph 91)</p>	<p>We have recently commissioned a comprehensive set of road safety educational materials for all stages of primary and secondary school, being developed by EdComs. This work is being dovetailed with DSA's work on pre-driver education, including the new voluntary qualification, which is being introduced under a managed roll-out as part of their Learning to Drive programme to provide young people aged 14 -16 with a solid grounding in safe road use—including, but not confined to, preparation for learning to drive.</p> <p>This will give us a seamless suite of educational materials on road safety from pre-school to pre-driver, for deployment in the education system.</p> <p>The EdComs materials are based around lesson plans for classroom based activities, but will also take account of practical on-road training such as the Kerbcraft pedestrian training scheme for 5-7 year olds and Bikeability cycle training, which is mainly being delivered to 10-11 year olds. While both Kerbcraft and Bikeability aim to improve children's road user skills, they may have benefits in later life if they go on to learn to drive. However, take up of all these materials and schemes is a matter for individual local authorities, schools and other providers. Our role is to make them available and encourage their use.</p>

¹⁰ Learning to Drive: Report on Consultation, published 21 April 2009

12. We recommend that the Government redoubles its efforts to improve the safety of motorcyclists and to ensure that their safety is seen as central to its road safety strategy. This needs to be communicated effectively to all parties involved with road safety. (Paragraph 81)

Motorcycle casualties peaked in 2003 and since then there has been an improvement, with the numbers killed or seriously injured declining. 693 motorcyclists were killed in 2003, falling to 588 in 2007, a fall of 15%, though still 26% above the 1994-98 baseline level. The large rise in casualties between 1996 and 2003 was largely due to an increase in motorcycling activity, with traffic rising by around a third in that period, so the casualty rate per 100 million vehicle kilometres peaked in 2000 and has been falling since then. Motorcycle traffic was at the same level in 2007 as in 2003, but casualty numbers were much lower. However, motorcycling remains disproportionately represented in the casualty statistics and tackling this is one of our top priorities. Our new consultation paper sets the rate of killed or seriously injured motorcyclists per 100 million vehicle km as a key performance indicator.

The new practical motorcycling test contains more-demanding manoeuvres intended to improve road safety for this vulnerable group. It is being introduced as a modular two-part test. Module One is based upon the specified manoeuvres, whilst Module Two is the road riding assessment. This modular approach is enabling DSA to provide the test from more locations than would be possible with a single-event test, which was a key concern of stakeholders.

We are continuing to take forward the measures to improve motorcycle safety set out in The Government's Motorcycle Strategy of February 2005 and the revised action plan published in June 2008— <http://www.dft.gov.uk/pgr/roads/vehicles/motorcycling/>. We are working with the National Motorcycle Council, including representatives of the motorcycle community, local authorities, police and others. A new strategy is now being developed and we hope to consult on a draft to seek a wider range of views later this year.

Projects to address motorcycle casualties have been one of the priorities for the latest round of our local authority partnership grant scheme. Four of the eight projects being supported are targeted at reducing motorcyclist casualties, including some route-based work in Staffordshire, better training led by Warwickshire, plus average speed cameras and data-led analysis and marketing in parts of the Peak District.

We also have evidence of the high returns still available from engineering schemes such as side barriers, anti-skid surfacing at junctions and other interventions designed to protect motorcyclists.¹¹

Motorcycling is a major theme in our Think! publicity campaign. We have recently run the TV campaigns 'Perfect Day', aimed at leisure riders, and 'Take longer to look...', to encourage car drivers to be aware of motorcyclists at junctions (the biggest single cause of motorcycle

¹¹ Sexton and Johnson (2009) An evaluation of options for road safety beyond 2010. TRL Publish Project Report PPR 379.

	<p>collisions). We are also continuing our sponsorship of the British Superbikes Championship as a way to engage with leisure riders. We are currently undertaking a review of our motorcycling activity to inform further Think! activity.</p> <p>We are also keen to encourage the development of safety technologies for motorcycles; technologies which had been largely car-based, such as ABS and driver assistance systems are now being seen more frequently in the motorcycle fleet. We will continue to work with our partners to take forward research to improve motorcycle safety, including conspicuity and the European PISA programme (Powered Two Wheeler Integrated Safety), where possible finding synergies with environmental performance.</p> <p>We also believe that there is potential for safer motorcycle helmets to save lives. 80% of motorcycling fatalities involve head injuries. The SHARP (Safety Helmet Assessment and Rating Programme) was launched in 2008 to provide motorcyclists with information about the safety performance of different motorcycle helmets. SHARP has been very well received and involves a rolling programme of testing. We recently announced the latest batch of results, meaning that 125 helmets have now been rated.</p>
<p>13. The causes of motorcyclist accidents and remedial measures need to be thoroughly investigated and the results communicated to road safety professionals, motorcyclists and other road users. (Paragraph 82)</p>	<p>In November 2004 we published the research report "In depth Study of Motorcycle Accidents", at http://www.dft.gov.uk/pg/roadsafety/research/rsrr/theme5/indepthstudyofmotorcycleacc.pdf. This identifies the most common causes of motorcycle crashes and has informed our subsequent work to address these, including the Think! campaigns mentioned above. We also continue to monitor and analyse more recent casualty and accident data.</p> <p>Following the finding of the 2004 research project that car drivers colliding with motorcyclists at junctions was the biggest single cause of motorcycle casualties, further work was commissioned on how this type of collision occurs and what can be done to prevent them. The first phase report Car Drivers' Skills and Attitudes to Motorcycle Safety: A Review was published in May 2008,¹² to establish current understanding of the issues. Further work on this project is now under way to study exactly how and why car drivers look for and respond to the presence of motorcyclists. Another research project has considered the motorcyclists' point of view. "Passion and Performance: Understanding motorcyclists' attitudes to safety" is due to be published shortly. This study was commissioned to provide a better understanding of the needs, motivations and perspectives of motorcyclists themselves with respect to road safety. This gives a more sophisticated view of the variety of different types of motorcyclist, which improves our understanding beyond the previous distinction simply between urban / commuter riders and</p>

12 <http://www.dft.gov.uk>

	<p>rural / leisure riders, as it is clear that there are distinct groups within these broader categories. This work will help us to target future interventions to communicate with motorcyclists in ways that address their needs and take account of their motivations.</p> <p>In April 2005, the Institute of Highway Incorporated Engineers published its Guidelines for Motorcycling, which give practical advice on how the different characteristics of motorcycles can be recognised and addressed in highway and traffic design and management. We have placed these guidelines on our website so they are more accessible to local highway authorities, at http://www.dft.gov.uk/pgpr/roads/vehicles/motorcycling/motorcyclingguidelines.</p>
<p>14. It is unsatisfactory that so few children are given pedestrian or cycle training at school. Whereas there is a plethora of statistics on school-related matters, the percentage of children receiving road safety training is not monitored. We welcome the Department for Transport's support for Kerbcraft and, more recently, for Bikeability training. However, the Government should frame its targets in terms of the percentage, rather than the absolute number, of children in the target age group to be trained. The timescales for implementing these schemes must be reduced; and they should be properly monitored and supported with long-term resources to ensure that they are available to all children. We recommend that the Government investigates the effects that the compulsory wearing of cycle helmets by children would have on casualties. (Paragraph 89)</p>	<p>Between 2002 and 2007 we piloted the Kerbcraft child pedestrian training scheme and a thorough evaluation was published in March 2008. We are now working on a dissemination programme to encourage local authorities to adopt this scheme more widely, including an update of the Kerbcraft manual, new guidelines that are applicable to a wider range of child pedestrian training schemes, and a series of regional seminars for local authority practitioners in spring 2009.</p> <p>We are aware that most local authorities involved in the Kerbcraft pilot have continued with child pedestrian training, though most have modified the Kerbcraft model. A number of other local authorities have taken up Kerbcraft or other schemes. Modifications are designed to make the scheme less resource-intensive, such as reducing the number of roadside sessions, reducing the number of skills taught or combining skills, or increasing adult:child ratios. Such modifications may make the scheme less effective in achieving lasting improvements in the real skills of the children being trained. They aim to make the scheme less resource intensive, in some cases with the aim of delivering a smaller scheme to more children. That may be counter-productive if all those children are receiving less effective training.</p> <p>Our new guidelines aim to highlight these issues, including the option of targeting training on high priority areas such as the more disadvantaged parts of a local authority or others with a high casualty rate, just as our pilot was targeted on disadvantaged areas. This should help local authorities to make more informed decisions about whether to follow the Kerbcraft model or other schemes.</p> <p>We do not have any specific targets for the delivery of child pedestrian training by local authorities. We have estimated that to deliver Kerbcraft to every child would cost something of the order of £50 million each year. That blanket coverage may not be the most efficient use of resources as some areas have much higher casualty rates than others. We encourage local authorities to make decisions about the delivery of road safety interventions, including child</p>

pedestrian training, according to local priorities.

The same is true of child cycle training. To supplement and support local authority delivery we set ourselves an objective in "A Sustainable Future for Cycling" (DfT, Jan 2008) to make National Standard Bikeability training available to 500,000 additional year 6 children by 2012, over and above that already delivered by local authorities.

Between 2007/08 to 2009/2010 we have provided approximately £15m to fund additional child training places. This has increased each year, with £9.5m allocated for 2009/10.

In terms of training places, this means we have funded an additional 46,000 training places up to the end of March 2008, and grants made available for 2008/09 will fund an estimated extra 100,000 places. For 2009/10 the DfT funding allocated through our latest grant bidding round will be £5.4m which will enable local authorities to deliver a further 138,000 places. In addition we will fund the training of between another 75,000—100,000 children through a £4m grant to the Youth Sport Trust for dispersal to the various School Sports Partnerships around the country.

Given an approximate average Year 6 population of just under 600,000 children, this means that in 2009/10 we will be making training available for around a third of children in addition to existing local authority delivery. This also means that with funding available to train over 200,000 additional children by March 2010.

We are also taking steps to increase the capacity of the cycle training sector. This includes providing £500,000 in 2009/10 to fund bursaries for the training of an additional 1,600 instructors. We will also continue to fund and put in place accreditation and quality assurance mechanisms to support the national standard and we will continue to provide support to help local authorities and schools deliver even more Bikeability training in the coming year.

As for cycle helmet wearing, our 2002 research report "Bicycle helmets: review of effectiveness" at <http://www.dft.gov.uk/pgr/roadsafety/research/rsrr/theme1/bicyclehelmetreviewofeffect4726> showed that cycle helmets do have benefits in protecting riders, especially children, from head injuries, although this finding was not universally accepted. It also found that in some cases (e.g. Victoria, Australia) compulsory use of helmets could lead to decreased cycle use, especially by children and teenagers.

The Department has recently commissioned a new research project looking at a range of road safety and cycling issues. It will examine the following topics: road user safety and cycling data; cycling infrastructure; attitudes and behaviours of cyclists and other road users and bicycle helmets, including an updated evaluation of their effectiveness, including potential effects on casualty numbers and cycling levels. The research project as a whole is likely to take 3 years, but

<p>16. Elsewhere in this Report, we have identified the apparent mismatch between data sets in terms of the number of actual casualties compared with those recorded. We believe that it is important for local highway authorities to have as accurate a picture as possible of the number of people killed or injured in their area and of the costs of preventing these injuries. We encourage these authorities to gather and publish such information in addition to the STATS19 data. (Paragraph 95)</p>	<p>we are aiming to complete the review of cycle helmet effectiveness by the end of 2009. The work includes an advisory board to ensure that a range of interests is involved in the work, including cycling groups and campaigners for legislation on compulsory cycle helmet use.</p> <p>DfT routinely publishes STATS19 data on the number of people killed or injured at local authority level in England. The STATS19 data is then used for two of the national set 198 local indicators, which are published for all local areas. We agree with the committee that local authorities can publish more data if they wish, but that they should not be required to do so by Government, as the set of national indicators represents an already substantial set of requirements.</p> <p>We are keen to improve the use of data to allow for more targeted use of road safety resources. We will work to provide an online database combining accident and socio-demographic data for local authorities. This will allow ready local analysis of collision statistics by social and geographical groupings.</p> <p>We agree that hospital data could add to local authorities' understanding. However hospital data is complex and is owned by the local health organisations rather than local authorities. Any decisions about publishing data would need to be taken by the responsible local agencies together.</p>
<p>17. We recommend that cycle training should be offered as an alternative to fines for offending cyclists, just as driver retraining courses are now commonly offered to motorists who commit minor traffic offences. (Paragraph 96)</p>	<p>The running of a Speed Awareness course for motorists is a matter for the police, as would be any similar scheme for cycling offenders. On average, only 500 convictions per year have been recorded for cycling offences between 2004 and 2007, which will be an important factor for the police when considering the cost-effectiveness of taking a similar approach with cyclists.</p> <p>Should the police choose to use cycle training as an alternative to fines or other penalties, the Department's investment in the quality, capacity and coverage of cycle training across England, will ensure that appropriate training is readily available.</p>
<p>18. We recognise the vulnerability of older drivers and their increasing numbers. We do not believe that automatic, mandatory retesting of drivers above a certain age is justified. We favour the more positive approach of simplifying the driving task and protecting drivers from the more serious consequences of their errors. Making walking and public transport more attractive to older people, with initiatives such as 20-mph limits</p>	<p>We agree that automatic, mandatory retesting of drivers above a certain age is not justified. Our consultation document, Learning to Drive, set out proposals for a Safe Driving for Life strategy, which encompasses drivers of all ages, including those reaching the end of their driving career. We are currently working with key stakeholders with the aim of establishing standards for schemes to help drivers assess their level of driving competence as they age. It is envisaged that these schemes will include elements of self-review, self-assessment and where appropriate lead to targeted refresher training from specifically qualified driver trainers. Again</p>

and accessible vehicles, should also be encouraged. Schemes to provide assistance to older drivers are also to be encouraged. (Paragraph 101)

working with stakeholders, we shall seek to put in place arrangements to quality assure the standard of training offered.

We are keen to encourage everyone, including older people, to walk more, cycle more and make more use of public transport. This is because of the personal health benefits of active transport modes and also the wider environmental benefits of decreased car-reliance.

We are proposing to amend our guidance on speed limits, recommending that local highway authorities over time, introduce 20mph zones or limits into streets which are primarily residential in nature (see response to recommendation 7 above). We believe that these zones will offer greater protection for older people and children, since both groups are less able to withstand the impacts of accidents.

We recognise the link between age and disability and the difficulties this brings in relation to driving and access to public transport. We therefore support a variety of independent, mainly third sector organisations to provide information and advice to older people and disabled people, enabling them to make informed choices about future use of the car as a means of transport. We are undertaking research to map needs to service provision to inform how we continue to support these services in the future.

Travel training, an initiative designed to increase people's confidence when using public transport, is expected to be of benefit to many older people, for instance when they stop driving. We issued a 'Strategy Outline and Discussion Document' in October 2008. Goskills are currently investigating training and accreditation needs for travel trainers. We will be undertaking work to construct a website containing guidance and best practice for travel trainers later in the year.

In relation to accessible taxis, we published a consultation exploring ways of making taxis more accessible in February. The consultation closes in April. A number of consultation seminars have been held, with key stakeholders and interested parties, to discuss the document and the options contained within it. We will publish a strategy to take the issue forward after the consultation closes.

On transport vehicles, we are spending around £169m on heavy rail to make them accessible by 2020. In addition, all buses and coaches used on scheduled services must be physically accessible, including to wheelchair users. Deadlines for all public provision buses to meet accessibility standards are 2017 for all buses used on local scheduled services and 2020 for coaches used on scheduled services.

We have also created the "Access for All" fund specifically designed to improve the accessibility of services. This fund is worth £370m and is available to improve accessibility at railway stations

	<p>by making them free of steps. The funding is available until 2015 and is split into two parts:</p> <ul style="list-style-type: none"> • £35m a year targeted at improving access at the busiest stations to ensure that they have a route that all passengers can use; and • £7m a year in 'small schemes funding' will be available to make smaller scale improvements at local stations such as installation of lifts, ramps and customer information screens. <p>The DfT will also be developing a toolkit on transport solutions for older people, full details of this will be announced in the Government's renewed Ageing Strategy planned for the summer.</p>
<p>19. We recommend that the Government urgently review the increasing use and safety of mobility scooters with a view to establishing whether safety guidelines or mandatory training would be beneficial. (Paragraph 104)</p>	<p>The Department published research in 2006 into the use of Class 2 and Class 3 mobility scooters and powered wheelchairs which can be viewed on the Department's website at http://www.dft.gov.uk/transportforyou/access/tipws/pwps/.</p> <p>Overall, the research did not suggest that mobility scooters have a significant impact upon road safety. However, we are aware that the numbers of mobility scooters are on the increase and we recognise the need to review issues such as safety guidelines and training. We will take this work forward as and when resources permit.</p>
<p>21. It is anomalous that the vast majority of work-related deaths are not examined by the Health and Safety Executive, purely because they occur on the roads. The Government should review the role of the Health and Safety Executive with regard to road safety to ensure that it fulfils its unique role in the strategy beyond 2010. (Paragraph 110)</p>	<p>The general duties under health and safety at work law to protect workers and others from risks arising out of work activities are very broad and overlap with other legislation.¹³ It has been the policy of successive Governments not generally to seek to enforce health and safety at work legislation where public and worker safety is adequately protected by more specific and detailed law enforced by another authority.</p> <p>Safety on the road is primarily regulated by road traffic legislation, which is enforced by the Police and others such as the Vehicle and Operator Services Agency (VOSA). The law also places specific responsibilities on employers not to 'cause or permit' employees to contravene road traffic legislation, for example, by setting unrealistic timetables or schedules which encourage an employee to break permitted speed limits.¹⁴</p> <p>The police attend all serious road incidents, including those involving fatalities. It is both practical and efficient for them to continue to take the lead in investigating these incidents as they have both the necessary experience and expertise. Arrangements are in place for the</p>

13 The Health and Safety at Work etc Act 1974 and The Management of Health and Safety at Work Regulations 1999 SI 1999/3242 (as amended by SI 2003/2457 and SI 2006/438)

14 Section 89(4) of the Road Traffic Regulation Act 1984.

	<p>Police to refer cases to HSE where they consider that serious health and safety management failures have significantly contributed to the incident.</p> <p>HSE will take prosecutions under Health and Safety legislation. In June 2006 Produce Connection were fined £30,000, by Cambridge Crown Court, for failing to protect the health and safety of an employee who was killed in a road traffic incident when travelling home. The judge concluded that the deceased was suffering chronic fatigue having worked 3 consecutive shifts of nearly 20 hours.</p> <p>HSE also has an interest in incidents on the public highway where:</p> <ul style="list-style-type: none"> • work vehicles are engaged in specific work activities, for example: refuse collection, vehicle recovery, loading and unloading etc. • workers are engaged in specific work activities (not in vehicles), for example: construction work, refuse collection, street cleaning etc • vehicles are manoeuvring in and out of work premises and in close proximity to those work premises. <p>HSE continues to work closely with Government and industry stakeholders, to promote the benefits of managing the risks to employees when driving at work. Examples include the continued promotion of the joint HSE/DfT guidance on managing work related road safety, involvement with Transport for London's Freight Operator Recognition Scheme, Participation in DfT's Beyond 2010 Road Safety Steering Group and influencing Sector Skills Councils to incorporate health and safety requirements in their training modules. HSE also works closely with police road deaths investigation units to help them better understand employer's responsibilities under Health and Safety legislation.</p>
<p>22. We understand that the Department is to shortly consult on proposals to address the problem of drink-drive collisions. As in our report on Novice Drivers, we welcome this much-needed investigation and look forward to a thorough examination of what should be the permitted blood alcohol concentration for novice drivers. Should our recommendation for a lower alcohol limit for novice drivers be implemented, this would provide further useful evidence on the impact of a lower alcohol limit for drivers in general. (Paragraph 118)</p>	<p>Please see the Department's response to the Committee of 8 January 2009.</p>

<p>23. It is unacceptable that such a major element of the Government's road safety strategy can be given such a low priority by a key department. It is imperative that the Home Office gives much higher priority to enforcement of drink-drive and drug-drive offences. This should include the type-approval of roadside evidential breath-testing devices and development of equipment to assist the police to identify and prosecute drug-impaired drivers. (Paragraph 119)</p>	<p>Please see the Department's response to the Committee of 8 January 2009.</p>
<p>Delivery</p> <p>25. It is vital that the Government provides leadership on road safety at the highest level and ensures that all Government departments play a full part in the future strategy. We are encouraged by the discussions going on between the Department for Transport and other departments. This needs to result in action across the board. (Paragraph 129)</p>	<p>The Government is committed to providing strong and inspirational leadership on road safety. Road safety improvement is an issue across the whole of Great Britain and we have worked closely with Scottish and Welsh administrations and other Government Departments to develop the new strategy consultation document.</p> <p>It is clear that the Department for Transport needs to work in partnership with many other organisations to achieve real progress. We are committed to establishing and maintaining fruitful relationships with all our key partners in road safety and to working increasingly in partnership with others, who are perhaps not self-evidently associated with road safety, such as educationalists and the Probation Service.</p> <p>In addition to this, the Road Safety Delivery Board will continue to bring together the main road safety delivery agents and the Road Safety Advisory Panel will continue to bring together a range of stakeholders to offer support and advice.</p>
<p>26. We do not believe that the Department for Transport's forthcoming road safety strategy review will have sufficient profile or the necessary cross-governmental authority to bring about the fundamental and long-term change that is needed. We therefore recommend that the Government establishes an authoritative and independent road safety commission that has powers to work across the whole of Government. The role of the commission should be to ensure that the Government gives high</p>	<p>We are committed to ensuring that the new road safety strategy will have the necessary high profile and widespread support to achieve real and lasting change.</p> <p>As part of this, the consultation document proposes that a new independent expert panel should be appointed, which will be tasked with providing an annual report on road safety to Ministers and Parliament. This would provide an independent overview of road safety performance and draw out potential recommendations to delivery agents in the light of real world experience. The panel would have particular responsibility for advising Ministers on the</p>

<p>priority and adequate resources to road safety and that all government departments and agencies give active support. It should also have responsibility for monitoring progress, and developing more rigorous and holistic assessments. It might also investigate good practice, particularly in those countries that have overtaken the UK in road safety standards. (Paragraph 132)</p>	<p>trends and new issues relating to fatal accidents.</p> <p>The Road Safety Delivery Board will continue to play an important role in delivering the road safety strategy and new targets. We will also draw up a new integrated national road safety delivery plan, and ask the Road Safety Delivery Board to manage its delivery and provide an annual assessment of progress.</p> <p>The Delivery Board will comprise representatives of highway authorities, the police, the fire service, and interested Departments of national Government. The Board will be charged with delivering the target and challenging Ministers in Westminster, Scotland and Wales to provide the leadership and resources to ensure that the targets are met.</p> <p>In order to ensure progress on this strategy and proper public scrutiny, we will also submit to Parliament an annual report for road safety in Great Britain, to include the report from the independent expert panel. This will assess progress against our targets and the national indicator set, providing analysis of accident trends at national, regional and local level.</p>
<p>32. Greater independent monitoring and scrutiny of progress is required. Progress should be monitored against a range of indicators, not all of which need to be targets. This would include the British Road Safety Survey. The main casualty reduction targets must be monitored against both police and hospital data and overseen by the independent commission. (Paragraph 150)</p>	<p>We are consulting on the idea of setting up an independent expert panel to advise us on road safety trends and policy. This would include monitoring progress against targets (see Recommendation 26 above). We also propose to submit to Parliament an annual report for road safety in Great Britain. This will assess progress against our targets and the national indicator set, providing analysis of accident trends at national, regional and local level.</p> <p>We agree that progress should be monitored against a range of indicators as well as the main casualty reduction targets. Our consultation paper suggests publishing annually a set of key indicators of progress on road safety, combining:</p> <ul style="list-style-type: none"> - measures of casualties by road-user type, demographics and geography, including absolute numbers and rate-based indicators, to allow for modes where traffic volumes may fluctuate to a greater extent; - measures of key risky behaviours and compliance with the law. <p>More detail can be found in Annex A of the consultation paper.</p> <p>As indicated in our response to recommendation 3, hospital data are not yet suitable for monitoring road safety trends or targets, though it is expected that these data are settling down into a more consistent series that will eventually provide a useful extra monitoring source. This will also be true of National Travel Survey data over time.</p>

<p>27. A new vision is needed for road safety in Britain beyond 2010. This should be underpinned by a strategy that explains how casualty reduction, danger reduction and the various other important policy objectives, such as a sustainable transport system, economic efficiency, climate change, social inclusion and physical health are integrated. Priorities must also be clarified. Widespread consultation is needed that takes in the complexities of the issues. (Paragraph 136)</p>	<p>We agree that we need a new vision for road safety and we propose that the vision should be, "to have the world's safest roads". We think that this is inspiring but credible and provides the right level of challenge. We also think it is capable of being shared by all the key partners in road safety.</p> <p>We are committed to securing improvements in road safety in the wider policy context, as part of the "Delivering a Sustainable Transport System " approach. (See response to Recommendation 2 above).</p> <p>We are consulting widely on our proposals for a new road safety strategy.</p>
<p>28. The Government should adopt a national target for reducing deaths, which is separate from any targets for reducing serious or slight injuries. The Government should also adopt a national target for reducing deaths and serious injuries. This combined target should also be applied at local level where performance monitoring should take account of the inevitable fluctuations in casualties from year to year. (Paragraph 140)</p>	<p>We agree that there should be a separate target for reducing road deaths.</p> <p>Our consultation paper proposes targets to:</p> <ul style="list-style-type: none"> • reduce the number of people killed in road collisions by at least 33% by 2020 compared with the average for 2004-2008, and • reduce the number of people seriously injured in road collisions by at least 33% by 2020 compared with the average for 2004-2008. <p>At the local level, however, we will be encouraging our road safety partners to adopt a combined deaths and serious injuries target. This is because the number of deaths for an individual local authority is small and therefore volatile. It is not, therefore, sensible to plot trends or monitor progress on this basis.</p>
<p>29. It is essential that, at both national and local level, casualty reduction targets are seen in the context of promoting sustainable transport. (Paragraph 141)</p>	<p>The consultation paper on the new road safety strategy takes care to place road safety in the wider context of sustainable transport (see response to Recommendation 5 above). In particular, we are anxious to ensure that road safety targets do not create perverse incentives to discourage sustainable forms of transport such as walking and cycling. This is why we are including a target for reducing cyclist and pedestrian casualties which takes account of the distance travelled:</p> <ul style="list-style-type: none"> o To reduce the combined rate of death or serious injury for pedestrians and cyclists, per 100 million km walked or cycled, by 50%.

<p>30. We feel the suggestion of a long term target of 20-25 years, with intermediate 5-year targets and reviews, is something that the Government should consider carefully in arriving at new targets. (Paragraph 145)</p>	<p>We have considered the Committee's suggestion and we are consulting on targets for a 10 year period but having a strategy which covers 20 years, to encourage longer-term steps, particularly in the field of vehicle technology. We have put forward proposals for publishing an annual road safety plan and an annual report to Parliament on progress against our targets and indicators. As with the current strategy, we propose to have two systematic progress reviews in the period up to 2020.</p>
<p>31. There should be flexibility for local authorities and Local Area Agreements to set their own additional local road safety targets, to suit local priorities and needs. These might include indicators other than casualties. Whilst reducing deaths must be an overriding priority, deaths are not necessarily a meaningful indicator of performance or priorities at the local level where the numbers will be small. Reducing casualties in the most deprived areas may be a priority in some local authority areas. (Paragraph 147)</p>	<p>The Department agrees that it can be useful to set a range of local road safety targets, including targets for casualty reduction in deprived areas and using indicators other than simply numbers of casualties. We also agree that because of the relatively small numbers involved, local indicators that are numbers of road deaths are unlikely to be meaningful performance measures. Local area agreements already provide an opportunity for local authorities to set their own additional road safety targets. The Department also encourages local authorities to consider such targets for their new local transport plans, which need to be in place by early 2011.</p>
<p>33. Consistent and adequate long-term funding is required in order to attract and retain the calibre of road safety professional that is required to deliver the road safety strategy. (Paragraph 154)</p>	<p>The local transport capital settlement provides in excess of £1.3bn per year for local authorities outside London for integrated transport measures and highways capital maintenance and it is up to local authorities to decide how much to invest in road safety. A firm three year settlement for the 2008/09 to 2010/11 period was announced in 2007. Indicative longer term funding levels have been set out at regional level. In real terms (ie after inflation has been taken into account) the local transport capital settlement for 2008/09 was more than double what it was a decade before.</p> <p>Local authorities' statutory responsibilities for road safety are also funded through the Revenue Support Grant. As a whole, the Revenue Support Grant increased in real terms by more than 40% over the decade from 1997 to 2007.</p> <p>We have provided consistent and adequate long term funding for road safety. In 2006 we announced and finalised the distribution of £110m for each of the four years from 2007/08 to 2010/11. This specific funding for road safety replaced the netting off arrangements for the National Safety Camera Programme.</p> <p>Supporting the road safety profession means more than simply providing funding. We want to support the profession by:</p> <ul style="list-style-type: none"> • Improving the way we manage road safety information with a view to providing clear,

	<p>relevant and evidenced advice to those who need it.</p> <ul style="list-style-type: none"> • Providing annual data on local road safety performance at local authority level and on key routes, to underpin a geographically intelligent approach to road safety. • Working with local agencies to build capacity to reduce casualties. • Encouraging self-help among local authorities, building on the Road Safety Timebank concept. • Partnership with professional bodies to champion skills initiatives and continuing professional development among safety engineers, road safety officers, transport planners and emergency services personnel. <p>We will also provide political advocacy and leadership—championing the road safety profession and the great work it does.</p> <p>A key idea in the consultation paper is the concept of "smart delivery". This means that that we want to work with those who deliver road safety locally, to target the areas where the potential for safety improvement is greatest; making maximum use of the available data and research.</p>
<p>34. The approach taken to investigating accidents differs sharply across the transport modes and there is insufficient cross-over between road and the other modes. The systems approach that is routine in marine, rail and aviation accident investigation and prevention is much less apparent in road safety. The Government should facilitate greater exchange of personnel, ideas and learning across the modes. (Paragraph 156)</p>	<p>We are keen to take a more cross-modal approach to transport safety and to create the opportunity to share best practice and information between the modes. A group has been set up within the Department which brings together safety representatives from each mode, to investigate issues of mutual interest and to identify areas where joint working would be most profitable.</p> <p>We agree that there should be a more strongly system-based approach to road safety and we have set out proposals for this in our consultation paper (see response to recommendation 5 above).</p>
<p>35. The Government should establish a road accident investigation branch, to parallel those for aviation, marine and rail. Its purpose would be to draw together lessons from the fatal accident investigations undertaken by police and other sources. (Paragraph 157)</p>	<p>Given the existing roles of the police and coroners in relation to fatal road collisions, we think that a full separate investigatory body would be an unnecessary duplication of effort. But our consultation paper proposes that we should appoint a new independent Expert Panel which will have responsibility for advising Ministers on the trends and new issues relating to fatal road collisions. The Panel will act as a strong central intelligence to ensure that lessons from real world experience are learned and disseminated quickly to delivery agents. The panel will provide an annual report to Ministers and to Parliament.</p> <p>We also intend to improve our systems for learning from the findings of police investigations into fatal accidents. There are current arrangements whereby this information is sent to TRL,</p>

but in many cases, this only occurs when all proceedings have been completed, which can take a long time. We want to take steps to speed up this process. Our consultation paper also proposes that we will explore the idea of creating an anonymised database of selected information from the police investigation which is not available from Stats 19. This would include such factors as seat belt wearing and licensing information. This information could be available within a very short time of the accident occurring. We are currently piloting this idea with a few police forces with a view to drawing up a specification for a national system.

The aim of these measures is to speed up the flow of information from fatal crashes so that at both the national and local level we can learn from them, so as to facilitate intelligent and targeted safety intervention.

Recommendation	Government Response
<p>TRAVEL FOR YOUNG PEOPLE</p>	
<p>1. We have previously concluded that there was a case for a concessionary fare scheme offering reduced fares to young people. Although we recognise there are a number of issues, such as cost and capacity that need to be addressed we are disappointed that Ministers seemed to have ruled out a concessionary scheme without having conducted any serious research into the viability of such a scheme. (Paragraph 17)</p>	<p>The Government already spends £1 billion on the generous concessionary bus pass scheme, which benefits 11 million older and disabled people. DfT estimates that it could cost around an extra £1.4 billion a year to extend the concession to enable travel at anytime on buses for 5-19 year olds in full time education.</p> <p>DfT has recently commissioned further research on the cost and impact of options for extending the current statutory minimum concessionary travel scheme, which will be published shortly. However, the Government currently has no plans to make concessionary travel a statutory entitlement for young people nationally.</p> <p>There would also be issues concerning capacity. The current statutory concession for older and disabled people is for off peak travel when there is likely to be unused operational capacity on buses. Extending the concession to young people, particularly if it allowed them to use it for travel to school, would require a morning peak concession, at a time when buses have far less, if any, spare capacity. In addition to the considerable cost mentioned above, this would also therefore have a significant operational impact.</p> <p>Furthermore, if the current statutory concession were extended to young people in full time education, well over half of all bus journeys in England would be made by people travelling for free. Such numbers of people travelling for free could distort the current bus market.</p> <p>A blanket England-wide concession could also encourage the 48% of young people who currently walk or cycle to school to take the bus, as Transport for London have reported happening in London following the introduction of free bus travel.</p> <p>We are convinced that local authorities remain best suited to decide on the most appropriate concessions to offer to young people in their area and the Concessionary Bus Travel Act 2007 preserves their ability to use their discretionary powers to create local concessionary travel schemes for young people, funded from their own resources.</p>
<p>2. Government policy recognises the importance of children and young people taking part in activities that develop their resilience as well as social and emotional skills. The Department</p>	<p>We know that participation in learning, leisure and structured positive activities helps young people to build their confidence and self esteem, and means they are less likely to participate in antisocial behaviour and achieve other poor outcomes. The Department for Children, Schools</p>

<p>for Children, Schools and Families and the Department for Transport must clearly identify how they are going to ensure that children and young people do not suffer social exclusion as a result of the cost and availability of transport. (Paragraph 18)</p>	<p>and Families (DCSF) will shortly be publishing guidance for children's trust boards and transport planners setting out a variety of solutions to removing barriers to accessing positive activities. DCSF has also ensured that transport is reflected in guidance for myplace, an Aiming High capital investment programme.</p> <p>We recognised the impact that the cost and availability of transport had on the educational opportunity of children from low income families and through the Education and Inspection Act 2006 introduced measures to extend entitlement to free school travel for this group. Similarly we recognise that cost and availability can impact on a pupil's ability to participate in extended services and have committed £265m to help schools to increase the participation of disadvantaged children and young people as well as children in care.</p> <p>Poor access to regular and affordable transport can become a barrier to participation for positive activities for children and young people, increasing their feelings of social exclusion. DCSF is therefore working with a wide group of stakeholders and partners to improve guidance, support and challenge to local authorities to encourage joined up planning and commissioning of local transport for this age group.</p> <p>Local authorities are best placed to know about local needs and circumstances and may use their discretionary powers to create local concessionary travel schemes for young people, funded from their own resources.</p>
<p>CURRENT SCHOOL TRANSPORT FRAMEWORK</p> <p>Current Framework</p>	
<p>3. We recommend the Government review the distances that children are expected to walk or pay for their own transport—often referred to as ‘statutory walking distances’. (Paragraph 25)</p> <p>4. Local circumstances and infrastructure can affect profoundly the likelihood of parents allowing their children to walk to school. We therefore recommend that the Government consider, as part of a wider review of the statutory walking distances, if national limits are appropriate, or whether the decision to provide free transport to and from school should be left entirely to the discretion of local authorities. (Paragraph 26)</p>	<p>DCSF do not plan to review the statutory walking distances, as we need to guarantee that every pupil who lives more than the statutory walking distance from school continues to be provided with school transport. Many children already attend a school that is within statutory walking distances and either walk, cycle or use the bus to travel to school. Any lowering of the statutory walking distances would be likely to increase the cost of school transport provision, currently around £1 billion, and reduce the number of children benefiting from the physical activity and social interaction that walking and cycling to school brings.</p> <p>We agree with the Committee that local circumstances and infrastructure can affect profoundly the likelihood of parents allowing their children to walk to school. In assessing eligibility for free transport, local authorities must also take account of the safety of a walking route. They</p>

	<p>also have discretion to offer free transport to pupils who live within the statutory walking distance and some do, both on an individual case by case basis taking account of local circumstances and by lowering the walking distance at which they offer free transport. Although we feel that the present system of statutory entitlement supplemented by local discretionary entitlement offers the fairest system, we will consult with local authorities to determine the extent to which the discretionary powers are being used.</p> <p>The report suggests that the extended transport provisions in the Education and Inspections Act 2006 moved away from the idea that distance was the prime consideration for assessing eligibility for free school transport; this is not the case. The 2006 Act brought in extended entitlement for children from low income families but the majority of children are still likely to qualify for free transport based on the distance they live from their school.</p>
<p>The extended free transport entitlement</p> <p>5. The mechanisms which Local Authorities are using to identify children who are eligible for the extended entitlement to free school transport are not sufficiently robust. We recommend that the Government put in place mechanisms to help local authorities identify pupils who are eligible for the new entitlement. The Government and local authorities should also ensure that parents and pupils are aware of the new entitlement. (Paragraph 31)</p>	<p>We agree with the Committee that the mechanism for identifying children eligible for the extended entitlement to free school transport could be improved, as we know that some local authorities have experienced difficulty in identifying those parents who are in receipt of maximum Working Tax Credit, due to lack of access to tax credit information. DCSF is therefore discussing with HMRC how the process of identifying eligible parents could be improved.</p> <p>We are not aware that any local authorities have experienced difficulty in identifying children entitled to free school meals, as information used to assess entitlement is available to local authorities by the interrogation of a free school meals data hub operated by DCSF. We think the issue may be that parents are not aware that they could qualify.</p> <p>Local authorities are required to publicise the extended entitlement to free transport along with availability and cost of travel arrangements in their composite prospectus. Some local authorities have written to parents informing them of the entitlement criteria, whereas others have posted this information on their website.</p>
<p>6. We recommend that the Government should establish how many eligible pupils in rural areas have more than one school within a six mile radius of their home. The Government needs to establish whether allowing pupils from low income families to receive free transport within a six mile radius, even if they do not attend their closest school, has had a positive impact on the</p>	<p>We agree with the recommendations made by the Committee. We recognise that secondary aged pupils living in rural areas have fewer schools available to them than their counterparts in more populated areas but we are confident that the vast majority will have access to more than one school within six miles of their home. We have compiled data on the availability of schools within rural areas (using the definition of Rural and Urban Classification 2004) and found that, of the 74,818 eligible pupils (aged between five and 15 years) living in rural areas, 69,055, or</p>

<p>availability of a choice of schools for those pupils. (Paragraph 32)</p>	<p>92% have access to more than one school within six miles of their home.</p> <p>In addition, we have analysed take-up of the extended entitlement offer for the primary sector where we found that in excess of 900 additional eligible pupils have taken up the offer of free transport to their nearest primary school. We will not know how many additional eligible secondary aged pupils have benefited from the introduction of the extended entitlement to free school travel until we have collected a full years data in October 2009.</p>
<p>7. We recommend that the Government should establish to what extent Local Authorities have removed discretionary provisions since the extended statutory duties came into force. (Paragraph 33)</p>	<p>We are aware that some local authorities have withdrawn discretionary denominational transport since the extended statutory duties came into force and DCSF has discussed this issue with faith groups. Early indications are that, of the 43 Church of England Dioceses, two local authorities have reduced funding, three are reviewing their position, one has introduced charging, one is phasing out funding and the local authorities serving the dioceses of Chelmsford and Wolverhampton have withdrawn funding altogether. The Catholic Education Service has provided information on seven of the 22 Catholic Diocese but it has been difficult to draw any conclusions from this. Therefore, to build on the information and establish precisely where they have removed discretionary provisions, particularly with regard to transport to denominational schools, DCSF will consult with local authorities.</p> <p>DCSF is not aware that local authorities are removing wider discretionary provision but they have to make transport arrangements where they consider transport 'necessary' to secure a child's attendance at school. Where it is considered 'necessary', it must be free of charge. Local authorities have wide discretion in deciding whether transport is necessary.</p>
<p>8. We would welcome a more joined-up approach to school travel but it remains to be seen if the Local Transport Act will achieve this. (Paragraph 36)</p>	<p>The Local Transport Act retains the duty on local transport authorities to prepare Local Transport Plans and gives them new freedoms on how they exercise this responsibility. DfT is currently consulting on Local Transport Plan guidance which it intends to publish this summer. This guidance, aimed at local transport authorities, will emphasise the importance of consulting widely with partners for transport and more widely. It will be accompanied by a Best Practice handbook, designed to support local authority transport planning, and this will include sections on Buses and Travel to School.</p> <p>The Local Transport Act 2008 includes provisions to give local transport authorities a range of options for increasing their influence over the provision of bus services in their areas, so enabling them to secure transport provision that is appropriate for the needs of their particular communities. These options include voluntary partnership agreements, quality partnership schemes and quality contracts (ie bus franchising) schemes, in addition to existing powers to subsidise the provision of bus services that would not otherwise be provided by the market.</p>

	<p>These options should assist local authorities in taking a joined-up approach to school travel across their areas.</p>
<p>Funding</p> <p>9. Given budget pressures and the importance of spending public money wisely and efficiently, we urge the Government to work with Local Authorities to see how low cost projects requiring revenue funding can be supported effectively. (Paragraph 42)</p>	<p>The mix of capital and revenue spending is a matter of fiscal policy based on affordability and the Government's macro- and micro-economic objectives.</p> <p>We agree with the Committee that we should work with local authorities to obtain value for money when spending public funding and direct funding to achieve the best outcomes. However, although we can issue guidance to local authorities, revenue funding is not ring-fenced and we cannot dictate how they decide to spend this. Local authorities already have incentives and flexibility to spend money on projects they consider to be best value and we agree that low cost projects can often offer excellent value.</p> <p>School travel plans encourage schools and local authorities to consider less-expensive "soft measures" before expensive capital measures. However, effective school travel plans frequently require some capital funding in order to implement them. We are providing additional revenue support for small schemes to local authorities and schools through initiatives such as the Walking to School Initiatives Grant Scheme and funding for Bikeability.</p> <p>NOTE - The figure of £938 million in Table 1, paragraph 36 of the Committee's Report is incorrect and should actually be £946 million. It does not include the funding from DfT and DCSF for the Travelling to School Initiative.</p>
<p>10. The Department for Transport must make effective use of all possibilities to fund projects jointly with other Departments, for example drawing on Department of Health Healthy Towns funding towards infrastructure improvements to encourage cycling and walking. (Paragraph 43)</p>	<p>We agree with the Committee that DfT must make effective use of all possibilities to fund projects jointly with other Departments and since 2004 have provided £140 million funding for the Travelling to School Initiative (TTSI) jointly with DCSF. Capital funding provided by DCSF as part of the TTSI has addressed many of the barriers to sustainable travel on and adjacent to school sites and has complemented highway infrastructure improvements local authorities have made through Local Transport Plans and national school based schemes such as Links to Schools.</p> <p>In recognition of the benefits that sustainable travel can bring to children and young people's health and well-being, and the synergy it has with health and environmental initiatives, DfT has collaborated with colleagues in the Department of Health (DH) and DCSF working on the obesity strategy and the healthy schools agenda; it is also represented on the Health in Schools Board. School travel is one of the doorways to becoming a Sustainable School and DfT is</p>

	<p>continuing to work with DCSF to promote the contribution sustainable school travel can make to reducing a school's carbon footprint.</p> <p>In addition, DH is providing £140million provided for the Cycling England budget until March 2011. The funding is not directed at specific measures but will support Cycling England programmes to assist in delivering health improvements, such as walking and cycling infrastructure improvements to schools, Bike It officers to promote cycling to school and the Cycling Cities and Towns programme, where the local authorities are partnering with their Primary Care Trusts and other stakeholders to make the most of the cycling investment.</p> <p>DH has also recently announced a £30million programme of funding for Healthy Towns, which include initiatives around everyday walking and cycling, other forms of physical activity and the promotion of healthier eating. DfT has also contributed to this initiative, demonstrating that Government is working closely across Whitehall to deliver shared aims, be it through funding contributions, policy formulation or general advice.</p>
<p>MAKING SCHOOL TRAVEL POLICY</p> <p>Joined-up working</p>	
<p>11. The Department for Children, Schools and Families, the Department of Health and the Department for Transport must take a more pro-active, bolder approach in promoting joint working. It is vital to a successful school travel strategy that departments are able to work effectively with each other. Government departments should ensure effective coordination between transport, education and health interests when it comes to cross-sector work and policy. (Paragraph 51)</p>	<p>There are several areas in which joint departmental working is already taking place, which we will build upon in responding to the Committee's recommendation. The joint DfT/DCSF Travelling to School Initiative (TTSI) sets out how the Government wants all schools in England to develop a school travel plan to reduce car use for the journey to school and allow more children to be active. Through the local authority performance framework, regional school travel advisers operating under Government Office direction offer support and challenge to local authorities on delivery against national indicators. Representatives from DCSF and DfT sit on the DH led Health in Schools Board and also on the recently formed Cycling Governance Board set up by DfT to oversee the work of Cycling England.</p> <p>The DH/DCSF led Obesity Strategy aims to reduce the incidence of obesity in England and initially has a focus on children and young people, with the ambition that by 2020 obesity incidence in children will be reduced and returned to 2000 levels. Within the strategy, collaborative working between DH, DCSF and DfT is well established and joint working is taking place to give further emphasis to the ambition of making walking or cycling the first choice for travel to school.</p> <p>DH has committed £15 million over the next 2 year as part of the overall £140 million</p>

	<p>government investment into cycling. This will help embed health into a range of initiatives being taken forward through the programme of work run by Cycling England, help ensure a co-ordinated effort and reflect the alliance between Government departments.</p> <p>We take on board the Committee's finding that there has only so far been limited coordination and planning between DCSF and DfT in relation to any transport associated with 14-19 Diplomas. We have ensured that transport is prominent in planning guidance issued to 14-19 Partnerships in February 2009 and will seek to work more closely together across Departments as we move into the second year of Diploma delivery.</p>
<p>12. We recognise that differences in funding arrangements can make joint work between transport, health and education difficult. However, we urge Local Authorities operating within multi-agency agreements to consider new ways of funding and running initiatives to integrate the transport, health and education objectives for school travel. The Government should support and promote innovative work in this area. Success requires co-ordination both nationally and locally. (Paragraph 55)</p>	<p>Local Area Agreements (LAAs) which set out the priorities for a local area agreed between central Government and the local partners (the local authority, Local Strategic Partnership and other key local partners), play an important role in making it easier for health, education and transport interests to work together to address issues concerning school travel. They simplify some central funding, help join up public services more effectively and allow greater flexibility for local solutions to local circumstances.</p> <p>DfT worked with the North West Centre of Excellence on various local authority transport efficiency projects, which resulted in the production of guidance for local authorities on setting up Integrated Transport Units to better integrate the delivery of public transport together with health, education and social services transport. DfT is currently exploring how the Regional Improvement and Efficiency Partnerships (the replacement bodies for the Centres of Excellence) could take forward work on integrating transport services at the local level.</p> <p>A Multi-Area Agreement (MAA) is a voluntary agreement between two or more local authorities, their local partners and central Government to work together to deliver improved outcomes in return for policy flexibilities that will remove barriers to better local delivery.</p> <p>Of the ten signed MAAs, a majority have some transport elements. Given the potential links to social, economic and environmental MAA objectives, a school bus pilot scheme would particularly suit an area where a Multi-Area Agreement is already in place.</p>
<p>Choice and planning</p>	
<p>13. We urge the Government to work with local authorities to ensure that information about travel and the benefits of sustainable travel are included in the information provided to parents and young people when choosing schools. There is a</p>	<p>We recognise the importance of ensuring that information about travel and the benefits of sustainable travel are included in the information provided to parents and young people when choosing schools. The new School Admissions Code published in February recommends that, where possible, the admission authorities for primary schools should ensure that their</p>

<p>tension between promoting choice of school and promoting sustainable school travel. The Government has, to date, done little to address the tension between choice and sustainability when it comes to schools. The Government must be more open about these tensions and address them explicitly in future policy making. (Paragraph 59)</p>	<p>admission arrangements encourage children to walk or cycle safely to school, and for other schools, admission arrangements should support sustainable and healthy travel. This is because we recognise that it is while children are young that habits of a lifetime are set. If children habitually walk or cycle at primary age, then we maximise their chances of choosing healthy travel options in the future.</p> <p>Local authorities are required to promote sustainable travel options to parents by publishing a summary of their Sustainable Modes of Travel Strategy. The purpose of the summary is to enable parents to make informed travel choices when choosing a school. DCSF is currently reviewing how local authorities have developed their summaries and will offer them further advice once the results of the review are known. In addition to this, parents are also advised of transport arrangements when an offer of a school place is made.</p>
<p>DELIVERING SUSTAINABLE SCHOOL TRAVEL</p>	
<p>Availability and cost</p>	<p>The Government is committed to ensuring that the cost of transport does not act as a barrier to young people's participation in education and training. Local authorities currently determine what financial support for transport they will provide to young people aged 16-19 within their local area, in order to ensure they can access education and training. Local policies, with respect to financial assistance with transport costs and transport provision, are set out as part of a local authority transport policy statement which must be published by 31 May each year. Statutory guidance, issued by the Learning and Skills Council, to support local authorities in implementing the post-16 transport duty specifies that local authorities should 'ensure that any contribution [to costs of transport] is affordable for learners and their parents' as well as ensuring 'there are arrangements in place to support those families on low income'. Complaints about local transport policies can be taken up through the local authority complaints process.</p> <p>We share the Committee's concern that availability and cost of transport could be affecting young people's ability to access suitable education and training, especially in rural areas. Therefore, as part of the research we are commissioning into barriers to young people's participation, we will specifically be investigating to what extent young people perceive transport and the cost of transport as a barrier to their participation. We will use the results of this research to support local authorities in developing local transport policies and to inform longer-term policy decisions.</p> <p>The same research will also inform a review of the financial support system for 16-18 year olds</p>

	<p>in the context of the raising of the participation age from 2013. This was announced in the New Opportunities - fair chances for the future white paper published in January 2009 and will report by 2010. The review will look at how to ensure that the system of financial support for 16-18 year olds continues to deliver our objectives of supporting fair access to learning, building on the success of Education Maintenance Allowance (EMA) and helping all young people to progress.</p> <p>At present, as stated in the statutory guidance on the post-16 transport duty, local authorities may take receipt of EMA into account in assessing individual need for financial assistance with transport but they cannot direct a young person to use their EMA to meet transport costs. The purpose of EMA is to act as an incentive to encourage participation and progression in post-compulsory education. EMA is not intended to meet all of a young person's transport costs.</p> <p>Young people taking Diplomas may sometimes need to travel to a site other than their home school to access their learning. Consortia and local authorities are working to ensure that transport arrangements enable them to do so at no additional cost to the young person.</p> <p>The Local transport Act 2008 includes provisions to give local transport authorities greater opportunity to influence the provision of local bus services in their areas. Among other things, the changes mean that quality partnership schemes can include requirements about maximum fares as part of the 'standard of service' that bus operators must meet if they wish to use facilities (such as bus lanes) provided by the local authority under the scheme.</p>
<p>14-19 Diplomas</p> <p>15. We are encouraged to hear that the Department for Children, Schools and Families and the Department for Transport are monitoring the transport requirements for diplomas in areas where they have already been rolled out. With the first year of diploma provision now underway this work must be a priority. (Paragraph 73)</p>	<p>We agree with the Committee that work to monitor the transport requirements associated with Diploma delivery should remain a priority. While the 16 local areas involved in the research we carried out in 2007 did not see transport as a significant problem in the short to medium term, we are aware that local areas need support to plan for delivery of the 2013 Diploma entitlement. This is a priority and we are working with local authorities to develop tools to support them in planning and modelling requirements. We will publish the results of this work with local authorities in summer 2009. In addition, we will shortly be commissioning research into the costs of Diploma delivery, including transport costs, to inform future policy development.</p> <p>All areas are aiming to keep the transportation of young people in the delivery of Diplomas to a minimum. Consortia are working to ensure that young people can access their Diploma learning. In areas where this is working most effectively, they are doing so in coordination and</p>

	<p>collaboration with the local authority and 14-19 Partnership.</p> <p>Many areas are exploring alternatives to transporting young people, including the development of skills centres, e-learning solutions, mobile provision and peripatetic teachers. This is particularly the case in the 40 most rural areas of the country which have received £23 million from the Government to support development of innovative solutions.</p>
<p>16. It is disappointing that better planning had not been put in place before the new diplomas were rolled out. The Government must ensure that future reforms of education provision take into account transport provisions and that work on meeting changed demand is integrated into planning at an early stage. (Paragraph 74)</p>	<p>Transport and access to learning is most certainly an important factor to consider in the implementation of education and training policy. As such, it has always been part of our considerations relating to the 14-19 reforms. In the first year of Diploma delivery in 2008-09, we wanted to allow local flexibility in planning, including in relation to transport. We intend to share the practice developed by local areas this year to inform planning in 2009-10.</p> <p>Transport is prominent in guidance to 14-19 Partnerships (issued in February 2009) and we will ensure that there are strong messages included in guidance on delivery of the 14-19 entitlement to be issued later this year. The 14-19 Transport toolkit (to be issued in Summer 2009) will help 14-19 Partnerships, Consortia and local authorities to plan transport effectively at the early stages of the planning for Diploma delivery.</p>
<p>Cycling and walking</p>	<p>The Government recognises the many benefits that active travel brings to children's health and well-being, and also for the environment. This is why, in September 2003, we launched the Travelling to School Initiative (TTSI), in which we gave a clear commitment to promoting the use of sustainable modes of travel, including walking and cycling, for the school journey. Through the TTSI, we have since 2004, funded School Travel Adviser posts in local authorities to help schools develop school travel plans and also made available around £20 million a year in small capital grants to schools with an approved travel plan to help them implement those plans.</p> <p>The TTSI has enabled schools and local authorities to address many of the barriers to sustainable travel whilst promoting the health and environmental benefits of walking and cycling to school. The initiative is one of many centrally and locally managed schemes that provide the basis for increasing the number of children that travel to school by sustainable means. This includes investment in cycling, Bikeability, links to schools and 'walking buses'.</p> <p>The Education and Inspection Act 2006 allows for travel arrangements for 'eligible children' to be made by persons other than the local authority and the school transport budget (£946</p>
<p>17. Walking and cycling are sustainable, healthy modes of travel that have a number of benefits for both individuals, the environment and the transport infrastructure. The Government should make a clear commitment to promoting walking and cycling as the preferred transport options where this is practicable. (Paragraph 79)</p>	

	<p>million planned expenditure in 2008–09) includes the funding for this. Such travel arrangements can include a cycling allowance being paid by a local authority where a parent agrees for their child to cycle to and from school instead of catching a bus. We will consider what action we might take in order to make more parents aware of this.</p>
<p>18. We recommend that the Department for Transport re-examine how school travel budgets are allocated and how sustainable school travel is supported. The amount of funding available to support walking and cycling should be increased. Given the health benefits of walking and cycling, we recommend that the Department of Health, the Department for Children, Schools and Families and the Department for Transport work together to ensure that sufficient funding is available to provide training and support schemes to promote walking and cycling to school as well as investment in infrastructure. (Paragraph 80)</p>	<p>Significant funds have been made available to local authorities through the Travelling to School Initiative and other related programmes to support sustainable travel to school. Since 2004 schools have benefited from around £120 million of capital investment to help them implement school travel plans, backed up by around £35 million of revenue funding for school travel adviser posts to support the development and implementation of those plans. Other schemes, such as Bikeability and Links to Schools are part of a wider programme of support designed to ensure children have the right skills to cycle to school and are able to do so safely.</p> <p>As evidence of the continued value that the Government places on ensuring children can travel to school safely and by sustainable means, funding for programmes like these and others like walking buses has increased significantly. DfT is supporting a £140 million programme with Cycling England over three years that includes setting up 11 new Cycling Demonstration Towns (CDTs) and Cities together with six existing CDTs. The programme also includes at least 250 safer links to approximately 500 schools and will enable an extra 500,000 children to take part in Bikeability training by 2012. DfT awarded Walking to School Initiative grants to more than 2,300 primary schools to set up successful schemes in 2008–09 and 2009–10.</p> <p>DCSF has also made funding available to local authorities (£4 million a year) to enable them to build on the sustainable work taking place in schools and to ensure that the local transport infrastructure supports sustainable travel and that related national infrastructure programmes, like Safe Routes to Schools, are also incorporated within their transport planning.</p> <p>The Department of Health has also committed £15 million over the next two years as part of the overall £140 million investment into cycling. Walking and cycling are important elements of the Government's Change4Life Campaign in support of the strategy to tackle obesity set out in healthy weight, healthy lives.</p>
<p>Dedicated school buses</p>	
<p>19. The Government must collect and disseminate examples of good practice for running dedicated school transport and provide high-quality guidance on when dedicated transport is</p>	<p>The Government accepts the Committee's recommendation and is working with the sector to identify examples of good practice for running dedicated school transport to be included in guidance that will form part of the Local Transport best practice handbook.</p>

<p>appropriate. (Paragraph 89)</p> <p>20. We recommend that decisions on the form of school transport provision should continue to be made at a local level and be based on local circumstances. High quality dedicated school transport services, such as yellow bus schemes, can make a positive contribution to a more sustainable school transport system by reducing the use of cars but may be expensive. Local authorities should consider the impact of dedicated transport such as yellow buses on the local transport system before introducing them. Government must collect information and examples of good practice and provide appropriate guidance. (Paragraph 94)</p>	<p>The conclusions from the Committee’s report are consistent with our understanding of the evidence on school travel: that one size does not fit all. We agree with the Committee’s recommendation that YSB schemes should target specific areas and routes, rather than apply blanket coverage. This reflects the view that school transport provision should be made at a “local level based on local circumstances” and where these will deliver value for money.</p> <p>As part of our consideration of the Yellow School Bus Commission’s report we commissioned independent consultants to review the current evidence, including the impact of the MyBus scheme in West Yorkshire. This review indicates that in cases yellow school bus (YSB) services can persuade parents to send children to school by bus where previously they would have been driven by private transport. This can help reduce congestion and the environmental impacts of the school run. There are also suggestions that YSBs can deliver longer term benefits if children become regular users of public transport in later life but the evidence of the impact of YSBs on later travel behaviour is limited.</p> <p>However, YSB services are more expensive than other forms of school travel and the net positive outcomes crucially depend on the specific case. Our analysis indicates that this will be dependant on having sufficient patronage and a high level of modal shift from cars. If, however, there is a large shift from walking, cycling or existing bus services and limited shift from cars, then the environmental and health outcomes may be worse and schemes would represent poor value for money. The experience from the pilots indicates that the levels of demand and switching from car are unlikely to be as high in a nationwide roll-out as that assumed by the YSB Commission.</p> <p>We intend to publish the review that consultants have undertaken (Yellow School Bus Evidence Review) for the DfT. This will set out the key factors which are likely to influence the success of any YSB scheme and will provide a framework for local authorities to assess the value for money of any proposed services. This will provide a toolkit for local authorities to assess the potential role for YSBs amongst the wide range of policies and schemes aimed at delivering sustainable school travel. We will include examples of good practice on the most effective role of YSBs, alongside other school transport and local transport policies, in the guidance that will form part of the Local Transport best practice handbook.</p>
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<p>School Travel Plans & School Travel Advisers</p> <p>21. School Travel Plans and Advisers are a means to an end – promoting sustainable school travel – rather than an end in themselves. It is vital the Government monitors the effectiveness of School Travel Plans. To do this the Government needs to make clear how it will measure success. A review of what has been achieved is needed before making a decision about funding School Travel Advisers post-2010. While school travel plans can be effective and school travel advisers can be a useful resource for schools we are unconvinced that additional funding can be justified unless changes to mode of school travel can be demonstrated. We question the value for money of a scheme which aims to produce a modal shift of only 1% between 2004 and 2011. (Paragraph 103)</p>	<p>The Government agrees with the Committee that school travel plans, and the school travel advisers supporting schools to produce these, are, and always have been, a means to an end, rather than an end in itself. The principal aims of the Travelling to School Initiative (TTSI) are to reduce car use and allow many more pupils to take regular exercise by encouraging and making it possible for them to get to school on foot or by bike, and where that is not possible, on public transport, reserving the car for those school journeys where none of these is feasible. Clearly there are a number of ways to achieve this and they will vary considerably between individual schools and different areas but school travel plans are seen as the key strategies for encouraging schools and local authorities to work together to identify the barriers to reducing car use and set out clearly what actions need to be pursued in order to overcome these.</p> <p>We recognise that setting a target for every school to have a school travel plan runs the risk that some schools will develop a plan that is never implemented or that is not effective in reducing car use or delivering other benefits. But the initiative is not about just developing a school travel plan: we have always said that we wanted, above all, a clear focus on results and we therefore set minimum standards for school travel plans (including clear targets and an undertaking to review and revise at regular intervals) in order to achieve this. Admittedly, there may have been occasions when the plans have failed to deliver any benefits but the fact that so many schools have produced them (70% confirmed at the end of March 2008, with the expectation of 85% once the latest figures are available in June) suggests that schools have found them valuable. We also think that a base whereby virtually every school has a travel plan is a good foundation on which to develop the initiative further.</p> <p>Reducing car use for trips to school by 1% between 2004 and 2011 as noted by the Committee has never been a national aim or target within the project. The minimum acceptable target for Local Transport Plan purposes was no increase in car use (excluding car sharing) for trips to school and local authorities setting a target for local area agreement target NI 198 are generally expected to reduce car use by 1 percentage point each year. However, as Merseyside Local Transport Plan Partnership and Cheshire County Council explained when they gave evidence to the Committee, their Local Transport Plan targets to cut car use for trips to school by 2011 by 1.1% and 1% respectively have been set against a very strong background of car growth and the increased distance that children have to travel. And on Merseyside the 2.4% reduction in car use in schools with a school travel plan over the past five years had been against an increase of 5% in other schools without a school travel plan.</p>
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	<p>We agree with the Committee that we need to evaluate school travel plans and the work of school travel advisers to establish how successful these have been and an evaluation of these, the TTSI more widely and of other school based sustainable travel interventions is already underway. The evaluation is seeking to establish how successful they have been in increasing sustainable travel on the school journey and reducing car use, and examining the role of school travel advisers in developing school travel plans and promoting sustainable travel more generally, the role of regional school travel advisers, in particular work with Government Offices for the Regions and their support and challenge role within the local authority performance framework, and the work of the regional school travel curriculum advisers.</p> <p>We already have some evidence that the proportion of children travelling to school by car is falling: the latest available National Travel Survey results found that the proportion of children travelling by car had fallen from 32% in both 2004 and 2005 to 30% in 2006. We cannot be certain that it is down to the TTSI but it is against a trend of rising car use.</p> <p>We also have evidence of the potential of school travel plans to reduce car use: DfT's Smarter Choices research carried out in 2004 found that 60% to 90% of schools with a school travel plan could be expected to cut car use to some extent; and initial evaluation of the TTSI carried out in 2005 found a strong evidence base that school travel plans could be effective mechanisms for reducing car dependency on the journey to school and in some schools, local authorities or regions there had been a significant move away from car use and towards sustainable modes of travel eg 28% of primary schools and 80% of secondary schools in the North West.</p> <p>Subject to the outcome of future spending reviews and the evaluation providing robust evidence to support this, DfT is of the view that there should be some form of continued funding for local authority school travel advisers and regional school travel advisers after 2010-11, when the current funding comes to an end.</p> <p>DCSF is developing its school travel planning policy post 2010 and is evaluating the TTSI in conjunction with DfT. DCSF's position is that it would be premature to commit to funding the role of the RSTA and STA until the outcome of the evaluation is known.</p>
<p>22. The Government must establish to what extent independent schools have been taking effective measures to promote sustainable school travel. As there are not the same incentives for independent schools to complete a school travel plan as there are for maintained schools, the Government should consider whether there is another way to encourage independent schools to promote sustainable school travel.</p>	<p>Independent schools are part of the target group of all schools to have a School Travel Plan by 2010 and School Travel Advisers do work with them. Although, they do not receive a grant from DCSF for developing a plan, there are clear benefits such as encouraging children to have a more active lifestyle, and of the 2,400 independent schools, 242 schools have engaged in promoting sustainable travel and transport, and developed a plan. We know that some local authorities offer a grant from their own resources to encourage independent schools to participate in the programme and in some local authorities 100% of independent schools have</p>

<p>(Paragraph 105)</p>	<p>travel plans.</p> <p>DCSF is clear in its statutory guidance that the duty to promote sustainable travel and publish Sustainable Modes of Travel Strategies includes independent schools. DCSF has promoted the benefits of school travel plans via an article on the Independent Schools Council website. Engagement of independent schools is part of the TTSI evaluation and should result in the identification of good practice.</p>
<p>CONCLUSION</p>	
<p>23. The basic aim of school travel must be to support the learning of young people whilst also considering their safety, health and personal development. While there are benefits to reducing car use and encouraging walking and cycling where appropriate, no single mode is suitable for everyone to use. Government and local authorities should work with schools, parents and students to encourage them to consider the impact of different forms of transport. Safe and suitable alternatives to car use for children and young people must be provided, be they public transport, dedicated school buses, walking schemes or safe cycling. (Paragraph 110)</p>	<p>As demonstrated in our responses to the Committee's detailed recommendations, we are committed to working with local authorities, schools, parents, children and students to promote the benefits of sustainable travel but also to ensure that the infrastructure, education and training is in place to support parents, children and students in their travel choices. The evaluation of the Travelling To School Initiative and other school based sustainable travel initiatives should provide us with the basis to take this commitment further and to set out our view of how best to increase sustainable travel in the future.</p>

Appointment of the Chair of the Office of Rail Regulation—3rd Report (HC 433), PUBLISHED: 7 MAY 2009

<p>Recommendation</p> <p>1. We are satisfied that Anna Walker has the professional competence and personal independence required for the post of Chair of the Office of Rail Regulation. We therefore welcome her nomination and encourage the Secretary of State to make the appointment. We wish Mrs Walker every success in her new post.</p>	<p>Government Response</p> <p>No Government response required. Letter from the Secretary of State for Transport, Rt Hon Geoff Hoon MP was received on 1 June 2009.</p>
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The effects of adverse weather conditions on transport— 4th Report (HC 328), PUBLISHED: 29 MAY 2009, GOVERNMENT RESPONSE: PUBLISHED: 22 JULY 2009 (—4TH SPECIAL REPORT (HC 957))

<p>Recommendation</p> <p>1. As part of their winter maintenance and emergency planning, all local authorities should discuss with bus and train operators in their area what action is necessary to help minimise disruption to public transport services in the event of snowfall and include such action in their plans. (Paragraph 18)</p>	<p>Government Response</p> <p>The Government agrees with the Committee on the importance of the effective planning for winter related disruption. The Code of Practice for Highway Maintenance “Well Maintained Highways”. advises that a close liaison should be maintained between public transport operators and local authorities both at the annual review of their winter service plans and on an ongoing basis throughout the season.</p> <p>Good communications between the bus operators and local authorities is essential to ensure that the bus companies know in advance which routes will be gritted and where they can be expected to run a service (and arrange diversion of services where this is necessary). It is important that passengers know as soon as possible whether their journeys will be possible, and what alternatives are available. As part of any contingency planning, local authorities and operators should agree how they will communicate service cancellations and alterations to the public.</p> <p>The rail industry has detailed contingency plans, which include ‘key routes’ plans for severe weather events which aim to maintain services at least on principal routes. As a result of the</p>
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	<p>heavy snowfalls in early February, those plans were implemented over a large part of the network. However, in this instance, the sheer weight of snowfall meant that some operators were not able to fully implement their plans. The rail industry has carried out some work on the lessons that can be learnt, with further work planned, aimed at improving their service provision if a similar event occurs in the future. In addition as a Category 2 responder, Network Rail works with partners, including local authorities, through the Local and Regional Resilience Fora.</p>
<p>2. We accept that, in general, the focus of winter maintenance should be on keeping <i>all</i> transport services up and running. In cases of very severe weather lasting several days, however, there may be some benefit in concentrating initial efforts on the clearance of key roads, thereby allowing at least a small number of partial public transport services to run. (Paragraph 20)</p>	<p>The Code of Practice for Highway Maintenance recommends that authorities should adopt policies and priorities for winter service which are coherent with wider transport objectives including strategies for public transport. In following the guidance, local authorities should work closely with their local bus and coach operators to determine, as part of their contingency planning, which public transport routes are deemed to be a priority in the event of snowfall.</p> <p>We are aware of examples of operators operating flexibly and close communication being maintained with local highway authorities during the extreme weather this winter. The embedding of such practices into winter service plans should improve the preparedness for such events in the future.</p> <p>We note that the review by the London Assembly into the impact of this year's extreme winter weather asked TfL and the London Resilience Local Authority Panel to consider what potential there is to prioritise reopening of certain routes or parts of routes when a complete network breakdown occurs. The response advised that a joint review of gritting priorities with local authorities was planned which will seek to balance the need to ensure access to designated local infrastructure such as hospitals is maintained, with the need to maintain access to the wider network.</p>
<p>3. There is conflicting evidence about the priority given by local authorities to ensuring that areas like ambulance station driveways and hospital ramps, which are essential for the emergency services, are cleared. Every local authority response to severe weather should assign a very high priority to this duty. (Paragraph 24)</p>	<p>We agree that every local authority's winter service should regard the maintaining of access for emergency services to be a high priority. This is reflected in the Code of Practice for Highway Maintenance. The guidance notes that the maintenance of safe and reliable access to emergency facilities, including Fire and Rescue, Police and Ambulance stations should be a key consideration of Winter Service policy and operational planning.</p>
<p>4. We recommend that TfL and bus operators work together to identify which routes are likely to be least affected by heavy snow and whether, in exceptional circumstances, focusing on</p>	<p>We look to TfL, its bus operators and London Local Authorities to develop robust contingency plans and arrangements to help ensure that London's core road network continues to remain open or is cleared as quickly as reasonably possible.</p>

<p>these routes would allow at least some service to be maintained or restored quickly following snowfall. (Paragraph 30)</p>	
<p>5. We welcome the London Assembly Transport Committee report, <i>Slipping Up?: Impact of the extreme weather on London transport</i>, and the response from TfL. (Paragraph 31)</p>	<p>The Government acknowledges both the London Assembly Transport Committee's report and the Transport Select Committee's comments and recognises the work that TfL has undertaken to learn the lessons from this February's heavy snowfalls in order to improve their response to future events.</p>
<p>6. We hope that, upon reflection, the Mayor will acknowledge that the transport situation in the capital on 1 and 2 February was unsatisfactory. While many of the factors leading to the transport disruption were unavoidable, more active <i>strategic</i> leadership and <i>preparation</i> could have given more confidence and may have enabled more public transport services to be restored more quickly. (Paragraph 34)</p>	<p>Points 6, 7 and 8 are matters for the Mayor.</p>
<p>7. We are disappointed at the Mayor's apparent disregard for scrutiny work. (Paragraph 37)</p>	
<p>8. We hope that the Mayor of London will reconsider his strategy in relation to scrutiny, and we urge him to adopt a more open and constructive approach. The lack of leadership manifested in his reaction to the disruption of public transport is disappointing. (Paragraph 37)</p>	
<p>9. We look forward to the report of the UK Road Liaison Group. Following this report, we recommend that the Secretary of State issue clear guidelines about the planning and preparation for adverse weather so as to minimise travel disruption. (Paragraph 39)</p>	<p>The terms of reference for the UK Roads Liaison Group review include:</p> <ul style="list-style-type: none"> to examine the operational policies and practice of local highways authorities and, in particular, advise on whether changes should be made to the Code of Practice for Highway Maintenance, including how to include advice on salt stock levels, to improve the effectiveness of the guidance provided, and on whether appropriate incentives exist for local authorities to comply with the codes. <p>Following the submission of the UK Roads Liaison Group's report, the Government will consider their findings and will consult with stakeholders as to any consequential updating of the Code of Practice.</p>

10. We urge any local authorities or agencies that have not already done so to look at their response to the heavy snow. Everyone involved needs to examine any weaknesses or potential improvements to emergency plans that may have emerged from the events on 1–2 February. (Paragraph 40)

We support the Committee's recommendation. The issues vary across the transport sector.

We continue to work with bus operator representatives to urge the industry to have in place suitable contingency plans to cover events such as bad weather. As part of this process, local authorities should work together with local transport operators to ensure that their contingency plans take account of the needs of public transport operators and users. Communication channels between the relevant parties should be agreed, including how they will work together to communicate service changes to the travelling public.

On 26 February 2009, Network Rail held an industry wide review of how operations were handled over the 2 days of heavy snowfalls earlier in that month. The outcomes from this will form part of a wider lessons learned exercise and inform planning work for future similar events. Many of the work streams are technical, aimed at improving the operational effectiveness of the network, but a number are communications related, both to how the industry communicates with its passengers, and between the various industry parties.

The Government welcomes the work that TfL, with its partners, have undertaken to learn the lessons from February's adverse weather and to implement improved response mechanisms to help minimise the disruption to London's transport network caused by severe snowfalls.

The London Regional Resilience Forum (LRRF), which was co-chaired by Tony McNulty MP and John Healey MP with the Mayor as Deputy Chair, commissioned a multi-agency debrief in to the consequences of the severe weather and London's ability to respond and recover effectively.

The multi-agency debrief concluded that although organisations faced considerable challenges in keeping their services running, with the withdrawal of the bus service on Monday 2nd February having a significant impact, key health and social care services were maintained. This reflected the significant amount of advance planning undertaken by members of the London Resilience Partnership.

One of the outcomes from the debrief was the initiation of a salting review which is currently being undertaken by the Local Authority Panel. The review which includes the views of local authority technical officers together with representatives from TfL, NHS London and London Ambulance Service, will look at issues such as salting priorities, stock levels, mutual aid and co-ordination arrangements, as well as the potential for using alternative types of equipment such as snow ploughs.

This review will be presented to the Local Authority Panel at the end of August, before being ratified by London Councils Borough Engineers Group. It will then be forwarded to all London Boroughs in time for their October meetings held to discuss winter weather arrangements.

	<p>This together with the UK Roads Liaison Group review will provide London with useful information to improve the City's preparedness for such events in the future.</p> <p>Airlines and airport operators are commercial organisations. The Government doesn't have any role in directly managing or operating airports in the UK. The Government does, however, maintain close, regular contact with airport operators and airlines on safety and contingency issues and, during February's adverse weather, Department for Transport officials were in daily contact with airport duty managers to monitor developments.</p> <p>The UK's airports are well prepared to cope with the adverse weather normally experienced in the UK, and have established procedures for dealing with expected amounts of snow and ice on ground surfaces and on aircraft. Although, February's snowfalls were a once in 20 years' level of snow, airports generally coped well with unavoidable delays, cancellations, and the absolute need to ensure that aircraft were able to operate safely.</p>
<p>11. There are ways in which the response to heavy snow and its impact on traffic can be improved. However, these are to do with planning and co-ordination, not increased spending. Our witnesses were very clear that extra money, increased salt stocks or more snow ploughs are not the solution to dealing with snow and ice on UK roads. (Paragraph 41)</p>	<p>The committee's report supports the general consensus across the transport sector that it would not represent value for money to incur the level of investment and consequential costs to put in place the sorts of measures common in countries which typically experience, every year, much more severe winters than the UK.</p> <p>The Highways Agency, for example, has recognised that an efficient winter response is a combination of having the appropriate resources (both machinery and people with appropriate skills in all facets of winter service delivery), together with fully embedded and coordinated delivery and reporting processes in place.</p> <p>The Highways Agency's plans for responding to severe winter weather have been developed over a number of seasons and are based on a continuous cycle of improvement. Immediately after each winter season, a comprehensive programme of winter workshops is held to identify and subsequently address any elements of winter service that require improvement and to share good practice prior to the start of the next winter season. Immediately prior to the start of a winter season, exercises are conducted to test the preparedness of winter service delivery teams and key stakeholders and to identify any specific or general winter related issues to be addressed. Local briefing sessions are also held across the network prior to the start of the winter season, involving Highways Agency delivery teams and stakeholders such as emergency services, and this year will be widened to include local authorities.</p> <p>Following a review of winter service plans, some investment may be identified as beneficial. As part of its winter service planning, the Highways Agency has recently invested in a new winter fleet to completely replace its ageing vehicles to ensure that the fleet remains both reliable and</p>

	<p>also embraces the latest technology to improve the effectiveness of applied winter treatments.</p>
<p>12. Co-ordination, prioritisation and visible leadership are vital to the success and speed of recovery following severe weather. (Paragraph 42)</p>	<p>We agree that when faced by exceptional events similar to that experienced this winter, quality leadership is required to co-ordinate support and encourage a focused shared response by those facing the challenging circumstances, if service levels are to be restored to normal in the most reasonable time.</p> <p>This winter created difficulties with salt supplies for the treatment of roads. Supplies held by highway authorities varied. Some authorities had chosen to hold lower stocks. The latter approach is appropriate in a normal year, but it does leave those authorities exposed to an abnormal weather event.</p> <p>The Government took prompt action to respond to these difficulties, working with stakeholders to advise how best to prioritise deliveries in order to minimise the risk to public safety.</p> <p>The Highway Agency has a contractual standard to keep six days' worth of salt available for the Strategic Road Network. This allows salt, amongst other key commodities, to continue to be delivered across the country. During February, with permission from the then Secretary of State, the standard was reduced to a minimum of three days in view of the exceptionally severe weather to allow salt to be distributed to local authorities with critical salt stocks. The Highway Agency also provided mutual aid to a number of local highway authorities.</p> <p>These were exceptional circumstances, and while some authorities' stock levels ran low, the prompt leadership shown by Government, the devolved administrations, and local government, meant that no authority ran out of salt.</p>

The use of airspace— 5th Report (HC 163), PUBLISHED: 10 JULY 2009, GOVERNMENT RESPONSE: PUBLISHED: 26 OCTOBER 2009 (—5TH SPECIAL REPORT (HC 996))

Recommendation	Government Response
<p>The management of airspace</p> <p>1. Our evidence has demonstrated there is much to commend in the current management of UK airspace. We have been particularly impressed by the technical competence and professionalism of the CAA and NATS. We reject suggestions that responsibility for decision-making about airspace be placed in a different organisation. We see no apparent and significant benefits from such a transfer. (Paragraph 22)</p>	<p>The Government welcomes the Committee's endorsement of the current decision-making arrangements for airspace in the UK.</p>
<p>Strategy, change and co-ordination in airspace management</p> <p>2. It is fundamental that those affected by airspace changes are presented with more than one option, assuming this is possible, during the consultation process. The CAA must encourage airspace change sponsors to follow the guidance requirement for more than one option to be presented, if possible. (Paragraph 27)</p>	<p>The CAA's existing Airspace Change Process guidance document (CAP 725) already encourages Airspace Change Proposal sponsors to consider and consult on more than one option, where this is feasible. The 'do nothing' scenario is always one of the options to be considered.</p> <p>However, because CAP 725 covers all airspace changes from minor adjustments to large, wide-ranging changes, it necessarily recognises that in certain circumstances the complexity and interdependencies of an airspace design are such that multiple options are not feasible because the knock on effects of each option rapidly become unmanageable. For example, in the case of the London airspace that was the subject of the recent NATS Terminal Control North (TCN) consultation, a relatively minor change in one departure profile would have affected several other arrival or departure procedures. The CAA's Directorate of Airspace Policy (DAP) does, however, expect sponsors of airspace change proposals to set out clearly why a single option is being put forward for consultation, what other options were considered and why they were discarded.</p> <p>In addition, sponsors of airspace changes are also strongly encouraged to engage with local authorities representing communities that might be affected by the change prior to the start of formal consultation. In this way, local factors can be given due regard at the earliest stage of the airspace design process.</p>

<p>3. The CAA and NATS should review the techniques used for designing controlled airspace around airports. The techniques used should match European and USA best practice standards to minimise the impact on general aviation, whilst ensuring safety and that current standards are not lowered. (Paragraph 30)</p>	<p>In the UK, controlled airspace is designed in accordance with international requirements set out by the International Civil Aviation Organisation (ICAO). The size of a Control Zone around an airport is based on the requirement to contain Instrument Flight Procedures within Controlled Airspace so as to provide a known traffic environment and to protect commercial air transport movements during the critical phases of flight associated with take-off and landing. The overall size and volume of the airspace is dictated by the actual approach and departure procedures for an airport and not solely by the number of aircraft operating within it. Importantly, controlled airspace is not intended to be a 'no-go' area for General Aviation traffic and the CAA is committed to ensuring appropriate access is provided by air traffic service providers when it is safe to do so.</p> <p>Direct comparisons have been made between the size of the control zones at Glasgow, Doncaster and other airports, with that of Gatwick. However, those comparisons are not entirely appropriate as the procedures for Gatwick are primarily contained within the larger London Terminal Manoeuvring Area (LTMA), which sits above the control zones for Gatwick and the other London airports. Equally, a direct correlation with the USA is not feasible as the operating environment is substantially different for a number of reasons including traffic and airport density, airspace classification and rules of the air.</p> <p>Similarly, individual States within Europe operate in accordance with their own strategic priorities and policies. These vary greatly from country to country, although for the future, Single European Sky Implementing Rules may seek to harmonise how airspace is classified across Europe. The CAA will work closely with the European Commission and Eurocontrol to ensure that any such Implementing Rules continue to meet the requirements of UK operators as far as practicable.</p>
<p>4. There needs to be clarity about what benefits an Airspace Master Plan would bring, in particular how such a plan would improve flight efficiencies and improve the effectiveness of the Airspace Change Process. (Paragraph 34)</p> <p>5. When the current project definition stage has been completed, the CAA should present its framework recommendations for a Future Airspace Strategy (FAS) to the Department for Transport and the industry. This work should explain the nature of the FAS, the benefits to be achieved, how the strategy relates to airport development planning processes, and the impact of the</p>	<p>The CAA's Directorate of Airspace Policy is leading the complex work to develop a Future Airspace Strategy (FAS)—effectively an Airspace Master Plan—to address safety, environmental and capacity issues out to 2030 within the context of the Future of Air Transport White Paper and developing Government policy on climate change and sustainable development. This work, which started in earnest in 2008, has to dovetail with new requirements emanating from the Single European Sky second legislative package and global technology developments from the Single European Sky Air Traffic Management (ATM) Research (SESAR) programme and the USA's Next Generation Air Transport System (NextGen).</p> <p>The CAA has been working with DfT, MOD and NATS to develop the FAS but fully acknowledges the need to involve other key stakeholders and that the lack of wider</p>

<p>strategy on the Airspace Change Process. It should describe the safeguards required to ensure that the FAS does not pre-empt the requirement for proper consultation on airspace change proposals. (Paragraph 35)</p> <p>6. The CAA could allay many concerns about the perceived slow progress in developing a long-term airspace strategy, and the lack of consultation to date on the FAS, through better communication with stakeholders. The CAA must improve its communication with key stakeholders about the ongoing work on the FAS and the likely timescales. It must ensure that stakeholders are properly consulted about the FAS when appropriate. (Paragraph 38)</p>	<p>engagement on this topic to date, may have led to some stakeholder concerns. To address this, the CAA is preparing a paper entitled, 'Airspace for Tomorrow' to initiate dialogue with stakeholders, setting out the broad vision, key drivers and strategic objectives for FAS and how it will be developed. The CAA intends asking the National Air Traffic Management Advisory Committee (NATMAC) – which includes a range of stakeholders – to formally consider the paper at its meeting in October, with a view to circulating it shortly thereafter. Formal consultation on the strategy will follow once the material within the various FAS work streams is sufficiently developed.</p>
<p>7. We believe that airspace impacts should be considered a vital part of airport development proposals. It is essential that National Policy Statements (NPSs) on the development of major airport infrastructure are based on advice from the CAA and NATS about the airspace implications of proposed developments. In the case of non-location specific NPSs, the NPS should include unambiguous guidelines to the IPC on how to evaluate the airspace implications of any proposal. It is vital that the industry is well appraised of the methods used as well as the factors and information used by the Commission in making decisions on major airport developments. (Paragraph 41)</p>	<p>The Government recognises that major airport development cannot be considered in isolation from the associated impacts on airspace, and we will consult the CAA and NATS when developing a National Policy Statement (NPS) on Airports. Having regard to the Airports NPS, the Infrastructure Planning Commission's (IPC) decisions will, however, focus on the ground infrastructure aspects of proposals for nationally significant airport development. Airspace planning and regulatory decisions will remain the responsibility of the CAA under the Airspace Change Process.</p> <p>As with the existing planning system, the Government expects applications for major airport development which are submitted to the IPC will set out illustrative options for airspace design. The subsequent detailed airspace design and consultation by the airspace change sponsor (who is usually the promoter of the development proposal) will depend on the nature of the airport development for which the IPC has granted consent, and it would therefore be taken forward only once consent had been granted.</p> <p>With regard to NPSs generally, the CAA is a statutory consultee for any NPS which relates to airports or is likely to affect aviation activity. Statutory undertakers, including NATS, must also be consulted on any NPS which includes policies relevant to their functions. Other relevant secondary legislation implementing the Planning Act (2008) makes similar provisions.</p> <p>The Government agrees that it is important that the industry fully understands the IPC decision-making process for major airport developments. The Planning Act clearly states that the IPC, in deciding an application for a nationally significant infrastructure project, must have regard to any relevant NPS, any local impact report, any other prescribed matters or any other matters which the IPC thinks are both important and relevant to its decision. All decisions must be made</p>

	<p>in accordance with any relevant NPS except to the extent that it would lead to the UK being in breach of its international obligations; be in breach of any statutory duty that applies to the IPC; be unlawful; result in adverse impacts that outweighed the benefits; or be contrary to regulations about how its decisions are to be taken.</p>
<p>8. Some “stacking” may be inevitable. But excessive stacking, such as frequently occurs at Heathrow, has negative environmental effects. A third runway at Heathrow Airport, if built, offers a real opportunity to add resilience into the air traffic management system and to help reduce excessive stacking. If a third runway is built at Heathrow, the Government should create a framework for setting targets to eliminate excessive stacking around the airport. The CAA should be given responsibility for setting and monitoring such targets. The targets should be included within the relevant National Policy Statement for the development. (Paragraph 45)</p>	<p>The Government acknowledges the point made by the Committee that excessive stacking has negative environmental effects. It also means delay for the passenger. In his decisions announced on 15 January on Adding Capacity at Heathrow Airport, the then Secretary of State noted the need for further work to improve existing airport and airspace procedures and to develop new ones to deal with delays and help make the airport more resilient. Work has been commissioned from the CAA on runway resilience at Heathrow and the Committee’s recommendation for setting targets for reducing excessive stacking will be considered in the light of the proposals that emerge from that.</p>
<p>9. It is clear that the development and application of new technologies and air traffic management techniques are integral to improving flight efficiency, thus reducing excessive fuel burn, and increasing airspace capacity. (Paragraph 47)</p>	<p>The Government agrees with the Committee’s view that the development and application of new technologies and ATM techniques are integral to improving flight efficiency. We will aim to ensure that future UK plans are properly aligned with developing proposals that emerge from the European ATM Masterplan to be developed by the SESAR Joint Undertaking and this will be a key strand of the CAA’s Future Airspace Strategy work.</p>
<p>10. We have heard very wide support for Precision Area Navigation (P-RNAV), but a great deal of uncertainty remains amongst industry parties about the actual plans and commitments for the widespread introduction of this technology in the UK. The CAA should produce a strategy for P-RNAV within 12 months. (Paragraph 53)</p>	<p>The CAA accepts the need to move from the largely ground-based Basic Area Navigation (B-RNAV) environment that has been in place in the UK above Flight Level 95 (approximately 9500 feet) since the late 1990s to a Performance Based Navigation (PBN) environment. Precision Area Navigation (P-RNAV) is, however, only one element in the multi-faceted strategy needed to complete this transition.</p> <p>P-RNAV is the current terminal airspace standard and there remains a place for it within future implementation plans for UK airspace. However, P-RNAV alone will not deliver the solution to all of the UK’s existing constraints on the use of airspace and it has to be considered as one tool amongst a number of other factors affecting capacity, flight efficiency, safety and the environment. It is worth noting that while a limited number of P-RNAV procedures do exist at certain airports, no other European state has systematically implemented a P-RNAV environment in airspace as densely utilised or as complex as that in the south-east of England.</p>

	<p>The future navigation requirement is now being considered as an essential component of the FAS requirements and will need to dovetail with the international mandate on Performance Based Navigation issued by the ICAO Council in 2009. In the longer term, there will need to be alignment with navigation capabilities, in terms of trajectory management, that stem from the European ATM Masterplan. As such, this is not something that can be resolved in 12 months and the CAA is already looking ahead to determine if there are greater benefits to be gained from the next generation of Required Navigation Performance (RNP) applications.</p>
<p>11. There is currently noticeable variation between airports and airlines in the take-up of CDAs. It is necessary to improve airports' performance in the use of CDA landings so that best practice standard is adhered to as near to universally as is achievable. The Civil Aviation Authority must adopt a more active role in encouraging the industry to adopt CDA. The CAA should monitor the CDA performance of major airports and airlines, publish statistics and promote practices and changes that lead to greater utilisation of CDA. (Paragraph 57)</p>	<p>The Government continues to endorse the principles set out in the Arrivals Code of Practice which encourage the use of Continuous Descent Approach (CDA). The procedure has been highlighted as the principal method for reducing noise from arriving aircraft. The Department for Transport works with both the CAA and NATS to encourage CDA use and this collaboration has been fundamental in achieving the high rates of CDA compliance cited in the Committee's Report. A Government/industry working group consisting of representatives from BAA, CAA, NATS, airline operators and the then Department for Transport Local Government and the Regions developed the Code. This was published in February 2002 and a revised second edition was published in November 2006. The Code is hosted on the DfT website.</p> <p>The development of CDAs at UK airports, principally at the three London noise designated airports (Heathrow, Gatwick and Stansted), is now regarded as international best practice and is helping to inform work to develop a global standard at ICAO. Overall achievement of CDA across these three airports has increased significantly following the wide circulation of the Code. This has brought environmental benefits (both noise and emissions) to local communities. CDA is employed at an increasing number of other UK airports. However, it must be recognised that CDA is not possible under all circumstances at every airport or, in some cases, without whole-scale airspace re-design. Following the publication of the Future of Air Transport White Paper, NATS were instructed by the CAA to include CDA concepts in all future airspace designs and this has been achieved in a large number of subsequent airspace changes.</p> <p>On monitoring, DfT currently monitors CDA performance at Heathrow, Gatwick and Stansted as part of its responsibilities under section 78 of the Civil Aviation Act 1982 with performance being reviewed and discussed at the respective local airport Noise and Track Keeping Committees. Performance to date has been measured as a percentage of total arrivals. Information about CDA performance on an airline basis is collated by each of the three airports. In reviewing performance, it should be noted that the ability to perform a CDA is not always within a pilot's direct control because of factors such as adverse weather, other Air Traffic Control considerations and aircraft emergencies. Consequently as any comparison of CDA performance on an airline by airline basis is subject to considerable variation, information is not</p>

	<p>publically available.</p> <p>Also of relevance is the requirement for major airports and those near agglomerations (large urban areas) to develop noise action plans in response to the European Environmental Noise Directive (2002/49/EC) (END implementation of the Directive is a devolved matter. The Department for Environment Food and Rural Affairs (DEFRA) is responsible for implementing this Directive through the Environmental Noise (England) Regulations 2006 (as amended). In England, the relevant airports are currently consulting on their plans and typically they will be reporting on measures to encourage the use of CDA. Following consultation, airports will submit their draft plans to DfT who will then decide whether or not to recommend to DEFRA that the plan is appropriate for adoption.</p> <p>Having regard to these points the Government is currently unconvinced of the need for CAA to become more directly involved in monitoring CDA performance and related operational issues at individual airports.</p>
<p>12. We believe that many concerns from industry stakeholders could be alleviated by improved communication on the part of the CAA. The CAA should review its communication strategy in DAP (Directorate of Airspace Policy) to ensure that policy and technical matters are communicated in a timely and effective manner to all stakeholders. (Paragraph 59)</p>	<p>It is disappointing that the Committee has been left with the impression that, aside from the lack of direct engagement on the Future Airspace Strategy, the Directorate of Airspace Policy's (DAP) engagement with stakeholders is less than ideal. This contradicts positive comments that the Directorate has consistently received in feedback from its stakeholders over a number of years. In particular, the CAA has been complimented on a number of occasions for the manner in which it has kept the industry informed on developments in Europe. Further, DAP's National Air Traffic Management Advisory Committee (NATMAC) and its sub-groups provide an essential element of the CAA's stakeholder engagement strategy that has been recognised as best practice in Europe. Nevertheless, DAP continuously reviews its mechanism for communicating with stakeholders with a view to improving engagement and, in light of the comments made to the Committee, will actively seek to improve the mechanisms for engagement with all of its stakeholders.</p>
<p>Environmental impacts of airspace change</p>	
<p>13. Tranquillity is a key factor in sensitive areas such as National Parks and Areas of Outstanding Natural Beauty. Current guidance appears to allow unchecked increases in aviation activity over these areas. Without some level of constraint, the noise environment in these areas might degrade progressively as traffic increases. (Paragraph 64)</p>	<p>The Government recognises that tranquillity is becoming an increasingly important issue, particularly for those living in rural areas. But "tranquillity" is a subjective quality and as such can mean different things to different people – what may be seen as intrusion by one may be acceptable to another. Given these perception issues, it is not surprising that the task of measuring tranquillity is extremely difficult. There is no universally accepted metric by which tranquillity can be measured.</p>

	<p>DfT's guidance to the CAA requires the Authority to pursue policies that will help to preserve tranquillity where this does not increase significantly the environmental burdens on congested areas. While Areas of Outstanding Natural Beauty (AONB) and National Parks are afforded certain statutory protection this does not extend to precluding over-flight by aircraft. In practice it would be impractical to prevent widespread over-flying of AONBs, or of National Parks without affecting reasonable levels of access to our airports.</p> <p>DEFRA is in the process of developing a national noise strategy which will aim to manage noise in the context of sustainable development. This will include environmental noise from sources such as aircraft. DfT will be actively involved in the development of this strategy.</p> <p>The European Environmental Noise Directive (END) requires that Member States aim to protect quiet areas in agglomerations from an increase in noise. The Directive also makes reference to quiet areas in the open countryside although no specific measures are currently required for these areas. DfT will continue to work closely with DEFRA on the implementation of the END.</p>
<p>14. The DfT and the CAA should examine the case for adopting maximum limits on noise levels and numbers of aircraft permitted per hour over sensitive areas such as National Parks and Areas of Outstanding Natural Beauty. The DfT should fund exploratory research on evidence based limits. (Paragraph 65)</p>	<p>As stated in the response to Recommendation 13, DfT's guidance to the CAA requires the Authority to pursue policies that will help to preserve tranquillity where this does not increase significantly the environmental burdens on congested areas. Any restriction on flights over National Parks or AONBs would affect these existing policies and may result in any revised flight paths being routed over congested areas and potentially affect more—potentially significantly more—people. Any change in policy would require public consultation.</p> <p>In terms of monitoring aircraft noise levels, the DfT is working with its Aircraft Noise Monitoring Advisory Committee (ANMAC)—whose role is to advise the Department on policy relating to aircraft noise at Heathrow, Gatwick and Stansted—on the scope for noise modelling at lower levels. The CAA has been asked by ANMAC to conduct initial work in this area and this is in progress.</p> <p>The Government is aware that other organisations such as the Campaign to Protect Rural England have undertaken some work on the issue of tranquillity in the countryside and that there have been some discussions with the CAA. The Government believes that attempting to develop a widely accepted definition of the concept of tranquillity is likely to be a significant challenge: it should also be borne in mind that aircraft noise is likely to be just one of many factors in the equation.</p>
<p>15. The Department for Transport (DfT) should issue up-to-date Environmental Guidance to the CAA before the end of the year. The guidance should represent current Government thinking on</p>	<p>The Environmental Guidance to the CAA already provides a clear framework for the CAA to discharge its air navigation functions. But we agree it needs to be updated to reflect more recent policy developments. It will not, however, be possible to update the guidance before the</p>

<p>CO2 and other emissions in relation to transport decision making. The guidance must be clear about the basic policy principles by which the Government expects the CAA to make its airspace assessments. (Paragraph 70)</p>	<p>end of 2009 because we need first to consider what impact our ongoing work towards a new general environmental objective for CAA, on which we intend to consult later this year, would have on its content.</p> <p>The 2008 Pilling Review¹⁵ recommended that the CAA should have a general duty in relation to the environment, set within a clear policy framework from Government and within which guidance should be provided to help the CAA interpret that duty. In January 2009, as part of a statement on Britain's transport infrastructure, the Government announced the CAA would be given a new general environmental duty and that guidance on how to interpret this would be provided by the Secretary of State.</p> <p>It would be inappropriate to update the Environmental Guidance to the CAA on exercising its air navigation functions before further developing work on the CAA's general environmental objective and the guidance related to that.</p>
<p>16. Once the DfT has issued new environmental guidance to the CAA, the CAA must produce clear and comprehensive new guidance on airspace change for the industry. The CAA should adopt a regular review cycle to update the environmental material in the document. (Paragraph 72)</p>	<p>The CAA's Airspace Change Process guidance document (CAP 725) will, as a matter of course, be updated to reflect any changes to Government policy and any changes to the associated environmental guidance issued by DfT. All CAA policy and guidance material is already subject to a regular review cycle as part of the CAA's quality assurance process.</p>
<p>European developments</p>	
<p>17. We support the principles of the Single European Sky (SES) initiative to create a more rational organisation of European airspace, for example by establishing cross-border Functional Airspace Blocks. It is unacceptable that, on such a crowded continent, airspace is still largely managed in isolation based on national borders. Greater harmonisation of air traffic management practices at the European level would lead to improvements in efficiency, environmental performance, and capacity. However, it is essential that NATS and the CAA remain at the forefront of SES developments over the coming decade. Their world-class expertise in air traffic management services is second to none in Europe. It is essential that the UK's high</p>	<p>The Government welcomes the Committee's support for the Single European Sky (SES), which we have strongly endorsed from the outset because of the improved efficiency, capacity and environmental benefits it will bring. We welcome the further revisions to the SES foundation regulations which will introduce a performance framework and accelerate the implementation of functional airspace blocks. As the development of SES moves into this new phase, the CAA is resetting its objectives to address the wide range of initiatives in this complex package.</p> <p>NATS and the CAA will continue to be at the forefront of SES work over the coming decade in terms of supplying expertise to Government through their involvement in SES-related fora and through involvement with their counterparts across EU and non-EU Europe.</p> <p>The Government supports common standards but not a "lowest common denominator". Rather we have always pushed for robust common standards to enhance Europe-wide safety in the</p>

15 "Report of the strategic review of the CAA", Sir Joseph Pilling, 2008

<p>standards are the benchmark to which the SES initiative aspires and delivers. (Paragraph 77)</p>	<p>skies and bring other States up to a level commensurate with that of the UK. The Government, CAA and NATS will continue to scrutinise SES proposals, consult widely and promote UK level standards and good practice in the negotiation process.</p>
<p>18. The Government must be explicit that the focus of the European network management function should be on co-operation, in order to improve efficiency across European airspace. The function should not have the power to overrule recommendations from the national regulator. Such recommendations are firmly based on consultation arrangements with people affected by flight paths. (Paragraph 82)</p>	<p>The Government considers it sensible for there to be a Europe-wide network management function (NMF) involving cooperation between all the players to enhance the overall functioning of the system and complement the proposed performance framework. We support improvements to route and sector design, traffic flow management and central coordination of scarce resources, such as spectrum which will boost system performance, and lower the cost to users by optimising flight trajectories. There is no legislative intention or power to overrule national regulators and it is made explicit in the legislation that the NMF is without prejudice to the responsibilities of Member States with regard to national routes and airspace structures.</p>
<p>19. The Committee welcomes the statement made by the Minister and the CAA that the performance by the European Aviation Safety Agency (EASA) has improved. However, the Committee remains concerned that the extension of EASA's remit may lead to a decline in safety standards and requests the Government and the CAA provide six-monthly reports on progress to this Committee. (Paragraph 86)</p>	<p>The Government is committed to maintaining high standards of safety in air traffic management. EASA is currently in the early stages of the lengthy process of preparing Implementing Rules for air traffic management safety, which are unlikely to be adopted before the end of 2012. The Government and the CAA will be involved at various key stages of this process and will keep the Committee informed as this work moves forward.</p>
<p>20. The CAA should lead work to establish the broad costs and benefits of SESAR for each of the different sections of the UK aviation industry. It should also set out how it intends to improve the phasing of projects within SESAR so as to maximise the benefits to aviation stakeholders most cost-effectively. (Paragraph 89)</p>	<p>The Government and the CAA have supported SESAR from the outset as the technological arm of Single European Sky essential to deliver a modernised European air traffic management system capable of absorbing projected traffic growth safely and efficiently. SESAR has recently moved into its Development Phase which will see the SESAR Joint Undertaking oversee a programme of research and development work to test the ability of the SESAR concept to meet the challenges facing the European ATM system, including the associated costs.</p> <p>We expect the Commission and the SESAR Joint Undertaking to apply effective project management techniques involving robust cost/benefit analyses, risk identification and mitigation and budget control as well as the development of sound funding proposals. The UK was influential in the EU Council of Ministers in the development of a resolution on the endorsement of the SESAR Master Plan. This calls on the Joint Undertaking to focus on the delivery of early benefits from SESAR through business cases, cost benefit analyses and consultation and therefore to lead on work to establish the costs and benefits of SESAR. Through this resolution, the UK and other EU Member States have the mechanisms to ensure that the JU will deliver on this work and both DfT and the CAA will have early sight of</p>

	<p>proposals through the Single Sky Committee (SSC) and progress reports to the Council of Ministers. The DfT in liaison with the CAA, NATS, MOD and aviation stakeholders will monitor progress and scrutinise any funding proposals or changes to the European Air Traffic Management Master Plan deemed necessary.</p> <p>We fully recognise the importance of synchronising all the elements (such as ground and airborne equipment and legislative aspects) needed to implement individual projects, as well as of sequencing projects to ensure that capacity benefits are delivered as quickly and cost-effectively as possible. The Master Plan rightly prioritises projects that will deliver early capacity gains.</p>
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Taxes and charges on road users— 6th Report (HC 103), PUBLISHED: 24 JULY 2009, GOVERNMENT RESPONSE: PUBLISHED: 27 OCTOBER 2009 (— 6TH SPECIAL REPORT (HC 995))

Recommendation	Government Response
<p>1. The Government has been inconsistent in the way that it has justified motoring taxes. Fuel duty has been presented, at different times, as a tool to reduce carbon emissions, a source of general revenue, and a means to fund transport investment. We are concerned that motorists are mistrustful of the Government regarding taxes. The Government needs to improve the consistency and transparency in the way it justifies taxes on road users. (Paragraph 17)</p>	<p>Motoring taxes are primarily revenue-raising instruments, whose principal purpose is to support the public finances and raise funds for public services.</p> <p>Motoring taxes do also have an environmental aspect too, in that they also, for example, provide incentives for greater fuel-efficiency on the roads or encourage the purchase of less polluting vehicles. Where possible and appropriate, it is right for the structure of revenue-raising taxes to support environmental objectives.</p>
<p>2. A sensible debate on the taxation of road users requires that the public has easy access to sound and well-presented data. The Government needs to publish explicit and comprehensive information on the amounts of money it raises through taxes and charges on road users. (Paragraph 27)</p>	<p>The Government acknowledges the importance of transparency over tax revenues and public spending, in all areas including both motoring taxes and transport spending.</p> <p>This is why statistics on tax revenues and public spending totals are published in every Budget and Pre-Budget Report. The latest data are available in Budget 2009, on tax revenues in Table C6 on page 231, and on public spending in Table C11 on page 241.</p>
<p>3. The British driver is sometimes portrayed as uniquely highly-taxed. Yet, taken overall, the taxes and charges paid by drivers in comparable European countries, such as the Netherlands and Germany, are not so different to those in the UK. We support the UK emphasis on car-use taxes, as opposed to car-ownership taxes. It is more equitable that those who consume more should pay more. Such taxes are more likely to incentivise less fossil fuel consumption and therefore lower CO2 emissions. The fact that it is 18% cheaper to run a car now than twenty years ago combined with increases in the real level of bus and rail fares over the same period, makes it more difficult to encourage modal shifts from cars to public transport. The basis of Government policy should be to reverse these trends. (Paragraph 35)</p>	<p>The Government welcomes the Committee's endorsement of the broad thrust of the UK motoring tax regime and its acknowledgement that the overall level of taxation on UK motorists is comparable to those in other Western European countries.</p> <p>The majority of UK motoring tax revenues are raised by taxing use, not ownership, of motor vehicles, for example through fuel duty. However, the Government believes that Vehicle Excise Duty still has an important role to play, in encouraging the purchase and manufacture of lower carbon vehicles.</p> <p>The Government is committed to supporting local authorities and industry to provide an efficient, high quality public transport system, and promoting greater use of public transport, cycling and walking, as an alternative to car use. We recognise that there are real challenges here.</p> <p>The Government has allowed regulated rail fares to rise at 1% above inflation in recent years. We believe passengers should contribute to the current very high level of investment in the railway, reversing the recent trend towards the taxpayer bearing most of the burden. It makes</p>

	<p>sense that those who use the service more should pay more.</p> <p>There have also been real-term increases in bus fares over the last twenty years. While it is for private operators to set bus fare levels, it is a concern for Government if fare levels deter people from using public transport.</p> <p>The Government continues to work closely with local authorities and the bus industry. Since 2000, Government has doubled investment in the bus industry, now investing £2.6 billion annually. During this period, public satisfaction with reliability, safety, security and travel conditions have increased.</p> <p>The Local Transport Act 2008 betters Local Authorities ability to work with bus operators and deliver better services, including to agree maximum fares and where they choose to franchise bus services, set fares directly.</p> <p>Also, the bus service is now free to many of those who need it most. In April 2008, the local entitlement for free bus travel was extended, allowing the elderly and disabled free bus travel throughout England.</p> <p>Efforts are also being put into making the most of other sustainable travel choices, including cycling and walking. The programme, <i>Smarter Choices</i>, seeks to encourage local authorities and businesses to introduce measures to reduce single occupancy car use. Government has given substantial investment to three <i>Sustainable Travel Towns</i> and is supporting a £140m programme, <i>Cycling England</i>, over three years. Also <i>Building Britain's Future</i>, is committed to developing an Active Transport Strategy and National Cycle Plan, promoting cycling as a mainstream transport mode.</p>
<p>4. An integrated transport system is vital for sustainable economic growth and development in the UK. We support greater investment in transport, including the road network, for a range of purposes including reduced congestion, economic regeneration and road safety. We welcome the increased spending by the Government on transport, including roads, over the past decade. We believe there is justification for greater levels of spending in the future and urge the Government to increase spending on transport as part of its efforts to stimulate the economy. (Paragraph 41)</p>	<p>The Government recognises the importance of transport in ensuring sustainable economic growth and development. This is reflected in DfT's strategic objectives.</p> <p>As highlighted by the committee, Government has massively increased spending on transport in recent years. Since 1997, spending on transport has risen by 70%.</p> <p>It is important to stress that spending decisions are taken in the round as part of the spending review process. We are committed to ensuring the best use of investment by basing spending decisions on the best possible evidence and analysis, drawing on sources such as the National Transport Model and the Regional Funding Allocations process.</p>

5. Whilst it is clear that the capital city will continue to enjoy the highest levels of transport investment, the case for investment in other regions is also important. We have heard no case put forward by the Government as to why the gap between investment in London and the English regions is increasing. The Government should attempt to reduce rather than increase this disparity. We are concerned that a major source of funding for such investments, the Transport Innovation Fund, is still dependent on road pricing being part of the package, despite the political impossibility of progressing it. (Paragraph 44)

The Government shares the Committee's view that all regions should benefit from increased investment in transport. DfT works with other Government departments to achieve the Government's PSA target to "make sustainable improvements in the economic performance of all English regions and over the long term reduce the persistent gap in growth rates between the regions."

As acknowledged by the Committee, there are good reasons why public transport expenditure is likely to continue to be higher in London than elsewhere. London has more inward commuters and tourists than elsewhere, and is the most significant inter-city hub for public transport services. These factors mean that per capita comparisons between London and other regions, which rely on the resident population rather than the daytime population, may be misleading.

There are various reasons why capital investment in individual regions may vary from year to another. The figures in Table 4 of the Committee's Report derive from HM Treasury Public Expenditure Statistical Analyses 2008 which has since been updated. The 2009 Analysis shows the following figures for capital expenditure on transport in London and England:

Government capital expenditure on transport in England and London

	2003/4	2004/5	2005/6	2006/7	2007/8	2008/9
London (£million)	2083	1904	2362	2709	3621	3836
England (£million)	6352	6598	7177	8722	8930	10,063
% expenditure in London	32.8	28.9	32.9	31.1	40.5	38.1

These figures suggest that London's share of investment remained relatively constant between 2003/4 and 2006/7, but that the Metronet failure and the 2012 Olympics have affected spend more recently.

Although London receives a larger level of investment, local authorities outside of London are also receiving significant financial investment. General capital investment to assist local authorities outside London to deliver their transport strategies has more than doubled since 2000.

The Transport Innovation Fund (TIF) provides additional support to those local authorities who consider a congestion charging scheme, as part of a package of transport improvements, to be

<p>6. Account should be taken of the full cost of road use, including social and environmental externalities, when considering the structure of taxes and charges on road users. Much work has been done to calculate monetary valuations for a wide range of effects but there will always be uncertainties and gaps in the valuations. Policy objectives, public acceptability, the impacts on business and the availability of alternative means of transport will always be important factors. (Paragraph 51)</p>	<p>the best means of solving their congestion problem. A charging scheme can play an important role in maximizing the effectiveness of investment in the package as a whole.</p> <p>Transport taxes are primarily revenue-raising instruments, supporting the public finances and providing funds for essential public services.</p> <p>However, motoring taxes can also serve to internalise a wide range of social and environmental externalities—including CO₂ emissions, congestion costs, air quality, safety and policing. The Government does not, however, set rates in order to meet any estimate of these externalities, including for the reasons that the Committee recognises.</p> <p>Motoring tax rates are set by the Chancellor as part of his overall fiscal judgement in the normal Budget and Pre-Budget Report process. In making tax decisions, the Chancellor takes all relevant fiscal, economic, social and environmental factors into account.</p>
<p>7. We entirely understand that motorists do not like paying tax—nobody does. However, trying to create a balance between motoring taxes and expenditure on roads is not a good way to make public policy or a basis for major public expenditure decisions. Road investment should be justified on the basis of wider transport policy objectives, needs and benefits. (Paragraph 57)</p>	<p>The Government agrees with the Committee that road investment should be justified on the basis of wider transport policy objectives, needs and benefits.</p> <p>Indeed, DfT's core objectives are to ensure our transport system supports economic growth, contributes to a reduction in carbon emissions, contributes to security, safety and health, promotes equality of opportunity and allows for an improved quality of life.</p> <p>With this in mind, we make all transport policy decisions in light of the best possible evidence about their impacts, and ensure that investment in all modes of transport and their management meets the DfT's policy objective to seek good value for money.</p>
<p>8. We reject in general the notion of hypothecation of transport taxes. This would be impractical and lead to bad decisions on public expenditure. However, there is a case for earmarking the revenue from specific local charges for spending in that geographical area and on that broad policy area in order to gain public acceptability and to ensure fairness. (Paragraph 58)</p>	<p>The Government welcomes the Committee's recognition that hypothecation of motoring tax revenues (or any other tax revenues) to particular areas of spending is inefficient, potentially wasteful and so not a sound basis for public policy. Motoring taxes are primarily revenue-raising instruments, and that revenues from them, along with all other tax revenues, contribute to supporting the public finances in general and provide funds for the whole range of Government spending.</p> <p>Under the Greater London Authorities Act 1999, the Transport Act 2000, and the Local Transport Act 2008, local authorities are obliged to re-invest any net revenue from local road pricing charges and from workplace parking levies into local transport.</p>

<p>9. Fuel duty is, in most respects, the better way to raise revenue, to encourage fuel efficiency and reduce CO2 emissions. Those who consume the most and pollute the most, pay the most. Motoring organisations and others see it as a fairer tax and suggest that there should be a switch from Vehicle Excise Duty to fuel duty. However, raising the same overall sum would involve a substantial hike in fuel duty. Given existing high levels of fuel duty, it is not clear if such an increase would be supported by motoring organisations or the public. We recommend that the Government focuses future measures on taxes that vary with use, such as fuel duty. (Paragraph 68)</p>	<p>The Government believes there should be a balance of transport taxes. Although they are principally revenue raising measures, fuel duty also serves to promote greater fuel efficiency and VED incentivises the purchase and manufacture of lower carbon cars. Decisions about the future balance of transport taxes will be taken by the Chancellor in the PBR and Budget process, taking all relevant social, economic and environmental factors into account.</p>
<p>10. We acknowledge that the Government has moderated the increases in Vehicle Excise Duty rates and agreed to phase their introduction. This is to be welcomed. However, the whole process has been handled badly. Perhaps the most worrying aspect of the recent Vehicle Excise Duty changes is the damage that has been done to the image of environmental taxes and the loss of trust by motorists in the tax system. It is vital that future motoring tax changes are better planned and not perceived by the public as retrospective. (Paragraph 75)</p>	<p>Increases in VED rates are not, and never have been retrospective. New VED rates have been applied to existing cars since the introduction of the tax.</p> <p>Reforms announced in Budget 2008—including the introduction of new bands, and first-year rates—were designed to encourage the purchase and use of ‘best in class’ lower-CO₂-emitting, less polluting cars.</p> <p>At Pre-Budget Report 2008, it was made clear that the maximum tax increase faced by any existing car under these reforms would be £30 in 2010. The majority of cars will see either a tax cut of up to £30, or no change in their VED rate.</p> <p>It has been suggested that the Government should only apply new VED rates to new cars but this would overcomplicate the VED system, creating multiple rates structures for each year of car purchase. In particular, this would dent the environmental signals in VED by creating multiple different systems of VED in the second-hand car market.</p>
<p>11. The London congestion charge was a bold initiative and a flagship for a wider approach to rejuvenating transport in London. Initially the charge reduced both traffic and congestion but congestion has now returned to pre-charge levels. It has encouraged bus use and cycling, and made central London a more pleasant place. The economic appraisals are positive. It is worrying, however, that after five years of operation, running costs remain high, consuming almost half the revenue</p>	<p>The London congestion charge is a matter for the Mayor of London.</p> <p>Government agrees that packages to tackle congestion must offer significant benefits in comparison to costs. TIF makes funding available to local authorities to support the implementation of congestion charging schemes alongside investment in public transport. DfT’s TIF business case guidance to local authorities makes clear that proposals for packages, incorporating congestion charging, should offer high value for money (benefits being more than twice the costs).¹⁶</p>

16 <http://www.dft.gov.uk>

<p>generated. The level of enforcement required remains high and, without the income from fines, the operating surplus would be considerably smaller. This reliance on fines is unacceptable, particularly as it is often visitors to London, who are ignorant of the congestion charging system, who pay the fines as they have insufficient time to correct their mistakes. If congestion charging schemes are to go ahead elsewhere, less expensive ways of administering them must be found. We endorse the policy of the London Mayor to make payment of the charge simpler and to reduce the level of fines through better information. (Paragraph 88)</p>	<p>The Government also agrees that charging schemes must be clear and simple to use. In developing TIF proposals, local authorities may consider more advanced charging technologies which make payment simpler.</p>
<p>12. Improving air quality and health in London is very important but it remains to be seen whether the London Low Emission Zone will achieve enough that would not have been achieved by other means to justify the overall cost. The Government and others need to be mindful of the impacts on business and employment in relation to the benefits when assessing methods to reduce harmful emissions from transport and to improve air quality. (Paragraph 96)</p>	<p>Measures such as Low Emission Zones may offer an effective way of reducing air pollution. The Department for Transport is keen that local authorities explore such measures as part of their Air Quality Action Planning process. But it is ultimately for local authorities to decide how best to meet local air quality objectives. As such, the London Low Emissions Zone is a matter for the Mayor of London.</p> <p>DfT has issued guidance to local authorities regarding the third round of local transport planning.¹⁷ The guidance strongly encourages the integration of local transport plans and air quality action plans. Defra have also issued a suite of local air quality management guidance which covers a range of options for mitigating poor air quality—such as low emission zones and retrofitting vehicles to improve their emissions.¹⁸</p> <p>The Government is mindful of the wider impacts of transport and environment policies on businesses and individuals. Air quality measures, as with any other policy, are subject to Impact Assessments, which consider all relevant costs and benefits. The Department is currently refreshing its guidance to local authorities on major schemes. An aim of this is to further promote consideration of air quality impacts.</p> <p>Also, DfT's New Approach to Transport Appraisal (NATA) explicitly requires all schemes and initiatives to be assessed for air quality impacts. This is complemented by consultation with key stakeholders, including industry groups, to help ensure that any policy developed to help the UK meet air quality targets is balanced in its approach.</p>

17 <http://www.dft.gov.uk>

18 <http://www.defra.gov.uk>

<p>13. We are concerned at the increasing trend to base service charges, such as parking charges, on grounds unrelated to the service. If parking charges are to be used for wider policy purposes, these should be proportional, explicit and properly justified. (Paragraph 100)</p>	<p>The Government agrees that parking charges must be justified on a variety of levels.</p> <p>We recognise that parking charges, discounts or conditions in planning decisions can affect the choices people make about vehicles and help achieve wider policy objectives. But it is for local authorities to consider whether these are appropriate in their areas.</p> <p>The Government has deliberately devolved this responsibility to local authorities so they can make the right choices for their areas, in partnership with stakeholders and local communities. This is in line with the Committee's recommendation in its 2005–06 report, <i>Parking Policy and Enforcement</i>, that there should be local flexibility in setting local parking charges according to prevailing local conditions.</p> <p>The Department has also set out in guidance that:</p> <ul style="list-style-type: none"> • Local parking charges should be set at levels which are consistent with the aims of the authority's transport strategy, including its road safety and traffic management strategies; • Parking charges should not be used by authorities just to raise revenue or as a local tax; and • Local Authorities should have a clear idea of what their parking policy is and what they intend to achieve by it; and should appraise it regularly.
<p>14. The Government's research into road pricing has been underway for a long time, with apparently little to show for it. Ministers are reluctant to indicate when a decision is likely to be reached. The issues that we raised in our previous report remain to be resolved. Yet the UK has some of the best researchers and technology companies, and has the well-monitored experience of the London congestion charge to draw on. The Government should clarify its position on road pricing research: what has been learnt, what key steps remain to be identified, and when it is likely to be in a position to make a decision on implementation. The research also needs to show how road pricing can replace other taxes and charges on road users, otherwise it is unlikely to ever receive public support. (Paragraph 116)</p>	<p>The Secretary of State for Transport has made clear that the Government will not be proceeding with a national road user charging scheme in the next Parliament.</p> <p>DfT and HMT continue to work together to explore the potential for developing future charging systems. Crucial questions remain on feasibility, cost-effectiveness, privacy and the impact on real driver behaviour.</p> <p>The Demonstrations Project research began in February 2009. Working with industry, we are furthering our understanding of how a scheme which charges by time, distance and place could operate in practice. It is essential that such a scheme be designed to safeguard people's privacy whilst operating reliably, accurately and cost effectively. We are engaging with main stakeholders as the project proceeds to increase our understanding of these challenges and will publish findings from the research once complete.</p> <p>Future decisions on motoring taxes will be taken as part of the overall fiscal judgement through the normal Budget and PBR process. In making decisions, the Chancellor will take all relevant social, economic and environmental factors into account.</p>

<p>15. It seems unlikely that more than a handful of local authorities will pursue congestion charge proposals in the near future. The Government therefore needs to reconsider its approach to the Transport Innovation Fund. Monies that were earmarked by HM Treasury for transport should not be lost to transport for want of a charging element in otherwise sound proposals. (Paragraph 121)</p>	<p>Congestion remains a major issue for a number of our key towns and cities. TIF was established to support places where the strategy for tackling congestion was to introduce packages of measures that combine major extra investment in public transport with demand management.</p> <p>Congestion charging can form a valuable part of a well designed package to tackle congestion and can result in more effective investment. While a number of local authorities continue assessing whether it is the right solution to their congestion problems, TIF remains available to support them.</p> <p>Where local authorities decide congestion charging is not the answer to their congestion problems they will continue to receive significant transport investment through existing programmes.</p>
<p>16. Congestion in our cities and on our major road network demands action. And the shift to low-carbon vehicles will reduce Government revenues from fuel duty and Vehicle Excise Duty. The Government needs to find a new consensus for the way forward on motoring taxation. This must be fair to all, including those on low incomes and those with limited transport choices. It must also be revenue neutral and not seen as an additional tax on road users. We accept that a consensus will be difficult to achieve but greater progress is needed. (Paragraph 127)</p>	<p>The purchase and use of ultra low carbon vehicles can play an important part in moving to a lower carbon society. The Government recognises that it is important that the taxation framework continues to send a clear environmentally focused message to motorists, through for example the Budget 08 announcement to widen the VED differentials between the least and most fuel-efficient vehicles. In taking future decisions on taxes, the Chancellor will take all relevant fiscal, social, economic and environmental factors into account.</p>
<p>17. The Dutch seem to have found a winning formula for national road pricing, although it has yet to be tested against experience. UK authorities have designed schemes to cut congestion and improve public transport. In contrast, the Netherlands have based their scheme on fairness and replacing unpopular fixed taxes with a more equitable charge. It is simple to understand and comprehensive so it does not create anomalies. It has been developed with and by the country's major motoring organisation. The UK Government should monitor progress in the Netherlands carefully and see what lessons can be applied in the UK. (Paragraph 132)</p>	<p>The Government recognises that congestion undermines the UK's prosperity. The UK is by no means alone and does not hold a monopoly over knowledge of how best to deal with this challenge. It is therefore essential for the UK to make the most of knowledge and expertise internationally.</p> <p>The UK is keeping abreast of the developments taking place in the Netherlands. UK officials have excellent working relations with counterparts in the Netherlands and we continue to work closely with the Dutch project team and officials to exchange technical expertise and experience.</p> <p>Like the Dutch, we recognise the need to work closely with stakeholders when introducing new policies and always strive to do so.</p>

<p>18. Voluntary road pricing schemes—Government run or commercial—may offer a way forward. It may well be that a ‘black box’ offering a combination of information, communications, navigation, entertainment, safety features and pay-as-you-drive charging options may appeal to a significant number of motorists and businesses. If this influenced the behaviour of even a minority of drivers, persuading them to drive at less congested times, this might prove beneficial to all. In order for such schemes to be viable, the Government needs to work with industry to ensure that the infrastructure is in place and that systems are interoperable. We recommend this approach be pursued. (Paragraph 137)</p>	<p>Through the Demonstrations Project, we are exploring with industry the range of capabilities that could underpin pay-as-you-drive charging options, to increase our understanding of what might be possible in the future.</p> <p>We acknowledge the importance of interoperable systems, recognising the benefits they might already offer to motorists. With this in mind, DfT is working towards achieving interoperability of existing toll operations in England, enabling motorists to use multiple tolling schemes in as simple and convenient way as possible. With a view to exploring this, as well as looking at the possible greater need for interoperability in the future, DfT is engaging with industry through the Interoperability Forum. The forum is a platform for stakeholders to share knowledge and expertise on the many issues and challenges surrounding interoperability.</p>
<p>19. Given the lack of progress with local congestion charging schemes, it is important that the potential benefits of workplace parking levy schemes are properly considered. The burden of such schemes inevitably falls on a minority of employers, which means that the response to consultation cannot be determined on the basis of a simple majority of respondents. The Government should provide guidance on the criteria on which the results of consultation for workplace parking levy schemes should be assessed and should produce proposals for a legislative framework for referenda on congestion charging schemes and workplace parking schemes. The decision on whether to proceed should, however, remain a local matter. (Paragraph 141)</p>	<p>Regulations to complete the statutory framework for workplace parking levy (WPL) schemes in England were laid in Parliament on 31 July (following consultation earlier this year) and come into effect on 1 October.</p> <p>The Government proposes to develop guidance for local authorities considering the introduction of WPL schemes, but has no plans to specify statutory requirements for referenda for local road user charging schemes or workplace parking levy schemes.</p> <p>The impacts of WPL schemes will depend on the manner in which local authorities design their schemes, taking account of local conditions.</p>
<p>20. Competition between the UK freight industry and overseas hauliers must be on a fair basis and health, safety and environment standards must not be compromised. The Government seems to have made little progress on this since our last report on freight. The Government should speedily revisit the issue and update its assessments. It is evident that a national road pricing scheme for all vehicles is not in prospect in the immediate future. This means that the Government should consider if a lower-cost lorry user charging scheme might yield worthwhile benefits, within EU rules. Pricing incentives to</p>	<p>Following the conclusion of the Freight Data Feasibility Study in 2008, the Government decided against taking forward a vignette scheme at that time, because the net benefits achievable appeared to be very limited.</p> <p>Instead, we have focused on targeted and meaningful enforcement, soon to be strengthened further by new EU Regulations on access to the market and to the occupation of road transport operator. The High Risk Traffic Initiative (HRTI), introduced in April 2008 with an additional £24M over a three-year period, allows the Vehicle and Operator Services Agency (VOSA) to conduct checks on HGVs on international journeys with a significantly enhanced number of enforcement officers. In addition, the graduated fixed penalty, financial penalty deposit and</p>

<p>encourage greater integration between road and rail freight services should also be incorporated into the scheme. (Paragraph 157)</p>	<p>immobilisation schemes, introduced in April 2009, strengthen Police and VOSA's ability to run effective enforcement. Since 28 May, 60% of the 11,000 fixed penalty notices issued by VOSA have been to the drivers of non-UK vehicles. Now for the first time, drivers of foreign-registered vehicles are treated similarly to their UK counterparts with respect to sanctions and to the inability to escape financial traffic penalties.</p> <p>The EU Road Transport Package on new EU rules for access to the market and occupation of road transport operator will further help ensure road safety and fair competition by introducing a better definition of cabotage. They will also provide for improved operator licensing regimes including improved information sharing between member states.</p> <p>Government is currently refreshing the 2003 Foreign Vehicle Data Survey to provide up to date evidence on the movement of foreign vehicles within the UK. This information may help inform any future policy development in this area.</p>
<p>21. Penalty charges are an enforcement tool and not a charge for a service. Yet they are a significant cost to industry and the private motorist. It is vital that penalty charge notices retain their credibility as an enforcement tool. They must not be used, or perceived to be used, as a means simply of raising revenue. Systems which rely on a high level of PCNs to enforce them would seem to have inherent design flaws. We recommend that the Government produce guidance to ensure that a greater proportion of revenue raised through penalty charge notices is redirected to resolving the problems that give rise to the infringements. This might include better signage, loading or parking facilities. (Paragraph 165)</p>	<p>The Government is responsible for the level of the penalty charges for parking and for bus lanes contraventions outside London. Inside London the Mayor is responsible for the level of all penalty charges.</p> <p>The Government agrees that PCNs should not be used simply to raise revenue and makes clear in its guidance to local authorities about these that the penalty charge should be set at the lowest level necessary to help achieve a high level of compliance with the regulations whilst meeting the objective of an enforcement system that is self-financing.</p> <p>The Government makes clear in its guidance that authorities should not view enforcement in isolation, or as a way of raising revenue. The objective should be for 100% compliance with no penalty charges. All PCN income from parking and from bus lanes outside London is ring-fenced, primarily for transport purposes. The legislation that first introduced this ring-fencing makes clear that the first call on income is the cost of providing the service. This includes resolving the problems that cause infringements.</p>
<p>22. There is insufficient linkage between HM Treasury's policy on road user taxes and the Department for Transport's policy on transport. We urge the Government to more closely integrate its policies on taxes on road users with its policies on transport. (Paragraph 169)</p>	<p>HMT and DfT work closely together in developing policies that impact on both Departments.</p> <p>HMT welcomes DfT Ministerial submissions in the run-up to Budget and PBR, while contacts at official level are ongoing throughout the year.</p>

The enforcement activities of the Vehicle and Operator Services Agency (VOSA)—7th Report (HC 39), PUBLISHED: 24 AUGUST 2009,
GOVERNMENT RESPONSE: PUBLISHED: 2 NOVEMBER 2009 (—8TH SPECIAL REPORT (HC 1057))

Recommendation	Government Response
<p>1. We recognise that the use of private sector sites may be helpful in cutting costs and ensuring that operators receive a flexible annual testing service. However, we believe that any move towards complete privatisation of test sites would disproportionately affect smaller operators who have fewer resources. We further believe that certain areas of the country would be less profitable and could consequently be under-served by the private sector. Therefore, we recommend that VOSA be required to retain a significant network of sites in order to maintain adequate coverage for annual testing throughout the UK and to safeguard VOSA's role as the independent enforcement agency. (Paragraph 12)</p>	<p>The driving theme of the Testing Transformation Programme (TTP) is to take testing to the customer, with the objective, where possible, of moving vehicle testing closer to the place where vehicle maintenance is carried out. The programme is not property lead, so it is not a leading objective to reduce the VOSA estate per se through closing existing testing stations. However, it is expected that by increasing the provision of third party owned sites authorised to host heavy vehicle testing VOSA will be in a position to reduce the size of the VOSA testing estate. But, VOSA testing stations would only close when it was assured that there was sufficient alternative testing capacity in the market. In so doing VOSA will be especially mindful of the position of small operators. And, it is planned that VOSA should retain at least some of the existing testing estate over the next few years in order to ensure there is sufficient testing capacity.</p> <p>In certain locations it might become appropriate to transfer existing VOSA testing stations to the private sector. In such cases the business drivers would remain the same—i.e. to bring testing and maintenance closer together. If testing stations were transferred to the private sector, VOSA expect that this would only be addressed on a site by site basis, under a lease with restrictive covenants which, among other things, obliged the lessee to continue to host testing on a basis where it will be open to all. This should provide further assurance of availability of testing facilities for all types of customers.</p>
<p>2. The Committee acknowledges that fees for annual testing must reflect the costs of providing this service. However, changes in fees must be fair and above-inflation increases must be justified with real improvements in services. A move towards private sector involvement should reduce costs and therefore we will be looking for much greater flexibility in the numbers and times of test slots available before any future fee increases are proposed. (Paragraph 14)</p>	<p>A consequence of TTP is that VOSA should need to do much less station modernisation than has been the case in recent years. It is the cost of station modernisation that has been a major driver for above inflation fee increases.</p> <p>It is expected that if the TTP is successful (i.e. that a significant proportion of tests shift to being carried out at non VOSA sites), and that VOSA is able to dispose of a significant number of its existing sites, that this would reduce a significant cost pressure, and result in lower VOSA testing fees than would be the case if VOSA retained an extensive GVTS network, and had to continue the programme of site modernisations.</p> <p>In addition, through TTP, VOSA is in negotiations with the TUS to secure more flexible working arrangements with its staff to support the provision of more flexible testing arrangements, and increasing availability over a longer working day.</p>

<p>3. We welcome the use of targeting mechanisms such as the Operators Compliance Risk Score in order to allocate resources most effectively and to apprehend successfully those most likely to be non-compliant. However, the OCRS mechanism is just one aspect of enforcement and VOSA should not rely on this score alone when targeting vehicles for inspection. (Paragraph 19)</p>	<p>The Operator Compliance Risk Score (OCRS) system has been a highly beneficial tool in providing VOSA a method to focus on operators offering the highest risk to road safety. However, VOSA also carry out random inspections on operators with a better compliance record to ensure that standards are maintained, and that the OCRS data is up to date and meaningful. The OCRS database is not used in isolation in terms of targeting mechanisms. The intelligence marker system provides VOSA with information on specific activity of both drivers and operators. Other technology such as Weigh in Motion Sensors (WIMS), coupled with Automatic Number Plate Recognition (ANPR) systems, alert examiners to overloaded vehicles. VOSA have also been trialling the use of speed guns to provide information on speed limiter and fraudulent tachograph recording offending, the results have been promising, and the practical introduction of the devices is now being assessed. And indeed, one of the most powerful enforcement aids is the use of visual indicators; a lack of an operators licence disc in the windscreen of a vehicle, or a generally unroadworthy looking vehicle, can be easily spotted without the use of expert equipment.</p>
<p>4. The Operators Compliance Risk Score is a valuable tool for enforcement purposes, but it should not be regarded as a direct indicator of operator reliability or quality for unrelated purposes. If OCRS scores are made available to third parties, VOSA needs to be sure that it indicates the limits for how such scores should be used, and how to interpret them appropriately. (Paragraph 20)</p>	<p>OCRS has been operational in VOSA since 2005/06, and its purpose is as an enforcement tool providing risk information. VOSA agrees that the system should not be regarded as an indicator of overall operator quality and compliance. It has never been presented as any kind of league table and there are several pieces of communication which explain the objective of OCRS and how it works; including information on VOSA's website, articles in VOSA's 'Moving On' magazine for operators, and presentations to trade associations. However, it is accepted that on occasion the system has been misunderstood and misrepresented by others as a rating system, and VOSA will take the opportunity to remove any ambiguity and further emphasise the purpose of the OCRS system in a new OCRS guide which is currently in development.</p> <p>In respect of the availability of Operators' risk scores, these are only accessible on the website to the individual operator whose score it is, and then only via a secure account. VOSA does not provide information on OCRS to third parties and has no intention of publishing the data. The next step is to further enhance the OCRS system by including the newly introduced graduated fixed penalties into the scoring mechanism, as this scheme both reflects offences detected at the roadside, and the seriousness of the offence detected —rather than a single score for each offence.</p>
<p>5. The number of foreign-registered heavy goods vehicles on Britain's roads, particularly from the newer EU Member States is rising. They bring unacceptable levels of non-compliance with basic road safety standards. We recognise that the Government</p>	<p>New legislation came into force earlier this year which has introduced new sanctioning powers enabling VOSA to deal more effectively with drivers of foreign registered vehicles. Graduated fixed penalties are now issued for the majority of offences and drivers without a satisfactory address within the UK are required to make an immediate financial penalty deposit payments.</p>

<p>and VOSA cannot specifically target foreign operators, but it is imperative that the Government works intensively to identify ways to improve enforcement and compliance among foreign-registered heavy goods vehicles. (Paragraph 25)</p>	<p>These powers have provided a more consistent, non discriminatory, approach to the sanctioning of drivers. Powers to immobilise have also come into force this year, enabling the attachment of an immobilisation device to vehicles under prohibition. Prior to the introduction of these new powers, in many cases these prohibited vehicles would have absconded in an unroadworthy state, or with a tired driver at the wheel. Indeed, there are already indicators that these new enforcement measures are becoming an effective deterrent to foreign drivers, as VOSA have started to see increases in compliance in foreign based traffic, particularly in respect of drivers' hours rules.</p> <p>The targeting information of foreign registered traffic is being improved with the development of an Operator Compliance Risk Score (OCRS) database which will operate very much in the same way as the current system, but will provide information on those non GB operators who are representing the highest risk to road safety. VOSA have a Secretary of State Key Target to introduce this non GB OCRS database by the end of 2009/10.</p> <p>The Department continues to press the European Commission and other Member States to include vehicle registration marks in the national register for operators. This would greatly aid targeted enforcements of non-UK vehicles on UK roads. A greater understanding of the current activities of non-UK vehicles will be available when the Department's Foreign Vehicle Survey is completed later this year.</p>
<p>6. We are pleased to see the Government and VOSA initiating schemes, such as the High Risk Traffic Initiative (HRTI), which concentrate additional funding and staff resources on those vehicles that pose the greatest risk to road safety, often foreign registered vehicles. It can only be right that resources are concentrated where they are most likely to save lives. This is a significant step in the right direction, but we are concerned whether the number of additional staff is adequate, and we urge the Government and VOSA to take immediate action if it becomes clear that more staff is required for such schemes. (Paragraph 26)</p>	<p>The Government investment of £24m over a 3 year period to introduce a High Risk Traffic Initiative (HRTI) has meant the recruitment of over 100 extra front line staff dedicated to roadside enforcement work. These new staff are making a significant 24/7 presence felt at ports, and on the road network, with a focus on high risk drivers and operators on an international journey. The continuation of the HRTI funding is being reviewed within the context of the Departments comprehensive spending review.</p>
<p>7. We welcome the introduction of the Graduated Fixed Penalty, Financial Penalty Deposit and Immobilisation Schemes. We believe it will enhance VOSA's ability to punish and deter non-compliance among non-UK operators. However, the fines are small and we recommend that there should be increases so that</p>	<p>Fixed penalty and financial penalty deposit levels were set so that they were broadly compatible with existing fixed penalties for similar offences. However, both these and other key aspects of the scheme will be included in the post-implementation review of the schemes scheduled for May 2010. A commitment was made both in Parliament and in the Impact Assessment to review the schemes one year after implementation.</p>

<p>there is a real level of deterrence. The Government and VOSA must continue to explore ways to strengthen VOSA's ability to enforce vehicle and drivers' hours standards among foreign operators on UK roads. (Paragraph 29)</p>	<p>A requirement exists under Enforcement Directive 2006 22/EC that all member states must check 2% of all days worked by drivers. This will increase to 3% by 1 January 2010.</p>
<p>8. At European level, VOSA's enforcement work is seen as a model of best practice. We congratulate VOSA on this achievement. (Paragraph 32)</p>	<p>The comments of the Committee are appreciated. VOSA are involved on many levels with European colleagues, and actively engage in enforcement groups such Euro Controle Route, TISPOL and chair the digital tachograph committee for CORTE.</p> <p>VOSA has worked with the new member states of Hungary, Slovakia and Romania to improving roadside inspection activity and the quality of enforcement prior to entry into the EU. It is hoped that in the longer term, this work will lead to a better standard of vehicles from these countries entering into the UK.</p>
<p>9. We are pleased to learn that the UK is taking the lead on work to improve enforcement and vehicle safety within the European Union. We welcome the work that is being done by officials from both VOSA and the Department for Transport with the Transport Council and the European Commission to co-ordinate work and develop a Europe-wide database of information regarding the safety records of European operators. The implementation of a Europe-wide database is vital work which is urgently needed to help save lives across the continent. It is heartening that the Government and industry representatives are working together to educate colleagues elsewhere in Europe about the benefits of our system and standards.(Paragraph 33)</p>	<p>The Department appreciates the Committee's recognition of the importance and quality of this work. It will continue to work closely with industry colleagues as the new arrangements are implemented.</p>
<p>10. We welcome the improvements to public service vehicle (PSV) operator licensing, but there are clear loopholes, which imperil the safety of passengers, that still need to be closed regarding the use of PSV operator licences on multiple vehicles. We recommend that appropriate legislation be introduced as soon as possible to make provision for the specification of vehicles on operator licences for public service vehicles. (Paragraph 38)</p>	<p>VOSA recognise that the specification of vehicles onto PSV Operator's Licences would offer significant benefits to improving the enforcement of the Operator Licensing system. This would enable the Operator Compliance and Risk Score (which is used to target vehicles for checking in roadside checks) to be much more robust for PSVs, and would also more readily help VOSA determine if a PSV is being used unlawfully without a licence (which will make the recently available PSV Impounding sanction a more useful tool).</p> <p>However, it is noted that a requirement for PSV operators to notify all vehicle registration numbers, in all circumstances, would bring with it a more substantial regulatory cost. It is not clear that the benefits of this approach would be sufficient to justify the regulatory costs</p>

	<p>involved</p> <p>Particular issues arise where an operator needs to use different vehicles, for example because a vehicle needs to be hired in at short notice to cover for a breakdown. At the present time it will not always be possible to notify VOSA immediately in these circumstances—although it is expected that over the next few years improvements in the on-line systems that VOSA have are likely to make this possible. Anecdotal evidence from parts of the industry suggests that delivering such improvements would be a prerequisite for industry support for the proposal.</p> <p>This issue is currently recognised in the goods vehicle operator licensing system, where operators have a limited period (the “margin concession”) within which the new vehicle details must be notified. An unscrupulous operator will therefore always be able to claim that an “unnotified” vehicle was being used under the margin concession and this would seriously limit the benefits that could otherwise arise from specifying vehicles on all PSV operators’ licences.</p> <p>There is an existing power for traffic commissioners—in particular circumstances—to specify which vehicles may be used under a PSV operator’s licence. This power, under section 26(5) of the Transport Act 1985, provides an opportunity for the traffic commissioners to require the operator to notify which vehicles will be used under the licence. This power is available where it appears to the traffic commissioner that vehicles are not being maintained in a fit and serviceable condition, or where an operator is making agreements with other operators in an attempt to circumvent the licensing requirements. This power appears to be seldom used by the traffic commissioners at present. In the first instance, therefore, the Government would encourage the traffic commissioners to make use of the existing power in the Transport Act 1985, mentioned above, in specific cases where they consider it appropriate to do so.</p> <p>The effectiveness of this approach will be monitored, and if it appears to be ineffective, more work will be done to determine how specification may be able to be applied in the PSV industry to minimise unlawful operation—ideally being focussed on those sectors where problems of unlawful operation are most significant.</p>
<p>11. If the new reliability and punctuality monitoring system is to be effective, the role of VOSA and all other relevant agencies must be clarified. However, we do not believe that VOSA currently has the resources to adequately undertake this</p>	<p>Enforcement of bus punctuality lies with the Traffic Commissioners. Bus operators (outside London) must register all local services they intend to operate with the relevant Traffic Commissioner giving the prescribed particulars of those services (chiefly the route and timetable). Whilst they may register and de-register any service they choose, they are obliged to</p>

<p>responsibility on top of its existing remit. We recommend that the Government transfer the responsibility for monitoring punctuality and service reliability to local bodies such as Integrated Transport Authorities. At the same time, the possible efficiencies that might be achieved by a more high-tech approach to monitoring should be explored. (Paragraph 41)</p>	<p>operate the service in accordance with the particulars they have registered.</p> <p>Traffic Commissioners can penalise operators who, without reasonable excuse, fail to run services in accordance with the registered particulars, either with a financial sanction¹⁹ and / or a restriction on their licence.²⁰ The Local Transport Act 2008 enhanced the Traffic Commissioners' powers, enabling them to hold local authorities to account for their contribution to poor performance, and enabling them to require an operator to invest in specific improvements or provide compensation to passengers, rather than, or in addition to, imposing a penalty. VOSA currently provide the Traffic Commissioners with support in this role and the Department believes that VOSA remains the most appropriate body to do this.</p> <p>To ensure that reliable and punctual bus services are provided, the Department believes it is vital for local authorities and bus operators to work together. The Department is currently working with key stakeholders to introduce a revised punctuality performance regime based on partnership working to ensure that problems are understood early and solutions applied.</p> <p>This work is being taken forward by the Bus Punctuality Working Group (BPWG), set up under the umbrella of the Bus Partnership Forum, consisting of key industry, local authority, passenger, and enforcement representatives. The BPWG is looking at a number of issues surrounding data sharing and the monitoring of bus punctuality, including whether data provided by local authorities could be utilised, and the use of electronic data as part of the punctuality monitoring process. The Department intends to issue guidance on the importance of local authorities and operators working in partnership to achieve punctual and reliable bus services, and setting out their respective roles. The guidance is being prepared in conjunction with the BPWG and should be issued early next year.</p>
<p>12. We welcome the improvement in relations between VOSA and the Traffic Commissioners over the past two years. It is essential that they work seamlessly together, and that communication between them is effective. (Paragraph 42)</p>	<p>Through the changes that have taken place recently a better and more coherent service is now being delivered to truck and bus operators across the country. The establishment of a statutory Senior Traffic Commissioner (STC) with new powers to issue guidance and direction to fellow Traffic Commissioners will greatly help in this process</p>
<p>13. We continue to have concerns about the operation of VOSA's performance management system which may distort priorities so that crucial work in support of hearings by Traffic Commissioners</p>	<p>VOSA acknowledges the concerns of the Committee and accepts that the performance gain system has limitations. It is no longer a key target but is one of a number of internal management indicators utilised, along with input hours and various output measures.</p>

19 Transport Act 2000, section 155, as amended by section 64 of the Local Transport Act 2008.

20 Transport Act 1985, section 26, as amended by section 62 of the Local Transport Act 2008.

<p>is neglected. The system needs to be audited, and if necessary, adjusted to ensure that support for the enforcement work of Traffic Commissioners is given due priority. (Paragraph 44)</p>	<p>Performance gain is kept under review.</p> <p>VOSA takes the work done by examiners in support of public inquiries very seriously, and has adjusted the management system to recognise that the performance measure for preparation of case work for the Traffic Commissioners is equal to that given for roadside work.</p>
<p>14. We recommend that VOSA be granted right of access to all port premises where road vehicles enter the UK. This could, of course, be achieved through legislation, but a quicker and more effective option could be to establish a Memorandum of Understanding between VOSA and all UK port authorities. If all UK ports where vehicles enter the UK are part of the agreement, no port would be at a disadvantage compared to others. We recommend that the Department for Transport and VOSA explore the options with ports operators, but if no voluntary agreement is forthcoming, Ministers should not shy away from legislative action. We also recommend that the possibility of carrying out inspections at ports outside the UK should be pursued where feasible and desirable. (Paragraph 49)</p>	<p>The Department, VOSA and the UK Borders Agency are currently developing strategies which may achieve a resolution to the issues around enforcement on port premises. It is intended that these developing strategies could achieve the objective of ensuring that enforcement and inspection work can be effectively and proportionately carried out at all port locations, without the need for any legislative change.</p> <p>VOSA maintain a presence at Coquelles, the French entry for Eurotunnel traffic, but have found that this is not always an efficient location for inspecting vehicles. There is insufficient space to prohibit vehicles in the inspection area, and VOSA has no jurisdiction to detain the vehicles in France. Therefore VOSA have to direct prohibited vehicles through the tunnel to be met and escorted by VOSA examiners at Ashford. VOSA are looking at both how resource could be used more efficiently, and at alternative equivalent deterrent mechanisms. Beyond Coquelles, work is being done to explore how VOSA can work in partnership with other countries to improve and increase inspections of vehicles at ports before vehicles enter the UK.</p>
<p>15. We welcome the progress which has been made by VOSA in terms of collaboration and information sharing with other agencies. These efforts must continue undiminished, with a particular emphasis on collaboration with the police. Collaboration facilitates optimal use of scarce resources. Also, information and intelligence is a key component of an enforcement policy which is based in significant measure on the targeting of the most likely offenders. (Paragraph 51)</p>	<p>VOSA is grateful for the recognition the Committee has given in terms of the joint working that is undertaken with other agencies.</p> <p>VOSA place significant focus on the collaborative efforts that can be utilised with the police and will continue to explore further avenues of combined effort. For many years joint large scale enforcement operations such as the 'Operation Mermaid' and 'Operation Tourist' checks have been undertaken, enabling collaborative working on both on a national and local level. VOSA meets regularly with the police and other agencies to share intelligence and information on high risk national targets. More recently it has been developing policies and strategies with the police for dealing with the illegal operation of limousines, which will see the agencies working together to impound vehicles found to be in contravention of regulations.</p> <p>The police have always been supportive to VOSA examiners where difficult confrontational circumstances have prevailed, and this support has been particularly valuable following the introduction of the graduated fixed penalties and deposits schemes earlier this year.</p> <p>VOSA are also involved with the police on a wider European basis, sitting on the European traffic police working group, TISPOL, which provides a forum for sharing information on</p>

<p>16. In order to maximise efficiency and reduce inconvenience to operators, VOSA examiners must have access to accurate and up-to-date information. Therefore, the adoption of an IT system which updates data instantly across the entire system must be a priority. If necessary, more resources should be made available to invest in better technology to achieve this. (Paragraph 52)</p>	<p>tachograph fraud.</p> <p>VOSA accepts it needs to improve the timeliness and accuracy of data to support its enforcement activity. VOSA is committed to improving this via the creation of an IT enabling enforcement strategy, the key areas of focus within this are:</p> <ol style="list-style-type: none"> 1. To ensure all intelligence sources are as up to date as possible on the different technologies being used to stop / sift vehicles. 2. Enhance the current UK operator risk scoring system to include international traffic. 3. Exploitation of real or near real time data to improve detection of non compliance and the effectiveness of VOSA resources. 4. Assessing opportunities to enrich VOSA data for targeting, by sharing data with other Agencies (Police, HMRC, UK Borders etc.) and EU member states. <p>Business cases will be produced to ensure that the investment in these improvements delivers value for money.</p> <p>The observation made by the Committee that it would be advantageous to have information available to VOSA, so examiners were aware of whether a vehicle had already been inspected elsewhere by VOSA that day is accepted, although it is considered a low probability and low road safety risk but will be explored as part of VOSA future IT enablement strategy.</p>
<p>17. We believe that aspects of current data protection legislation are a hindrance to successful targeting of foreign-registered vehicles. While it is very important to protect personal data from inappropriate use, it is unacceptable that information which could greatly improve road safety cannot be shared with the agency responsible for enforcing vehicle safety standards. The Government should give priority to legislative adjustments which would facilitate secure and effective data sharing between key government agencies such as VOSA and HMRC. In order to discharge its core functions effectively, VOSA needs to have the same access to Ships' Manifests and other key documents as is enjoyed by the HMRC. The efficiency of regulation and enforcement in areas where the responsibilities of several bodies' overlap could be greatly improved through better information sharing arrangements. (Paragraph 55)</p>	<p>It is agreed that VOSA's enforcement effort would be improved by better access to the data information of other Agencies, and VOSA and the Department are exploring better ways of working with the Home Office, the Police and UK Border Agency to increase effectiveness by sharing data where possible. VOSA are alive to the privacy issues around the increased use of personal data, and would seek to achieve their enforcement objectives through minimal use of such data. The Department are also exploring whether VOSA have the legal powers to obtain information, such as Ships' Manifests, and indeed whether UK Borders have the legal powers to disclose the information to VOSA.</p>

Recommendation	Government Response
<p>Rail franchising—on track?</p> <p>1. As we said three years ago, the current system of rail franchising is a muddle. Within just three years, two franchise operators have had to abandon a major franchise—both of them on the East Coast Main Line. Whilst we fully support the Secretary of State in his decision to take back responsibility for the East Coast Main Line franchise, we remain convinced that these two high profile failures are indicative of the underlying problems in the current franchising model. (Paragraph 7)</p>	<p>The Government welcomes the Committee’s support for the prompt action we took in response to National Express Group’s announcement that it will not provide further financial support to ensure that its subsidiary, National Express East Coast, remains solvent. We have taken steps that safeguard the interests of passengers and tax payers.</p> <p>Whilst the inability of National Express to continue the franchise in the light of economic conditions is regrettable, the current franchise system takes account of the fact that franchisees may face financial difficulties. It is designed so that the core passenger services are not disrupted if an operating company defaults, and the costs of replacing the franchise may be recovered from a performance bond maintained by that company.</p> <p>The system has to achieve a good balance between many different aims: it should deliver value and certainty for taxpayers alongside protected service quality for passengers; it must balance being affordable in the short term with investing for longer-term benefits; it should be able to cope with change on the network, such as major projects, and changes in policy aims; it should encourage, rather than stifle, sensible investments and improvements and manage them efficiently and it must deliver acceptable outcomes under different economic conditions.</p> <p>The current arrangements have evolved over the years since privatisation as a pragmatic response to these different pressures and, in broad terms, work well. However, any system has strengths and weaknesses. The Department is studying carefully the performance of the current franchise model and assessing whether there are changes that could help the railway perform better for passengers and taxpayers in a downturn as well as delivering well during periods of growth. Potential changes to the current system will be identified and consulted on ahead of the next franchise competitions.</p> <p>The situation of an operating company defaulting on its franchise should not distract from the everyday achievements of rail operating companies working within the current franchising system. Overall, franchising over the last decade has helped to deliver many benefits for taxpayers and passengers alike. The National Audit Office published its report on rail franchising last year (<i>The Department for Transport: Letting Rail Franchises 2005–2007</i>), the culmination of a detailed, eighteen-month investigation. It found that the franchising system</p>

	<p>had delivered good value for the taxpayer and that service specifications were well thought through and generated keen competition. The National Audit Office also identified a large number of service improvements for passengers, which have been purchased through recent franchise competitions.</p> <p>Rail passenger numbers are now at their highest levels since the 1940s. Punctuality is over 91 per cent and overall passenger satisfaction is steadily rising. The recent successful re-letting of the South Central franchise, with a good outcome for passengers and tax-payers, demonstrates the strengths of the current system. However, a lot remains to be done to improve rail, especially to meet the major challenges of growth and capacity. To deliver these improvements, the Department is making record investments in upgrading the network and the services on it.</p>
<p>2. We are concerned that there is a lack of information available to us regarding the financial stability of franchise operators. Many more franchises may be struggling to meet their required financial agreements, without our knowledge. Any additional failures in the franchise system, coupled with risk sharing, will inevitably cost the Government considerable sums. We are deeply concerned about the impact this could have on the funding for other transport projects. (Paragraph 8)</p>	<p>The Department published the funds available to the railway between 2009 and 2014 in the High Level Output Specification of 2007, including £10 billion invested in upgrading capacity. We continue to work hard on progressing major projects such as the Thameslink infrastructure project, new intercity trains, electrification plans and High Speed Two.</p> <p>The Government notes the Committee's concerns about the lack of information available to it about the financial stability of rail franchises. The Department for Transport reviews and analyses the operational and financial performance of Train Operating Companies on a regular basis. Franchise agreements require operators to supply the Department regularly with detailed and forward looking financial information, including business plans and rolling forecasts. Emerging issues and risks are flagged up for senior officials and Ministers. Any such discussions and assessment of franchised operators' finances are always commercially confidential. Public discussion of such concerns could destabilise the market, jeopardise services and reduce value for the tax payer.</p> <p>Each franchised train operator must also have a performance bond for the benefit of the Department for Transport. The Department pays close attention to the ratings given to the bond issuer. These ratings are publicly available, though the cost of purchasing the bond is a commercial matter between the operator and its bond provider. Should a franchise default, the Department would recover its termination costs from the performance bond.</p> <p>The cost to the taxpayer of terminating the East Coast franchise will depend on many factors, including ticketing revenue over the period when the franchise is publicly run, so it is not possible to put a figure on it at the moment. But the important point is that the Government will receive all the revenues. Franchise termination will mean that the Department for Transport is able to call in National Express' performance bond. This will cover the Department's</p>

<p>3. Privately-owned companies maximise profits and dividends in the good times when the optimistic assumptions of their franchise bid are met. But in hard times, when revenue stagnates and costs rise, there may be insufficient financial resilience to get by without default or at least significant fare rises and reductions to passenger services such as ticket office closures and subsequent job losses. Tightly specified franchise contracts limit the options available to operators, and partially protect passengers, but also leave tax payers at risk of having to pick up the bill. The current risk-sharing arrangements mean operators are not held to account on their promises. There is no point in involving the private sector if it simply takes the profits in the good times, leaving the tax payer to pick up the tab in bad times? (Paragraph 13)</p>	<p>expenses incurred in taking over the franchise.</p> <p>Any system faces a challenge in both giving operators commercial incentives and protecting the needs of passengers. The current system tries to balance these two factors —firstly, to give the private operator an incentive to innovate, keep its costs low and grow the value of the business and, secondly, to make sure that the important public services that the taxpayer is funding are not cut. These protections are not just important in an economic downturn. An efficient company will make efforts to maximise its revenue from fares and cut its costs throughout the franchise even when the business is doing well.</p> <p>That is why the majority of fares are controlled by the terms of the franchise agreement to rise by no more than RPI+1%. Operators cannot increase these fares above this level when economic times are tough and this regulation has the impact of limiting other fares. It is also why franchise agreements contain clear obligations on ticket office opening hours, train service levels, punctuality, committed investments and many other measures. Operators are held firmly to account on these obligations.</p> <p>The Department also believes it is right to specify in its instructions to bidders for rail franchises elements of the rail service that it knows train operators have little or no commercial incentive to carry out but which research by passenger groups such as Passenger Focus shows as being important to passengers. If we were to pursue a lighter form of specification this would mean that ticket office opening hours could be significantly reduced, stations staffed for fewer hours, cycle facilities not expanded or station enhancement plans not implemented.</p> <p>The Department seeks to ensure value for money for the taxpayer by contractualising within our franchise contracts elements that are offered by bidders but that go beyond our minimum specification, especially where these deliver significant additional benefits to passengers. For example on South Central, GoVia offered to carry out a station deep clean programme at all non-London stations within 18 months, which was over and above our minimum specification. Without contractualising this enhancement we would have had no power to ensure that this was delivered and no way of ensuring passengers benefitted from this.</p> <p>If there are concerns that franchisees are not delivering their commitments the Department for Transport will investigate and, if appropriate, take appropriate action. The Department has a range of enforcement mechanisms available. If an operator falls below defined levels, the Department can require it to produce a remedial plan, which sets out measures to restore performance, sets target dates and becomes part of the contract with the operator. If the operator continues to deteriorate, the Department can ultimately terminate the franchise. In the case of First Great Western, for example, we imposed a Remedial Plan Notice for exceeding</p>
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	<p>the threshold on cancellations. First Great Western's performance has improved significantly as a result. We have been clear that it is unacceptable for train operators to reap the benefits of contracts when times are good, only to walk away from when times become more challenging.</p> <p>Most franchises are set up to ensure that after a certain point, operators are supported during periods of economic slowdown and in turn share their profits with the Government at times of strong economic growth. This recognises that rail revenues are only partly under the control of operators and will be influenced by the national economy as well as operator actions such as marketing, service improvements and pricing. This is sensible procurement practice: asking operators to bear the risk of factors they cannot control will tend to inflate the costs to the taxpayer. However, the Department will carefully consider how these risk-sharing mechanisms have performed in recent months and consider potential changes before tenders are issued for the next franchise competitions.</p>
<p>4. The Government must continue to hold firm on its commitment not to re-negotiate franchising contracts. (Paragraph 14)</p>	<p>It remains our position that we do not renegotiate franchises.</p>
<p>5. We believe it is unacceptable that National Express may be able to cling on to its remaining franchises through the use of a 'special purpose vehicle'. The misuse of legal instruments, such as 'special purpose vehicles', to insulate parent companies from potential losses and legal problems as a result of the failure of subsidiaries is sharp practice. (Paragraph 15)</p>	<p>It is not for Government to comment on the legal and commercial arrangements of individual companies. However, any company tendering for a rail franchise must meet strict standards laid down in the tender documents and the parent company may be required to enter into certain financial commitments in respect of the franchise, such as a committed shareholder loan. It is regrettable that National Express Group is not able to provide the required financial support to the franchise in line with the contract that its subsidiary freely entered into.</p> <p>If one train operator within a group of companies defaults on its franchise, the Department for Transport will look at the circumstances surrounding the default of the relevant operator. The Department would carefully consider any implications or consequences of the default upon another operator within the group and will look at options available. We will carefully consider each case before we decide whether cross-default applies.</p>
<p>6. The Government should be willing to attempt different forms of franchising. Now is an ideal opportunity to keep the lucrative East Coast franchise in the public sector. The service could then be used as a comparator for other types of franchises, both in terms of financial viability and passenger service quality. (Paragraph 16)</p>	<p>We keep open our options on the form and structure of franchise agreements but the Government believes that the best way to secure its objectives for the railway is through maintaining the principle of public and private partnership. The National Audit Office report, published in 2008, concluded that the Department for Transport's approach to rail franchising "produces generally well thought through service specifications and generates keen bidding competition".</p>

<p>7. The current length of franchises does not encourage train operators to plan on a long-term basis. It discourages investment in the services, and contributes to train operators taking short-term cost-cutting measures that reduce passenger service quality. The Government should let franchises on a longer basis, albeit with breakpoints so that contracts can be terminated at pre-defined points where performance is unsatisfactory. (Paragraph 19)</p>	<p>It is the Government's intention to tender for a new East Coast operator in due course. Indeed, it is not within the Secretary of State's gift to retain the franchise in public ownership without a change in legislation. Moving the East Coast franchise temporarily to public control is the most cost effective solution for the taxpayer. The new East Coast Main Line public company, which will operate the franchise while it is under public control, will continue to operate services on the current basis and customers should see no break in service. In line with the Committee's proposal, this will afford a substantial period when the franchise is operated by a public sector company and outcomes could be compared with other franchises. Such comparisons can be useful, but their value is always limited by the variety of business conditions and operational characteristics in different franchises. Furthermore, keeping the franchise in the public sector would mean that the Government forgoes the substantial premium payable by a private operator wishing to run the service.</p>
	<p>Recent franchises have been let for around seven to ten years, although some have been let for shorter period because of specific operational reasons, such as planned infrastructure change. For example, the new South Central franchise has been let for five years ten months with a potential 2 year extension in order to fit in with the changes arising from the Thameslink upgrade.</p> <p>Where appropriate, the Department is keen to let franchise contracts for longer periods. Longer franchises can be an effective way to deliver investment projects, such as those on the Chiltern franchise where the franchisee has taken the lead on key infrastructure works. Long-term contracts also provide stronger incentives for train operators to identify and invest in projects that generate passenger revenue. At their best, a long-term operator is able to develop a strong relationship with passengers and plan effectively for the future.</p> <p>However, relatively frequent competitions can offer significant benefits for passengers and taxpayers. Where expectations or demands have changed, competitions offer an opportunity for the public sector to specify and fund new services, for instance more capacity. Competitions require private sector bidders to examine the business and propose good ideas, innovations and investments under competitive pressure. Shorter franchises are also likely to be more robust, as they do not require bidders to take a very long view of future revenues.</p> <p>Overall, franchise length needs to strike a balance between these competing factors. Longer franchises can offer some real benefits for the railway, but may not be appropriate in all circumstances.</p> <p>Long-term planning and investment require operators to be confident that they will retain the franchise to full term. Discussions with operators indicate that break points (unless they are very</p>

<p>8. The needs of passengers have not always been properly catered for within rail franchising contracts. The Government must ensure that franchises are more passenger-focused, and that commitments within existing franchise contracts are also enforced. It would be good if the franchise recently awarded for the South Central line, which includes monitoring of passenger satisfaction, and the inclusion of additional factors such as cycle and car parking space targets, were to become the norm for future franchise negotiations. (Paragraph 21)</p>	<p>weak) introduce shorter planning horizons, in the same way as shorter franchises.</p> <p>The new South Central franchise is a good example of a passenger-focused franchise. The Department for Transport will be using the methodology used in the specification and subsequent procurement of the South Central franchise as the starting position for future franchise competitions. The level of specification within the South Central franchise has ensured that the passenger-facing improvements sought by the Department, such as additional services at evenings and weekends, station access improvements, improved staffing levels in London, additional help points, etc. will be delivered by the new franchisee.</p> <p>The specification of the re-let East Coast franchise will reflect the Government's concerns to secure better passenger services and facilities. In particular we will be seeking to secure significant improvements to station security, to bike and car parking facilities at stations and, where appropriate, bus interchange facilities. We want to ensure that passenger safety is enhanced and access to rail by other modes of transport is improved on this key route. We will consult fully on the new franchise specification, including with passenger groups.</p> <p>One way in which more passenger-focused franchises can be delivered is through improving facilities at stations. That is why the Secretary of State for Transport has asked two station champions, Sir Peter Hall and Chris Green, to advise the Government on ways to improve stations, focussing on getting the basic facilities right as well as considering the broader role of stations in the future.</p> <p>The review will consider and recommend the minimum appropriate levels of service that should be set at stations so that passengers feel confident that stations will meet set standards. The review will look at how developments such as better station management, future franchise agreements, Network Rail initiatives and longer term investment can help to deliver better stations. It will also look at what else can be done to enhance stations as transport interchanges and community institutions.</p>
<p>9. While we recognise that the six-month gap between the benchmark RPI and the subsequent fare rises could cut both ways, our concern is that the train operating companies have taken advantage of the mechanism to raise fares at the worst possible moment and to a level which is out of all proportion to the real economy. But as we noted in the previous chapter,</p>	<p>The Government limits most operators to average increases in regulated fares of no more than one per cent above inflation (RPI+1%) each year. These caps are set by a formula in each franchise operator's contract with the Department for Transport. Train operators set fares within these regulatory caps according to their own commercial decisions. Southeastern has a higher cap of RPI+3% for five years from 2007, recognising historically lower fares than elsewhere and allowing for the investment recently made in the Kent services. The same cap</p>
<p>Fares</p>	

<p>short-termism is built in to the franchising system as a perverse incentive. A short-term approach and insensitive attitude towards passengers will damage train operators' relationships with their customers in the long-term. The system encourages and allows train operators to take their passengers for granted. (Paragraph 25)</p>	<p>applies to Northern Rail's regulated fares in the West Yorkshire area, which funded additional rolling stock for Leeds.</p> <p>In its Fares and Ticketing Study, published on 19 February 2009, Passenger Focus recommended that restrictions should be placed on this flexibility. The Government recognises that, in a time of economic stringency, it is not acceptable for individual commuters to face significantly above-average fare increases. That is why Lord Adonis told the Committee on 25 February that the Government intended to remove this flexibility. In January 2010 the 'RPI plus' formula will apply to individual regulated fares, not only to a basket of fares, in order to protect passengers from unduly steep increases in regulated fares.</p> <p>We could require operators to lower their fares, but only if we paid higher subsidies to offset the reduction in revenue, placing a higher burden on the taxpayer and reducing the funds available for other things, including the single biggest programme of investment in the train service for a generation.</p> <p>The majority of rail fares are regulated and in many cases the scope for increases in unregulated fares is constrained by the cap on related regulated fares. So operators are tightly controlled. The Department for Transport has not seen any evidence that franchises which have relatively few years to run are likely to raise unregulated fares by more than other operators.</p>
<p>10. The complexity of the fares structure still remains an issue for passengers. Information on, and access to, the complete range of fares must be available and easily accessible to all passengers. (Paragraph 29)</p>	<p>The industry, with the encouragement of the Government, introduced in 2008 a new, simplified fares structure intended to be easier for passengers to understand. The previous wide range of ticket types and names was replaced by just three main ticket types with self-explanatory names: Advance, Off-Peak and Anytime.</p> <p>Passengers have a number of options when buying rail tickets. They can enquire in person about rail fares at a staffed ticket office or from a rail accredited Travel Agent. If they are unable to go to a staffed ticket office or simply wish to research rail fares without leaving their home, they can make enquires of one of the many telesales outlets or, if they have access to the internet, they can use the National Rail website or any of the various websites operated by individual train operators to research the best fare for the journey they wish to undertake. There are also independent websites, such as The Trainline or Raileasy, which provide similar fares search facilities.</p>
<p>11. We welcome the removal of regulated fares basket flexibility. No longer will train operators be able to continue the unacceptable practice of increasing selected regulated fares by six or seven times the inflation rate. (Paragraph 31)</p>	<p>The Government welcomes the Committee's support for the removal of regulated fares basket flexibility. It will come into effect for January 2010.</p>

12. We welcome the Secretary of State's confirmation that the RPI+1% formula will apply for 2010 fares. This means regulated fares could decrease next year. It is only right that passengers, who have borne the brunt of unacceptable increases in recent years, should gain some respite during these difficult financial times. (Paragraph 33)

The Government welcomes the Committee's support for the policy of holding train operating companies to increases in regulated fares of RPI+1%, where that formula applies, despite the significantly negative RPI rate for July 2009 that had been widely anticipated. Since it published its report, the Committee will have noted that the July 2009 RPI figure was minus 1.4 per cent. This means that the majority of regulated rail fares, including most commuter fares, will fall in January 2010. This is good news for passengers. A drop in fares should encourage more people to travel by train, which is good for the economy and the environment.

Annex B: Petitions

From	Concerning	Presented by	Date of presentation	Considered by Committee	Action taken
Brighton and Hove driving instructors and learner drivers (P000294)	Proposed closure of the Brighton and Hove driving test centre	Ms Celia Barlow	18.12.08	14.01.09	Noted by the Committee; Government observation also noted on 21 January 2009
Family of Aaron Palmer and residents of Glamorgan (P000301)	Legislation to revoke the licenses of drink drivers.	John Smith	17.12.08	14.01.09	Noted by the Committee
Residents of Hope Cove and the surrounding area (P000304)	The Hope Cove Lifeguard Agency	Mr. Anthony Steen	14.01.09	21.01.09	Noted by the Committee; Government observation also noted on 11 February 2009.
Samantha Mitchell and local residents (P000312)	The safety of the Climmen Road and Central Wall Road junction.	Bob Spink	02.02.09	11.02.09	Noted by the Committee; Government observation also noted on 11 March 2009.
Residents of Brancepeth Village, County Durham, and others (P0003150)	Request for speed limit to be imposed on the A690 road through Brancepeth	Dr. Roberta Blackman-Woods	05.02.09	25.02.09	Noted by the Committee; Government observation also noted on 1 April 09.
Concerned motorists, and others (P000332)	Traffic Management (Somerset)	Mr. Ian Liddell-Grainger	11.03.09	18.03.09	Noted by the Committee
Supporters of the Campaign to Save Cherry Lane Cemetery (P000331)	Planning and Development (Heathrow)	John McDonnell	11.03.09	18.03.09	Noted by the Committee; Government observation also noted on 29 April 2009.

From	Concerning	Presented by	Date of presentation	Considered by Committee	Action taken
Supporters of the Campaign to Save Cherry Lane Cemetery (P000333)	Planning and Development (Heathrow)	Mr. Nick Hurd	11.03.09	18.03.09	Noted by the Committee; Government observation also noted on 29 April 2009.
Supporters of the Campaign to Save Cherry Lane Cemetery (P000334)	Planning and Development (Heathrow)	Mr. John Randall	11.03.09	18.03.09	Noted by the Committee; Government observation also noted on 29 April 2009.
Gwen Hall, residents of Hadleigh, and others (P000338)	Plans to create a bus lane between Tattersall Gardens and Hadleigh on the A13	Bob Spink	24.03.09	22.04.09	Noted by the Committee; Government observation also noted on 14 October 2009.
Users of Lockerbie Station and others (P000343)	Cuts to rail services to and from Lockerbie station	David Mundell	01.04.09	22.04.09	Noted by the Committee; Government observation also noted on 29 April 2009.
The residents of Stafford and others (P000369)	Traffic noise from the M6 between junction s13 and 14	Mr. David Kidney	19.05.09	17.06.09	Noted by the Committee; Government observation also noted on 24 June 2009.
The residents of Hartford and others (P000374)	Proposed slip road at Bradburns Lane and Chester Road	Mr. Mike Hall	20.05.09	17.06.09	Noted by the Committee; Government observation also noted on 24 June 09.
Hackney Carriage drivers and associates of Wellingborough, Northamptonshire and surrounding areas (P: 000391)	Taxis (Wellingborough)	Mr. Peter Bone	13.07.09	28.10.09	Noted by the Committee; Government observation also noted on 28 October 2009.

From	Concerning	Presented by	Date of presentation	Considered by Committee	Action taken
Mr Alan Watterson, and the residents and taxi drivers of Wavertree constituency and surrounding area (P:000395)	Taxis (Liverpool)	Jane Kennedy	14.07.09	14.10.09	Noted by the Committee; Government observation also noted on 14 October 2009
The customers of Rossendale Transport (P:000398)	Public Transport (Lancashire)	Janet Anderson	20.07.09	14.10.09	Noted by the Committee; Government observation also noted on 14 October 2009
The residents of West Lancashire and others (P:000399)	Travel Passes (Lancashire)	Rosie Cooper	20.07.09	14.10.09	Noted by the Committee; Government observation also noted on 14 October 2009

Annex C: Sessional information

For website access click on www.parliament.uk/transcom

The Committee was nominated by the House of Commons on 13 July 2005.

Members	Meetings attended
Ellman, Mrs Louise (Chairman)	29 out of 29
Clelland, Mr David	24 out of 29
Donaldson, Mr Jeffrey M. (added 9.11.09)	0 out of 1
Efford, Clive (discharged 19.1.09)	0 out of 3
Hollobone, Mr Philip	21 out of 29
Leech, Mr John	23 out of 29
Martlew, Mr Eric	24 out of 29
Pritchard, Mark	18 out of 29
Smith, Ms Angela C (added 19.1.09)	20 out of 26
Soulsby, Sir Peter (added 19.1.09)	24 out of 26
Stringer, Graham	26 out of 29
Wilshire, Mr David	10 out of 29
Wilson, Sammy (discharged 9.11.09)	16 out of 28

Overall Attendance: 74.4 %

Total number of meetings: 29

Of which:

Number of meetings at which oral evidence was taken	28
Number of times oral evidence was taken partly or wholly in private	0
Number of wholly private meetings	1

Staff

Details of the permanent staff of the Committee during the Session can be found in the Committee's publications.

Specialist Advisers during the Session

Peter Brooker, Professor Brian Graham, Professor Chris Nash, Mr David Quarmby and Professor Jon Shaw.

Witnesses

Oral Evidence was given during the Session by the following categories of witnesses:

Number of appearances by:	
Cabinet Ministers	3
Other Ministers	8
Members of the House of Lords (all of whom were Ministers)	6
Number of appearances by officials from, or representatives of:	
Department for Transport	7
Other departments comprising:	
HM Treasury	1

Executive agencies comprising:	
Driving Standards Agency	1
Highways Agency	3
Vehicle and Operator Services Agency	1
Representatives of public bodies and non-Ministerial departments	
Advantage West Midlands	1
Passenger Focus	3
Sustainable Development Commission	1
Traffic Commissioners	1
Public Corporations	
Civil Aviation Authority (CAA)	3
Representatives of other organisations / individuals	135

Overseas Visits

Date	Destination	Members	Staff	Purpose	Cost
19-23.10.09	Washington in the USA	Ellman, Leech, Martlew	2	In relation to the inquiry into The future of aviation.	£26,496.54 estimated outturn

Visits to European Institutions

None.

UK Visits

Date	Destination	Members	Staff	Purpose	Cost
16.12.08	Vehicle and Operator Services Agency (VOSA), Leatherhead ^A	Ellman	1	In relation to the inquiry into Taxes and charges on road users.	£266.80
24.2.09	NATS air traffic control centre at Swanwick	Ellman, Hollobone, Smith, Soulsby, Wilshire	2	In relation to the inquiry into The use of airspace.	£744.00
25.3.09	Transec, part of the Department for Transport, London	Ellman, Clelland, Hollobone, Leech, Martlew, Stringer, Wilshire, Wilson	2	Briefing on transport security.	Nil
21.7.09	2012 Olympic Park, Stratford	Ellman, Soulsby, Wilshire, Wilson	2	Update on the 2012 Olympic transport plan	£17.60

^A Travel in a representative capacity

Reports and Oral and Written Evidence

Title	HC No. (2008–09)	Date of publication	Government reply
First Report: <i>Work of the Committee in 2007–08</i>	211	30.1.09	Not required
Second Report: <i>School Travel</i>	351	22.3.09	Received 18.5.09: published as Third Special Report Session 2008–09
Third Report: <i>Appointment of the Chair of the Office of Rail Regulation</i>	433	7.5.09	Letter from Secretary of State, Rt Hon Geoff Hoon received 1.6.09
Fourth Report: <i>The effects of adverse weather conditions on transport.</i>	328	29.5.09	Received 17.7.09: published as Fourth Special Report Session 2008–09
Fifth Report: <i>The use of airspace</i>	163	10.7.09	Received 28.9.09: published as Fifth Special Report Session 2008–09
Sixth Report: <i>Taxes and charges on road users</i>	103	24.7.09	Received 5.10.09: published as Sixth Special Report Session 2008–09
Seventh Report: <i>The enforcement activities of the Vehicle and Operator Services Agency (VOSA):</i>	39	24.8.09	Received 21.10.09: published as Eighth Special Report Session 2008–09
Eighth Report: <i>Rail fares and franchises</i>	233	27.7.09	Received 9.10.09: published as Seventh Special Report Session 2008–09
First Special Report: <i>Ending the Scandal of Complacency: Road Safety beyond 2010: Government response to the Committee's Eleventh Report of Session 2007–08</i>	136	19.1.09	Not applicable
Second Special Report: <i>Ending the Scandal of Complacency: Road Safety beyond 2010: Further Government response to the Committee's Eleventh Report of Session 2007–08</i>	422	27.4.09	Not applicable
Third Special Report: <i>School Travel: Government responses to the Committee's Report of Session 2008–09</i>	561	28.5.09	Not applicable

Title	HC No. (2008–09)	Date of publication	Government reply
Fourth Special Report: <i>The effects of adverse weather conditions on transport: Government response to the Committee's Fourth Report of Session 2008–09</i>	957	22.7.09	Not applicable
Fifth Special Report: <i>The use of airspace: Government response to the Committee's Fifth Report of Session 2008–09</i>	996	26.10.09	Not applicable
Sixth Special Report: <i>Taxes and charges on road users: Government response to the Committee's Sixth Report of Session 2008–09</i>	995	27.10.09	Not applicable
Seventh Special Report: <i>Rail fares and franchises: Government response to the Committee's Eighth Report of Session 2008–09</i>	1004	16.10.09	Not applicable
Eighth Special Report: <i>The enforcement activities of the Vehicle and Operator Services Agency (VOSA): Government response to the Committee's Seventh Report of Session 2008–09</i>	1057	2.11.09	Not applicable
Oral and Written Evidence: <i>The Department for Transport's Annual Report 2008</i>	1112	11.11.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>The future of aviation</i>	499	6.5.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>The future of aviation</i>	499	13.5.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>The future of aviation</i>	499	17.6.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>The future of aviation</i>	499	1.7.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>The future of aviation</i>	499	8.7.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>The future of aviation</i>	499	15.7.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>The major road network</i>	533	20.5.09	Not applicable

Title	HC No. (2008–09)	Date of publication	Government reply
Uncorrected Oral Evidence published on the Internet: <i>The major road network</i>	533	24.6.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>The major road network</i>	533	8.7.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>The major road network</i>	533	20.7.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>The new European motorcycle test</i>	978	14.10.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>Priorities for investment in the railways</i>	1056	28.10.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>Priorities for investment in the railways</i>	1056	11.11.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>Update on road safety - road casualty statistics</i>	1086	4.11.09	Not applicable
Uncorrected Oral Evidence published on the Internet: <i>Transport Questions with the Secretary of State</i>	1087	4.11.09	Not applicable

Government replies to Reports for Session 2007–08

Reply to the Committee's Eleventh Report: *Ending the Scandal of Complacency: Road Safety beyond 2010*, received 12.1.09 and published as the Committee's First Special Report Session 2008–09.

Further reply to the Committee's Eleventh Report: *Ending the Scandal of Complacency: Road Safety beyond 2010*, received 20.4.09 and published as the Committee's Second Special Report Session 2008–09.

Formal Minutes

The Formal Minutes of the Committee were published electronically after each meeting of the Committee. They are available on the Committee's website at <http://www.parliament.uk/transcom>.

Divisions

None.

Debates

Committee reports were debated on 2 occasions in the House of Commons and on 1 occasion in Westminster Hall. Further details can be found in the Committee's Sessional Report.

Number of oral evidence sessions for each inquiry during the Session

Inquiry	Number of oral evidence sessions
Appointment of the Chair of the Office of Rail Regulation (ORR):	1
Future of aviation ^B	6
Priorities for investment in the railways	2
Rail fares and franchises ^B	3
Taxes and charges on road users ^A	4
The effects of adverse weather conditions on transport.	2
The enforcement activities of the Vehicle and Operator Services Agency (VOSA) ^A	1
The major road network ^B	4
The new European motorcycle test	1
The use of airspace ^B	6
Transport Questions with the Secretary of State	1
Update on road safety - road casualty statistics	1
Total	32

^A The Committee also took oral evidence on this inquiry in Session 2007–08; figures appear in the Return for that Session (HC 1 (2008–09))

^B On four occasions, the Committee's meeting comprised two separate oral evidence sessions. Therefore the total in this table does not match the figure given above for the number of meetings at which oral evidence was taken.

Appendix 1: Letter from the Minister to the Chairman in response to a request for clarification on *The enforcement activities of the Vehicle and Operator Services Agency*

Thank you for your letter of 29 October about the government's response to your Committee's report on The Enforcement Activities of the Vehicle and Operator Services Agency (VOSA).

I note that you agreed to publish the response as a Special Report but that you are seeking further clarification on the government's response to two of your recommendations relating to the Testing Transformation Programme and the monitoring of bus reliability and punctuality. I am grateful that you have set out some specific questions on these topics to help my department in providing the clarification you seek.

I attach, as an annex to this letter, the responses to the specific points and questions you have raised.

I trust that the response provides the clarification you require and will satisfy the concerns of your Committee members.

Parliamentary Under Secretary of State
Department for Transport

Annex: Reply to questions from the Transport Select Committee on the government's response to their report on the enforcement activities of VOSA.

Testing Transformation Programme

Q1: You state that it is not the primary objective of the Testing Transformation Programme to reduce the size of VOSA's estate. Is it an objective at all, primary or otherwise, to reduce the size of the estate? If so, by how much, and by when?

Response: The overarching objective of the programme is to reduce the overall cost to the customer of taking time out for statutory testing by "*Taking tests to the customer*". This will be achieved by "encouraging the greatest possible spread of testing facilities within the private vehicle maintenance sector and offering testing and maintenance services at the same location and time".

The following specific operational objectives have been agreed for the Testing Transformation Programme:

- 1: The vast majority of HGV/PSV tests to be conducted at non VOSA sites;
- 2: The approach (or approaches) to the generation of Authorised Testing Facilities (ATFs) should:

- a. ensure adequate geographic coverage
- b. seek to reduce testing costs (both direct and indirect); and
- c. improve the service to industry in terms of flexibility ;

3: Subject to the above objectives, maximising receipts from the sale of existing facilities to ATF providers and the disposal of sites no longer required for testing; and minimising capital investment by VOSA and ensuring VOSA's operating costs are optimised.

The preference would be to deliver all tests through ATFs, but at this stage it is not known whether ultimately there may be a need to retain a small number of VOSA operated sites as a safety net to cover areas of the country which may be less attractive to commercial operators. Work is required to confirm the need for some form of safety net once market appetite for ATFs has been established, but this will take some time.

Q2: How many test sites do you expect VOSA to own by 2015 and 2020 respectively?

Response: The precise timetable and metrics for delivery of the objectives of testing transformation is currently subject to review and will be confirmed in the VOSA 2010/11 Business Plan, to be published in April 2010. In general terms, we expect that VOSA testing stations will by 2015 be progressing towards the "safety net" level mentioned above which is required to ensure testing coverage in remote geographical areas where it might not be feasible for commercial ATFs to operate. There is no pre-conception on the exact number of sites falling into this category. By 2020 we would hope the testing estate to be at the safety net level, with VOSA only retaining facilities where it has proven impossible to offer alternative private sector testing in that locality.

Q3: You emphasise the link between private sector involvement and test fees. Can you give us an assurance that there will be no further above-inflation increases in test fees before a significant and demonstrable improvement in the number and flexibility of test slots has occurred?

Response: The overall purpose of the VOSA testing task is to ensure safety standards are met, whilst providing high quality service to customers at an acceptable charge which reflects the true cost of its services and covers its overall costs through fees.

VOSA is in the process of completing its financial plans that will put the agency onto a much firmer financial footing and see it out of deficit within 7 years. These plans balance minimising any increase in fees with carrying out the Testing Transformation Programme (TTP) restructuring and minimising investment in the agency's estate. As tests move to private sector ATF premises, the need for VOSA to modernise its own testing estate diminishes and this should ease upward pressure on testing fees.

Monitoring of Bus Reliability and Punctuality

Q4: How many FTE staff does VOSA deploy to the task of supporting Traffic Commissioners in monitoring the reliability and punctuality of PSVs?

Q5: Are there any plans to alter this number over the next two years?

Response: The Vehicle and Operator Services Agency (VOSA) currently deploys 19 bus compliance officers and two bus compliance managers to support the Traffic Commissioners in enforcing bus punctuality. The Department for Transport funds 13 of the bus compliance officers (10 in England, 2 in Scotland and 1 in Wales) and the two bus compliance managers. The Scottish Executive and the National Assembly for Wales fund a further 4 and 2 officers respectively. A further bus compliance officer post is currently being recruited which will bring the total to 20.

Q6: How many times over the past twelve months have the Traffic Commissioners penalised operators for failing to operate services in accordance with the registered particulars? How many of these resulted in financial penalties and restrictions on an operator's license respectively?

Q7: How many operators were affected were penalised in this twelve month period?

Response: For the period 1 November 2008 to 31 October 2009, the Traffic Commissioners called 37 operators to public inquiries into whether operators had failed to run services in accordance with the registered particulars. These resulted in 25 operators receiving financial penalties, with fines totalling £122,150¹ and 9 operators having restrictions placed on their licence. Of these, 8 also had a financial penalty imposed.

Q8: How do you expect the revised punctuality performance regime that is being developed to be enforced?

Response: In terms of the enforcement of the revised punctuality performance regime, the details are still being finalised. However, the intention is that the new regime will complement the Traffic Commissioners' enhanced enforcement powers, where for the first time they will be able to hold local authorities to account for their contribution to poor performance. Whilst there will be a continued role for targeted observational work, there will be a need for an increased level of joint working with local authorities and operators. Decisions on the future level and type of resources allocated to buses, including staffing levels, will be taken in due course once the details of the new regime have been finalised.

1. this may not be the final figure paid into the general fund as operators have the right to appeal to the Transport Tribunal against the decision of the Traffic Commissioner and the Tribunal can reduce the level of fine or cancel it completely.

Appendix 2: DfT Memoranda on Estimates and Supplementary Estimates

Spring Supplementary Estimate 2008–09

Introduction

The Department for Transport Spring Supplementary Estimate for 2008–09 seeks the necessary resources and cash to support the functions of the Department for Transport, Highways Agency, Driver and Vehicle Licensing Agency, Maritime and Coastguard Agency, Driving Standards Agency, Vehicle and Operator Services Agency, Vehicle Certification Agency, Government Car and Despatch Agency; and to support the construction of venues and infrastructure related to the 2012 Olympics. These are continuing functions from the Main Estimates.

The purpose of this Memorandum is to provide the Select Committee with an explanation of how the resources and cash sought in the Spring Supplementary Estimate will be applied to achieve departmental strategic objectives and Public Service Agreement (PSA) targets. This includes information on comparisons with the resources provided in earlier years in Estimates and departmental budgets, and may also refer to future financial plans.

The overall changes in provision sought in this Supplementary Estimate of £+8,244,816,000 Resource and £-152,875,000 Capital relate primarily to:

Resource:

- Increase associated with implementation of Financial Reporting Standards of £8,014,377,000 (lines C, M, AF and AG);
- Take-up of End Year Flexibility of £11,200,000 (line T);
- Transfer of £150,875,000 from capital to capital grants (lines M and V);
- Increase of £200,000,000 in Annually Managed Expenditure (line AA).
- Net transfer to non voted provision of £131,581,000 (across lines F, J, L, M, T, X and Y) including a net transfer of £127,282,000 from the Departmental Unallocated Provision (lines J, M and T); and
- Transfer to the Department for Innovation, Universities and Skills of £55,000 (line T).

Capital

- Transfer of £150,875,000 from capital to capital grants (lines L, P, Q, R and U); and
- Transfer to non voted of £2,000,000 (line C).

An explanation of key terms used in the memorandum is provided at Annex A.

SUMMARY OF THE MAIN SPENDING CONTROL FIGURES CONTAINED IN THE ESTIMATE

Voted provision

The Supplementary Estimate provides for a 54.19% increase in voted resource:

- Net Resource Requirement (NRR) of **£8,244,816,000**
- Net Cash Requirement (NCR) of **£0**

Budgetary data

The changes to key budgetary figures are:

<u>Resource Departmental Expenditure Limit</u>		£473,863,000
	<i>Of which:</i>	
<i>Near Cash</i>	£ 14,945,000	
<i>Non Cash</i>	£458,918,000	
<i>Administration budget</i>	£ 11,200,000	
<i>Programme</i>	£462,663,000	

The increase is funded by :

- Take-up of End Year Flexibility of £11,200,000 to meet administrative pressures;
- an agreed increase of £462,718,000 from Treasury for the implementation of Financial Reporting Standards (FRS); partially offset by
- a net transfer of £55,000 to the Department for Innovation, Universities and Skills for Government Skills.

Capital Departmental Expenditure Limit **£0**

Whilst there is no overall change in Capital DEL, a total of £227,060,000 has been transferred from Non Voted to Voted, incorporating:

- A net £232,160,000 take-up of DUP (consisting of £258,060,000 capital grants for Railways' Network Grants partially offset by a transfer into the DUP of £25,900,000 Olympics underspend for use on this programme in future years); partially offset by
- A transfer of £5,100,000 to the shared services transformation project from headroom in other transport grants (£3,200,000) and aviation services, transport security and royal travel (£2,000,000).

Departmental Unallocated Provision

Use of the Departmental Unallocated Provision (neutral in its impact on the DEL Budget) is described in the table on page 5.

Annually Managed Expenditure **£200,000,000**

The increase in voted AME forecast relates to an upward adjustment to FRS 17 provision for the British Rail pension fund.

Non Budget

£7,551,659,000

The increase of £7,551,659 relates to the opening value of government guarantees as a result of the implementation of FRS 26 in respect of London and Continental Railways (£5,220,000,000), Network Rail's Debt Issuance Programme (£2,327,659,000) and Air Travel Trust (£4,000,000). More details are provided in the Notes to the Estimate for "Changes In Accounting Policy" and "Contingent Liabilities".

DEPARTMENTAL UNALLOCATED PROVISION 2008-09 (£'000)

Estimate	Item	Near Cash	Non Cash	Capital
Main	OPENING DUP	32,137	77,515	328,622
Winter Supplementary	Utilisation of Voluntary Early Retirement provision (non voted)	-9,100	9,100	
	Heavy Goods Vehicle enforcement works (line Q)	-3,800		-1500
	Rail to reflect net subsidy payable to Train Operating Companies (line M)	-2,559		
	Continuous Insurance enforcement (line P)	-2,500		
	Freight Grants (line O)	-2,000		
	Bus Passenger Champion (line X)	-1000		
	Travel & Transport Direct government franchise (line P)	-200		
	Central administration for transfer to the Office of Government Commerce (line T)	-45		
	Central administration for transfer to the Cabinet Office (line T)	-40		
	Humber Bridge cost of capital charges (line H)		-11,600	
	British Transport Police Authority (non voted)		-7,500	
	Highways Agency schemes (line L)			-10,300
	Cycling (line Y)			-6,000
	Blue Badge Scheme (line U)			-2,000
	Air Accident Investigation Branch (line D)			-200
	<i>TAKE UP IN WINTER SUPPLEMENTARY</i>	<i>-21,244</i>	<i>-10,000</i>	<i>-20,000</i>
	BALANCE AFTER WINTER SUPPLEMENTARY	10,893	67,515	308,622
Spring Supplementary	From Rail headroom (line M) to meet pressures slipped into 2009-10	104,928		
	Central administration (line T)	-50		
	Reduced utilisation of provision (non voted)		-1000	
	Capital Rail pressures (line M)			-258,060
	From Olympics (line J)			25,900
	<i>TAKE UP IN SPRING SUPPLEMENTARY</i>	<i>104,878</i>	<i>-1000</i>	<i>-232,160</i>
	BALANCE AFTER SPRING SUPPLEMENTARY	115,771	66,515	76,462

DETAILED EXPLANATION OF CHANGES IN PROVISION SOUGHT IN THE SUPPLEMENTARY ESTIMATE AND IMPLICATIONS FOR BUDGETS

Element	Estimate (£'000)		DEL Budget (£'000)	
	Resource	Capital	Resource	Capital
MOVEMENTS IN PROVISION RELATED TO DEL				
<i>Take-up of End Year Flexibility</i>				
• Central Administration (near cash)	11,200		11,200	
Total End Year Flexibility	11,200		11,200	
<i>Agreed Budget Increase:</i>				
• FRS implementation (non cash)	462,718		462,718	
Total Agreed Budget Increase	462,718		462,718	
<i>Transfers to other government departments</i>				
• Dept for Innovation, Universities and Skills for Government Skills (near cash)	-55		-55	
Total transfers to/from other government departments	-55		-55	
<i>Transfers from/to Departmental Unallocated Provision (DUP)</i>				
• Network Grants (capital grants)	258,060			
• Central Administration (near cash)	50			
• Support construction of venues and infrastructure related to the Olympic Games (capital grants)	-25,900			
• Railways (near cash)	-104,928			
Total transfers from Departmental Unallocated Provision (DUP)	127,282			
<i>Other transfers from/to non voted (excl DUP)</i>				
• Highways Agency, offset by increased CFERs (near cash)	15,737			
• Bus Passenger Champion from Other transport grants (near cash)	-500			
• Write-back of Voluntary Early Retirement provision (non cash)	-2,500			
• Shared Services Transformation Project from Other transport grants (capital grants)	-3,100			
• Driver and Vehicle Licensing Agency from Cleaner Fuels & Vehicles (near cash)	-4,045			
• Driver and Vehicle Licensing Agency from Railways (near cash)	-12,455			
• London & Continental Railways from Railways (near cash)	-252,000			
• Shared Services transformation project from Aviation services, transport security and royal travel (near cash)		-2,000		
Total other transfers from non voted (excl DUP)	-258,863	-2,000		
<i>Transfers from capital expenditure to capital grants</i>				
• Network Grants from Highways Agency	120,000	-120,000		
• Area Based Grants from Highways Agency for de-trunking	8,836	-8,836		
• Network Grants from the Vehicle and Operator Services Agency	8,000	-8,000		
• Network Grants from Transformation, Licensing, Logistics & Sponsorship	7,339	-7,339		
• Network Grants from the Driving Standards Agency	6,200	-6,200		
• Network Grants from Research, statistics, publicity & consultancies for roads and local transport	500	-500		
Total transfers from capital expenditure to capital grants	150,875	-150,875		

Total Movements in Provision Related to DEL	493,157	-152,875	473,863	0
MOVEMENTS IN PROVISION RELATED TO AME				
• British Rail pension fund (non cash)	200,000			
Total movements in provision related to AME	200,000			
MOVEMENTS IN PROVISION RELATED TO NON BUDGET				
• FRS implementation (non cash)	7,551,659			
Total movements in provision related to non budget	7,551,659			
TOTAL	8,244,816	-152,875	473,863	0
* Note: capital grants appear in column 3 of the Estimate but are treated as capital in the budget.				

Significant Non Voted Changes

Non voted budget provision has increased by £360,641,000 for resource and reduced by £227,060,000 for capital.

The resource increase largely reflects a transfer of £369,383,000 from rail headroom to London and Continental Railways (£252,000,000); to cover a shortfall in Driver and Vehicle Licensing Agency receipts (£12,455,000); and to the departmental unallocated provision to respect of programme slippage into 2009–10. This is partially offset by a net decrease of £8,742,000 including £15,737,000 use of CFER receipts by the Highways Agency.

The capital decrease largely reflects a transfer from departmental unallocated provision to Network rail capital grants (£258,060,000). This is partially offset by a transfer into the departmental unallocated provision of £25,900,000 for the Olympics and £5,100,000 from headroom on voted programmes to the shared services transformation project.

DETAILED EXPLANATION OF CHANGES BY ESTIMATE SECTION

Section A - Ports and shipping services (+£0.250m resource)

£0.250m near cash resource transferred from Aviation services, transport security and royal travel (Section C) to meet pressures for work carried out by the Maritime and Dangerous Goods Directorate.

Section B - Maritime and Coastguard Agency (neutral change)

£1m increase in expenditure, fully offset by an increase in appropriation-in-aid receipts.

Section C - Aviation services, transport security & royal travel (-£2.418m resource and -£2.000m capital)

- £0.250m near cash resource transferred to Ports and shipping services (Section A) for work on Maritime and Dangerous Goods.
- £2.168m decrease in non cash resource to reflect the revised accounting treatment of changes in fair values for Air Travel Trust Fund arising from the implementation of Financial Reporting Standards 25 & 26.
- A £2.000m reduction in capital transferred to non voted provision, of which £1.500m is surrender of unused allocation for vehicle access at train stations and £0.500m transfer to the Cabinet Office for security measures not going ahead.

Section F - Cleaner Fuels and Vehicles (-£10.000m resource)

£5.955m near cash resource transferred to Central Administration (Section T) for the Shared Services Transformation Project and £4.045m near cash resource to the Non Voted Driver and Vehicle Licensing Agency to cover a shortfall in receipts.

Section G – Bus Service Operator Grant (+£3.446m resource)

£2.946m near cash resource transferred from Area Based Grants (Section V) to part cover pressures arising from increased fuel duty and £0.500m from Other transport grants (resource) (Section X) for Bus Fuels Grant.

Section I – Accessibility and Equalities (+£2.400m resource)

£0.400m near cash resource transferred from Central Administration (Section T) for the Disabled Persons Transport Advisory Committee and £2.000m capital grant transferred from Research, statistics, publicity and consultancies & other services for roads and local transport (Section U) for the Blue Badge scheme.

Section J – Support construction of venues and infrastructure related to the Olympic Games (-£25.900m capital grants)

£25.900m capital grant has been transferred at the request of Treasury to the Departmental Unallocated Provision to bring the budget in line with the forecast spend.

Section L – Highways Agency (+£6.369m resource; -£128.836m capital)

- £9.368m near cash resource has been transferred to Area Based Grant (Section V) for de-trunking.
- An increase of £15.737m in near cash resource to cover work on the Strategic Road network, fully offset by an increase in CFER receipts arising from interest receivable on a subordinated loan, which was not included at the time of setting the Main Estimate
- £8.694m near cash resource increase in expenditure, fully offset by an increase in appropriation-in-aid receipts
- £128.836m reduction in capital provision comprises of £8.836m transferred to Area Based Grant (Section V) for de-trunking and £120.000m headroom to Railways (Section M) for Network Grant
- £6.5m increase in capital expenditure fully offset by an increase in non-operating appropriations-in-aid receipts from disposal of assets.

Section M - Railways (+£215.202m resource)

- £258.060m capital grant take-up of the Departmental Unallocated Provision for Network Grants;
- £164.886m increase in non cash resource to reflect the revised accounting treatment of changes in fair values for Network Rail's Debt Issuance Programme arising from the implementation of FRS 25 and 26;
- A total of £46.600m capital grants transferred in from headroom in various Sections for Network Grants:
 - £2.500m from Freight Grants (Section O)
 - £4.000m from Area Based Grant (Section V)
 - £40.100m from Other transport grants (capital) (Section Y);
- A further £142.039m headroom in capital grants has been transferred from capital expenditure for Network Grants:
 - £120.000m from the Highways Agency (Section L)
 - £7.339m from Transformation, Licensing, Logistics & Sponsorship (Section P)
 - £8.000m from the Vehicle and Operator Services Agency (Section Q)
 - £6.200m from the Driving Standards Agency (Section R)
 - £0.500m from Research, statistics, publicity & consultancies for roads and local transport (Section U);
- £27.000m headroom in near cash resource transferred to GLA Transport grants (resource) (Section W) for increased support to be paid to the GLA;
- £264.455m near cash resource transferred to Non Voted for London & Continental Railways (£252.000m) and the Driver and Vehicle Licensing Agency to cover a shortfall in receipts (£12.455m);
- An increase of £208.215m near cash resource expenditure fully offset by an increase in appropriation-in-aid receipts; and finally

- £104.928m near cash resource transferred to the Departmental Unallocated Provision to meet slippage into 2009–10.

Section O – Freight Grants (-£2.500m capital grant)

£2.500m capital grant headroom has been transferred to Railways (Section M) for Network Grant.

Section P – Transformation, Licensing, Logistics & Sponsorship (-£7.339m capital)

£7.339m capital headroom has been transferred to Railways (Section M) for Network Grants.

Section Q – Vehicle & Operator Services Agency trading fund (-£8.000m capital)

£8.000m capital headroom has been transferred to Railways (Section M) for Network Grants.

Section R – Driving Standards Agency (-£6.200m)

£6.200m capital headroom has been transferred to Railways (Section M) for Network Grants.

Section T – Central Administration (+£14.250m resource)

- End Year Flexibility take-up of £11.200m administrative near cash to cover Radio Spectrum (£0.155m), British Airports Authority's Report (£3.000m) and the remainder to meet other administrative pressures (£8.045m)
- £5.955m near cash resource transferred from Cleaner Fuels and Vehicles (Section F) for the Shared Services Transformation Project
- £0.050m near cash resource take-up of the Departmental Unallocated Provision to help meet administrative pressures
- £0.055m near cash resource transferred to the Department for Innovation, Universities and Skills for Government Skills
- £0.400m near cash resource transferred to Accessibility and Equalities (Section I) for the Disabled Persons Transport Advisory Committee
- £2.500m non cash resource transferred to Non Voted for the write-back of Voluntary Early Retirement provision
- Reclassification within the Administration Budget of £3.800m from non cash to near cash resource to meet administrative pressures.

Section U – Research, statistics, publicity & consultancies and other services for roads and local transport (-£2.000m resource; -£0.500m capital)

£2.000m capital grant transferred to Accessibility and Equalities (Section I) for the Blue Badge scheme and £0.500m capital headroom to Railways (Section M) for Network Grants.

Section V – Area Based Grants (+£9.970m resource & capital grants)

- £9.368m near cash resource and £8.836m capital expenditure transferred from Highways Agency (Section L) for de-trunking
- £2.946m near cash resource transferred to Bus Service Operator Grant (Section G) to part cover pressures arising from increased fuel duty
- £4.000m capital grant headroom transferred to Railways (Section M) for Network Grants
- £1.288m capital grant headroom transferred to Other transport grants (capital) (Section Y) in respect of the Industrial Development Act Grants.

Section W – GLA transport grants (resource) (+£27.000m resource)

£27.000m near cash resource transferred from Railways (Section M) for increased support to be paid to the GLA.

Section X – Other transport grants (resource) (-£1.103m resource)

£0.500m near cash resource transferred to Bus Service Operator Grant (Section G) for Bus Fuel Grant and a further £0.500m to Non Voted for Bus Passenger Champion. £0.103m capital grant has been switched to Other transport grants (capital) (Section Y) for Transport Statistics Road.

Section Y – Other transport grants (capital) (-£41.809m resource – capital grants)

- £40.100m capital grant headroom transferred to Railways (Section M) for Network Grants
- £3.100m capital grant headroom transferred to Non Voted for the Shared Services Transformation Project
- £1.288m capital grant transferred from the de-trunking element of Area Based Grant (Section V) in respect of the Industrial Development Act
- £0.103m capital grant transferred from Other transport grants (resource) (Section X) for Transport Statistics Road

Section AA – Railways and other expenditure (+£200.000m resource)

£200.000m increase in non cash resource FRS17 provision for the British Rail pension fund

Section AF – Financial Instruments (+£7,551.659m resource)

A new Non Budget Section has been created for a total of £7,551.659m non cash resource to reflect the opening values of financial guarantees in respect of London & Continental Railways (£5,220m), Network Rail's Debt Issuance Programme (£2,327.659m) and Air Travel Trust Fund (£4.000m) arising from the implementation of FRS 25 and 26.

Section AG – London and Continental Railways (+£300.000m resource)

A new DEL Section has been set up for £300.000m non cash resource in respect of changes in fair values relating to the assets arising from the implementation of FRS 25 and 26

IMPACT ON PUBLIC SERVICE AGREEMENT (PSA) TARGETS

The changes in this Spring Supplementary Estimate are being made in order to bring funding into line with the latest programme requirements, or to reallocate funding which has proved to be surplus to programme requirements in 2008–09. In general, these changes should not impact significantly on delivery of PSA targets. However, the Spring Supplementary Estimate proposes changes to reflect the opening value of FRS 26 government guarantees (£7,551,659,000) with changes in their fair value (£462,718,000) and these have been included in the resource column of the table below as follows:

DSO 1: opening value of £3,776,710,000 and change in fair value of £+230,882,000

DSO 2: opening value of £640,000 and change in fair value of £-347,000

DSO 3: opening value of £480,000 and change in fair value of £-260,000

DSO 4: opening value of £3,773,829,000 and change in fair value of £+232,443,000

LINKS TO OBJECTIVES AND PSA TARGETS

Sections	Resource (incl capital grants)	Capital	Are in pursuit of Departmental Strategic Objective (DSO) ¹ :	Which supports PSA target ¹ :
	£'000s	£'000s		
All of: A, B, H, T, Z, AA, AC, AD; Part of: C, K, L, M, U, W, X, Y.	15,353,183	307,961	1. To sustain economic growth and improved productivity through reliable and efficient transport networks	Deliver reliable and efficient transport networks that support economic growth
All of: E, F, G; Part of: L, M, N, U, W, X, Y.	2,342,271	25,847	2. To improve the environmental performance of transport and tackle climate change.	
All of: D, O, P, Q, R, S, V, AB; Part of: C, L, M, N, U, X, Y.	1,321,280	863,990	3. To strengthen the safety and security of transport.	
All of: I, J; Part of: K, M, U, X.	4,441,854	0	4. To enhance access to jobs and social networks, including for the most disadvantaged.	
Total	23,458,589	1,197,798		

Note:

¹ The Department for Transport's PSA covers the contribution that transport makes to economic growth although the Department's broad range of transport policy is covered by (a) its full set of DSOs and (b) additional PSAs, led by other departments, under the new framework.

DEPARTMENTAL EXPENDITURE LIMIT

The DEL expenditure for the financial years since 2005–06 is set out in the table below:

Previous years' expenditure against Departmental Expenditure Limits (£'m)				
Year	DEL Budget	Outturn	Variance	%
Resource				
2005–06	6,036	5,614	-422	-7%
2006–07	7,787	7,519	-268	-3%
2007–08	6,897	6,800	-97	-1%
Capital				
2005–06	6,564	6,495	-69	-1%
2006–07	6,684	6,501	-183	-3%
2007–08	7,185	7,052	-133	-2%
Total				
2005–06	12,600	12,109	-491	-4%
2006–07	14,471	14,020	-451	-3%
2007–08	14,082	13,852	-230	-2%

The changes to the DEL for 2008–09 are set out in the following table:

Changes to the Departmental Expenditure Limit in 2008–09			£'000
	Voted	Non-voted	Total DEL
Resource			
Main Estimate	5,905,563	449,947	6,355,510
Change announced with Winter Supplementary Estimate	24,941	-24,314	627
Change announced with Spring Supplementary Estimate	113,222	360,641	473,863
Total resource Departmental Expenditure Limit	6,043,726	786,274	6,830,000
Capital			
Main Estimate	6,045,080	1,248,111	7,293,191
Change announced with Winter Supplementary Estimate	88,338	-98,300	-9,962
Change announced with Spring Supplementary Estimate	227,060	-227,060	0
Total capital Departmental Expenditure Limit	6,360,478	922,751	7,283,229
<i>Less depreciation at start of year *</i>	<i>-367,765</i>	<i>-25,092</i>	<i>-392,857</i>
<i>Less change in depreciation at Winter Supplementary Estimate *</i>	<i>0</i>	<i>-7,500</i>	<i>-7,500</i>
<i>Less change in depreciation at Spring Supplementary Estimate *</i>	<i>-485,133</i>	<i>0</i>	<i>-485,133</i>
Total depreciation	-852,898	-32,592	-885,490
Total Departmental Expenditure Limit	11,551,306	1,676,433	13,227,739
* Depreciation, which forms part of resource DEL, is excluded from the total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.			

END YEAR FLEXIBILITY

The department's EYF has been accumulated by underspends in previous years. The department uses its EYF to fund ongoing programmes where slippages have occurred and for the management of unbudgeted pressures which arise.

End Year Flexibility	Administration costs	Other Resources	Total Resource DEL	<i>(of which Near Cash)</i>	Capital DEL	£m Total
Adjustment for 2006–07 final outturn	0	1	1	2	0	1
2007–08 EYF not taken up	50	18	68	20	4	72
2007–08 underspend	12	85	97	9	133	230
Reduction for Reserve claim	0	0	0	0	-69	-69
Transfer to DCLG for CIF*	0	0	0	0	-20	-20
Entitlement	62	104	166	31	48	214

EYF drawdown in winter supplementary estimates	0	0	0	0	0	0
EYF drawdown in spring supplementary estimates	11	0	11	11	0	11
Balance of accumulated end year flexibility	51	104	155	20	48	203
<i>Of which ringfenced:</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

* *Communities Investment Fund*

ADMINISTRATION BUDGET

The Administration Budget and outturn for the financial years since 2005–06 is set out in the table below:

	£m			
Year	Budget	Outturn*	Variance	%
2005–06 *	269.923	255.226	-14.697	5.4%
2006–07 *	263.170	243.426	-19.835	7.5%
2007–08	294.526	282.328	-12.198	4.1%

* 2005–06 and 2006–07 outturn exclude £+51.957m and £+37.986m respectively of reclassification between administration and programme of consultancy and Transport Security expenditure included in 2007–08 outturn.

Changes to the Administration budget in 2008–09 (current year)	£'000
	Limit
Main Estimate	281,622
Change announcement with Winter Supplementary Estimate	304
Change announcement with Spring Supplementary Estimate	11,200
Administration Budget	293,126

The £11,200,000 increase in the Spring Supplementary Estimate reflects take up of End Year Flexibility for; British Airports Authority Report (£3,000,000); additional rent costs for Great Minster (£3,000,000); buy out of a lease (£1,500,000); Radio Spectrum costs (£155,000); and other administration pressures (£3,545,000) .

DfT (Central) Provisions

£'000	Early retirements	Greater London Authority (1)	NFC travel concessions	Channel Tunnel Rail Link	Other(2)	Total
Position as at 1 April 2008						
Balance at 1 April 2008	26,944	124,000	17,000	238,220	114,693	520,857
Provided in year in Main Estimate	2,500			7,768	6,562	16,830
Provision expected to be used in year	(14,100)	(62,000)	(2,500)	(10)	(5,778)	(84,388)
Expected unwinding of discount			1,500	4,180		5,680
Estimated closing balance	15,344	62,000	16,000	250,158	115,477	458,979
Changes in Winter Supplementary Estimate						
Estimated closing balance in Main Estimate	15,344	62,000	16,000	250,158	115,477	458,979
Extra/new provision in year taken in WSE				7,601		7,601
Provision adjustment	11,660			(7,758)	(3,902)	0
Extra/new provision to be used in year	(9,100)			(10)		(9,110)
Change to unwinding of discount since main estimate						
Estimated closing balance at WSE	17,904	62,000	16,000	249,991	111,575	457,470
Changes in Spring Supplementary Estimate						
Estimated closing balance in WSE	17,904	62,000	16,000	249,991	111,575	457,470
Extra/new provision in year taken in SSE					200,000	200,000
Provision adjustment	(2,500)					(2,500)
Extra/new provision to be used in year	3,500					3,500
Change to unwinding of discount since main estimate						
Estimated closing balance at SSE	18,904	62,000	16,000	249,991	311,575	658,470

Notes

(1) Provision created in respect of a deficit in the London Underground pension schemes.

(2) Provisions for shipping enquiries, PPP arborer, Channel Tunnel toll, Channel Tunnel opex, South East Trains, CTRL Section 2, and British Rail Pension Fund (AME).

Provisions for liabilities and charges - Highways Agency

£000's	Land and Property Acquisition	Engineering and Construction Services	Bridge Strengthening	Tunnels	Other Liabilities (RCU, 3rd Party Claims & Other)	Grand Total
Final Position at March 2008						
Balance at 1 April 2008	242,764	58,671	125,897	241,484	12,739	681,555
Provided in main estimate	30,585	55,000	-	-	9,386	94,971
Provision expected to be used in year	(70,533)	(61,000)	(21,000)	(18,700)	(7,748)	(178,981)
Estimated closing balance	202,816	52,671	104,897	222,784	14,377	597,545

	Land and Property Acquisition	Engineering and Construction Services	Bridge Strengthening	Tunnels	Other Liabilities (RCU, 3rd Party Claims & Other)	Grand Total
Changes in supplementary estimate						
Estimated closing balance in estimate	202,816	52,671	104,897	222,784	14,377	597,545
Extra new provision in year taken in supplementary	12,046	12,433	-	-	(3,159)	21,320
Extra provision expected to be used in year	(22,309)	(29,542)	-	4,509	-	(47,342)
Estimated closing balance at supplementary estimate	192,553	35,562	104,897	227,293	11,218	571,523

Winter Supplementary Estimate 2008–09

Introduction

The Department for Transport Winter Supplementary Estimate for 2008–09 seeks the necessary resources and cash to support the functions of the Department for Transport, Highways Agency, Driver and Vehicle Licensing Agency, Maritime and Coastguard Agency, Driving Standards Agency, Vehicle and Operator Services Agency, Vehicle Certification Agency, Government Car and Despatch Agency; and to support the construction of venues and infrastructure related to the 2012 Olympics. These are continuing functions from the Main Estimates.

The purpose of this Memorandum is to provide the Select Committee with an explanation of how the resources and cash sought in the Winter Supplementary Estimate will be applied to achieve departmental strategic objectives and Public Service Agreement (PSA) targets. This includes information on comparisons with the resources provided in earlier years in Estimates and departmental budgets, and may also refer to future financial plans.

The changes in provision sought in this Supplementary Estimate relate primarily to:

Resource:

- An increase in Greater London Authority grant to cover the reinstatement of Transport for London borrowing costs in respect of Metronet (£7,080,000 on line W) and a payment to Transport for London for costs relating to Metronet deferred from 2007–08 due to later than anticipated exit from administration (£157,500,000 on line AD)
- Transfer from non voted provision of £112,114,000 including take up of Departmental Unallocated Provision (£23,744,000 across lines H, M, O, P, Q, T, and X);
- Net transfer to other government departments of £-16,415,000 (lines M and T)
- Reduction in Highways Agency impairments (-£200,000,000 on line Z); and
- Net increase for other resource changes of £3,721,000.

Capital

- Transfer from non voted Departmental Unallocated Provision for the Highways Agency (£10,300,000 on Line L); and the Air Accident Investigation Branch (£200,000 on line D); partially offset by
- repayment of capital loan from the British Transport Police Authority (-£1,500,000 on line AC).

An explanation of key terms used in the memorandum is provided at Annex A.

SUMMARY OF THE MAIN SPENDING CONTROL FIGURES CONTAINED IN THE ESTIMATE

Voted provision

The Supplementary Estimate provides for a 0.42% increase in voted resource:

- Net Resource Requirement (NRR) of **£64,000,000**
- Net Cash Requirement (NCR) of **£286,013,000**

Budgetary data

The changes to key budgetary figures are:

Resource Departmental Expenditure Limit **£627,000**

	<i>Of which:</i>
<i>Near Cash</i>	£ 627,000
<i>Non Cash</i>	£ 0
<i>Administration budget</i>	£ 304,000
<i>Programme</i>	£ 323,000

The increase in Resource DEL is funded by:

- an agreed increase of £7,080,000 from Treasury for additional Greater London Authority grant to cover the reinstatement of Transport for London borrowing costs in respect of Metronet; partially offset by
- a net transfer of £6,453,000 to other government departments.

There is also a further take-up of Resource DUP of £31,244,000, though this is not an increase in overall DEL, as follows:

- £23,744,000 (excluding £9,500,000 capital grants) voted use of DUP is described in the table on page 5.
- In addition there is non voted use of the DUP for the British Transport Police Authority (£7,500,000).

Capital Departmental Expenditure Limit **-£9,962,000**

The decrease in Capital DEL reflects a transfer to the Scottish Executive in respect of indexation costs of rail services transferred to Scotland.

There is also a take up of Capital DUP of £20,000,000 (including £9,500,000 capital grant) as described in the table on page 5.

Annually Managed Expenditure

-£192,399,000

The decrease in voted AME forecast relates to the Highways Agency reduced level of impairments (-£200,000,000) partially offset by an increase in use of rail provisions (+£7,601,000)

DETAILED EXPLANATION OF CHANGES IN PROVISION SOUGHT IN THE SUPPLEMENTARY ESTIMATE AND IMPLICATIONS FOR BUDGETS

Element	Estimate (£'000)		Budget (£'000)	
	Resource	Capital	Resource	Capital
MOVEMENTS IN PROVISION RELATED TO DEL				
<i>Agreed Budget Increase:</i>				
<ul style="list-style-type: none"> An increase in Greater London Authority grant to cover the re-instatement of Transport for London's borrowing costs in respect of Metronet (near cash grant) 	7,080		7,080	
<i>Total Agreed Budget Increase</i>	<i>7,080</i>		<i>7,080</i>	
<i>Transfers to/from other government departments</i>				
<ul style="list-style-type: none"> From Cabinet Office for Parliamentary Counsel costs (near cash administration) 	313		313	
<ul style="list-style-type: none"> From Communities and Local Government for staff costs (near cash administration) 	36		36	
<ul style="list-style-type: none"> To Cabinet Office for Government Security Zone management (near cash resource) 	-40		-40	
<ul style="list-style-type: none"> To the Office of Government Commerce for Sustainable Procurement (near cash admin) 	-45		-45	
<ul style="list-style-type: none"> To Scottish Executive for Access for All Works in Scotland (near cash grant) 	-769		-769	
<ul style="list-style-type: none"> To Scottish Executive for indexation costs on Scottish Rail Services (near cash grant) 	-5,948		-5,948	
<ul style="list-style-type: none"> To Scottish Executive for indexation costs on Scottish Rail Services (capital grant)* 	-9,962			-9,962
<i>Total transfers to/from other government departments</i>	<i>-16,415</i>		<i>-6,453</i>	<i>-9,962</i>

<i>Transfers from Departmental Unallocated Provision (DUP)</i>				
<ul style="list-style-type: none"> Humber bridge cost of capital charges (non cash other current) 	11,600			
<ul style="list-style-type: none"> Highways Agency schemes (capital) 		10,300		
<ul style="list-style-type: none"> Cycling (capital grants)* 	6,000			
<ul style="list-style-type: none"> Heavy Goods Vehicle enforcement works (near cash other current) 	3,800			
<ul style="list-style-type: none"> Rail to reflect net subsidy payable to Train Operating Companies (near cash other current) 	2,559			
<ul style="list-style-type: none"> Continuous Insurance enforcement (near cash other current) 	2,500			
<ul style="list-style-type: none"> Freight grants (near cash grants) 	2,000			
<ul style="list-style-type: none"> Blue Badge Scheme (capital grants)* 	2,000			

• Heavy Goods Vehicle enforcement works (capital grants)*	1,500			
• Bus Passenger Champion (near cash grants)	1,000			
• Travel & Transport Direct government franchise (near cash other current)	200			
• Air Accident Investigation Branch (capital)		200		
• Central Administration (near cash admin) for transfer to the Office of Government Commerce	45			
• Central Administration (near cash other current) for transfer to the Cabinet Office	40			
Total transfers from DUP	33,244	10,500		
Other transfers from non voted provision (excl DUP)				
• Increase grants to London Underground Limited (capital grants) *	75,000			
• To Rail for Network Grant indexation from British Transport Police Authority (capital grants) *	3,300			
• To Rail for Scottish Executive (near cash other current)	580			
• To reflect utilisation of CTRL provisions (near cash other current)	-10			
Total other transfers from non voted (excl DUP)	78,870			
Total Movements in Provision Related to DEL	102,779	10,500	627	-9,962
MOVEMENTS IN PROVISION RELATED TO AME				
• Increase in Rail provision for Channel Tunnel Rail Link pensions (non cash other current)	7,601			
• Reduction to reflect level of Highways Agency impairments (non cash other current)	-200,000			
Total movements in provision related to AME	-192,399			
MOVEMENTS IN PROVISION RELATED TO NON BUDGET				
• Grant payment to Transport for London for Metronet	157,500			
• Reduced grant in aid to the British Transport Police Authority	-6,580			
• Increased grant-in-aid to the Rail Passenger Council	2,700			
• Repayment of a capital loan from the British Transport Police Authority		-1,500		
• Grant payment to Cross London Rail Links Ltd	6,525			
• Cross London Rail Links Ltd – repayment of Contingencies Fund Advance	-6,525			
Total movements in provision related to non budget	153,620	-1,500		
TOTAL	64,000	9,000	627	-9,962
* Note: capital grants appear in column 3 of the Estimate but are treated as capital in the budget.				

Significant Non Voted Changes

Non voted budget provision has reduced by £122,614,000 (of which £43,744,000 is from the take up of Departmental Unallocated Provision) as detailed above.

DETAILED EXPLANATION OF CHANGES BY ESTIMATE SECTION

Section A - Ports and shipping services (-£1.900m resource)

The change reflects a near cash transfer of £1.400m to the Maritime and Coastguard Agency (Section B) to cover uptake on the Crew Relief Scheme; and the reallocation to other priorities of £0.500m near cash headroom in the original budget for the Crew Relief Scheme (Section C).

Section B - Maritime and Coastguard Agency (+£1.400m resource)

A near cash increase for administering the Crew Relief Scheme provided by a transfer from Section A. The scheme subsidises the cost of operating with British seafarers by meeting part of the expense of relieving these crews in distant ports. It applies to both officers and ratings, and supports seafarers under training as well as those whose jobs are most at risk because of high repatriation costs, and the availability of cheaper foreign seafarers.

Section C - Aviation services, transport security & royal travel (+£0.500m resource)

A near cash increase for work to audit radio spectrum use across DfT and to assess the impact on DfT and on the aviation and maritime industries of the OfCom proposals for Radio Spectrum pricing; provided by a transfer from Section A.

Section D – Accident Investigation Branches (+£0.200m capital)

Take up of capital Departmental Unallocated Provision to the Air Accident Investigation Branch for additional hangar refurbishment work.

Section H – Tolloed River Crossings (+£11.600m resource)

Take up of non cash Departmental Unallocated Provision for the proportion of the Humber Bridge's cost of capital charges being met by central government following the reduction in the interest rate charged on the Bridge's debt.

Section K – Commission for Integrated Transport and Transport Direct (+£0.255m resource)

Near cash transfer from Section T for Transport Direct.

Section L – Highways Agency (+£10.300m capital)

Increase of £1.477m for administration and £57.695m near cash offset by additional fees and charges income and recoveries from third parties. Take up of £10.3m capital Departmental Unallocated Provision for Highway Agency capital schemes.

Section M - Railways (-£6.588m resource; +£68.338m capital grants)

- £2.559m near cash resource to reflect the forecast net subsidy required by franchised train operating companies, funded by a transfer from the Departmental Unallocated Provision;
- £0.580 near cash resource to reflect the forecast subsidy payable to franchised train operators in respect of services provided in Scotland, transferred from non-voted near cash;
- -£0.010m near cash resource in respect of non-voted utilisation of provisions made for the Channel Tunnel Rail Link;
- -£0.769m near cash resource transferred to the Scottish Executive for the Access to All scheme;

- -£3.000m near cash resource transferred to Other transport grants (resource) (Section X) to fund train services provided through Passenger Transport Executives, reflecting subsidy requirements for 2008–09;
- -£5.948m near cash resource transferred to the Scottish Executive to reflect the impact of indexation following transfer of Scottish rail services in 2007–08;
- £75.000m capital grant to fund investment in London Underground Ltd funded by the non voted sale proceeds of land at Stratford by London and Continental Railways;
- £3.300m increase in capital grant to Network Rail (Network Grant) to fully reflect the impact of indexation since the CSR07 settlement, transferred from non voted capital;
- -£9.962m capital grant transferred to the Scottish Executive to reflect the impact of indexation following transfer of Scottish rail services in 2007–08; and
- £283.562m income previously scored as negative expenditure has been re-classified as appropriations-in-aid.

Section N – Government Car & Despatch Agency (-£0.196m resource)

£0.024k non cash and increased administration appropriations in aid of £0.172m transferred to Central Administration Section T

Section O – Freight Grants (+£2.000m resource)

Take up of near cash Departmental Unallocated Provision for freight grants.

Section P – Transformation, Licensing, Logistics & Sponsorship (+£2.700m resource)

Near cash take up of Departmental Unallocated Provision for continuous insurance enforcement (£2.500m) and Travel & Transport Direct government franchise (£0.200m).

Section Q – Vehicle & Operator Services Agency trading fund (+£5.300m resource)

£3.800m near cash and £1.500m capital grant take up of Departmental Unallocated Provision for HGV enforcement works.

Section T – Central Administration (+£0.160m resource)

Of which £0.036m relates to transfer of a post from the Department for Communities and Local Government in respect of Traffic Management; £0.040m and £0.045m from the take-up of Departmental Unallocated Provision for subsequent transfers to the Cabinet Office (for the Security, Monitoring and Co-ordination Centre) and the Office of Government Commerce (for the Centre of Excellence for Sustainable Procurement) respectively. In addition, £0.313m transferred from the Cabinet Office for the Department's share of Parliamentary Counsel Office costs.

£0.024k non cash; and £0.172k near cash additional expenditure supported by increased administration appropriations in aid; both transferred from the Government Car and Despatch Agency (Section N).

£-0.385m on the Interchange Scheme have been transferred to Transport Direct (£0.255k to Section K); and Transport Analysis and Economics Bursary Scheme (£0.130m on Section U).

Section U – Research, statistics, publicity & consultancies and other services for roads and local transport (+£2.130m resource)

£2.000m take up of capital grant Departmental Unallocated Provision for the Blue Badge Scheme to be used to help local authorities to identify lost, stolen and fake badges, thereby improving enforcement. It will also improve the badge renewal process. £0.130m transfer from Central Administration Section T for the Transport Analysis and Economics Bursary scheme.

Section W – GLA transport grants (resource) (+£7.080m resource)

HM Treasury agreed reinstatement of the abatement of TfL borrowing costs in respect of Metronet that were not avoided in 2008–09 due to the delay in Metronet leaving administration (see Section AD)

Section X – Other transport grants (resource) (+£4.000m resource)

£1.000m from the take up of near cash Departmental Unallocated Provision for Bus Passenger Champion, a body which will champion the interests of bus passengers and was promised by government in the context of the Local Transport Bill 2008. The £1million will enable it to start work on developing a network of bus passengers and research so they can understand existing and potential passenger priorities and advise decision makers. £3.000m near cash resource transferred from Railways (Section M) for Train Operating Companies funded through Passenger Transport Executive.

Section Y – Other transport grants (capital) (+£6.000m resource – capital grants)

Take up of £6.000m capital grant Departmental Unallocated Provision for Cycling, England to increase the proportion of the previously announced £20m of funding to be spent on infrastructure investment.

Section Z – Highways Agency (-£200.000m resource)

Reduction of non cash Annually Managed Expenditure as a consequence of revised forecasts in respect of impairments.

Section AA – Railways and other expenditure (+£7.601m resource)

An increase of £7.601m in resource AME to reflect an utilisation of provisions for the Channel Tunnel Rail Link.

Section AC – Grant in Aid funding of NDPBs & PCs (-£3.880m resource; -£1.500m capital)

A non budget resource increase of £2.700m for the Rail Passenger Council, partially offset by a £6.580m reduction in the British Transport Police Authority's requirement. £1.500m capital receipt is in respect of the British Transport Police Authority's repayment of a capital loan.

Section AD – Other Grants to GLA (+£157.500m resource)

Payment to Transport for London to replace borrowing that would have been undertaken by Metronet if the company had not gone into administration and was delayed from 2007–08 due to the time needed for Metronet to leave administration.

Section AE – Cross London Rail Links Ltd (neutral change)

£6.525m relating to the costs of utility diversion works related to Crossrail that were undertaken prior to the Crossrail Bill receiving Royal Assent, offset by equivalent receipts from Cross London Rail Links Ltd, of which £3.5m will be used to repay a Contingencies Fund advance received in 2006–07.

IMPACT ON PUBLIC SERVICE AGREEMENT (PSA) TARGETS

The changes in this Winter Supplementary Estimate are being made in order to bring funding into line with the latest programme requirements, or to reallocate funding which has proved to be surplus to programme requirements in 2008–09. In general, these changes should not impact significantly on delivery of PSA targets.

LINKS TO OBJECTIVES AND PSA TARGETS

Sections	Resource (incl capital grants) £'000s	Capital £'000s	Are in pursuit of Departmental Strategic Objective (DSO) ¹ :	Which supports PSA target ¹ :
All of: A, B, H, T, Z, AA, AC, AD; Part of: C, K, L, M, U, W, X, Y.	11,194,247	307,961	1. To sustain economic growth and improved productivity through reliable and efficient transport networks	Deliver reliable and efficient transport networks that support economic growth
All of: E, F, G; Part of: L, M, N, U, W, X, Y.	2,356,785	25,847	2. To improve the environmental performance of transport and tackle climate change.	
All of: D, O, P, Q, R, S, V, AB; Part of: C, L, M, N, U, X, Y.	1,331,038	1,016,865	3. To strengthen the safety and security of transport.	
All of: I, J; Part of: K, M, U, X.	331,703	0	4. To enhance access to jobs and social networks, including for the most disadvantaged.	
Total	15,213,773	1,350,673		

Note:

¹. The Department for Transport's PSA covers the contribution that transport makes to economic growth although the Department's broad range of transport policy is covered by (a) its full set of DSOs and (b) additional PSAs, led by other departments, under the new framework.

DEPARTMENTAL EXPENDITURE LIMIT

The DEL expenditure for the financial years since 2005–06 is set out in the table below:

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The changes to the DEL for 2008–09 are set out in the following table:

Changes to the Departmental Expenditure Limit in 2008–09			£'000
	Voted	Non-voted	Total DEL
Resource			
Main Estimate	5,905,563	449,947	6,355,510
Change announced with winter supplementary estimate	24,941	-24,314	627
Total resource Departmental Expenditure Limit	5,930,504	425,633	6,356,137
Capital			
Main Estimate	6,045,080	1,248,111	7,293,191
Change announced with winter supplementary estimate	88,338	-98,300	-9,962
Total capital Departmental Expenditure Limit	6,133,418	1,149,811	7,283,229
<i>Less depreciation at start of year *</i>	<i>-367,765</i>	<i>-25,092</i>	<i>-392,857</i>
<i>Less change in depreciation at winter supplementary estimate *</i>	<i>0</i>	<i>-7,500</i>	<i>-7,500</i>
Total depreciation	-367,765	-32,592	-400,357
Total Departmental Expenditure Limit	11,696,157	1,542,852	13,239,009
* Depreciation, which forms part of resource DEL, is excluded from the total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.			

END YEAR FLEXIBILITY

The department's EYF has been accumulated by underspends in previous years. The department uses its EYF to fund ongoing programmes where slippages have occurred and for the management of unbudgeted pressures which arise.

End Year Flexibility	Administration costs	Other Resources	Total Resource DEL	(of which Near Cash)	Capital DEL	£m Total
Adjustment for 2006–07 final outturn	0	1	1	2	0	1
2007–08 EYF not taken up	50	18	68	20	4	72
2007–08 underspend	12	85	97	9	133	230
Reduction for Reserve claim	0	0	0	0	-69	-69
Transfer to DCLG for CIF*	0	0	0	0	-20	-20
Entitlement	62	104	166	31	48	214
EYF drawdown in winter supplementary estimates	0	0	0	0	0	0
Balance of accumulated end year flexibility	62	104	166	31	48	214
<i>Of which ringfenced:</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

* *Communities Investment Fund*

Significant financial pressures later in 2008–09

- We have reviewed the position and no significant financial pressures are anticipated at this date.

ADMINISTRATION BUDGET

The Administration Budget and outturn for the financial years since 2005–06 is set out in the table below:

Administration Budget (previous years) £m

Year	Budget	Outturn*	Variance	%
2005–06 *	269.923	255.226	-14.697	5.4%
2006–07 *	263.170	243.426	-19.835	7.5%
2007–08	294.526	282.328	-12.198	4.1%

* 2005–06 and 2006–07 outturn exclude £+51.957m and £+37.986m respectively of reclassification between administration and programme of consultancy and Transport Security expenditure included in 2007–08 outturn.

Changes to the Administration budget in 2008–09 (current year)	£'000
	Limit
Main Estimate	281,622
Change announcement with Winter Supplementary Estimate	304
Administration Budget	281,926

The £304,000 increase in the Winter Supplementary Estimate reflects a net transfer from other government departments as follows:

- (a) £313,000 from the Cabinet Office for the Department's share of Parliamentary Counsel Office's work;
- (b) £36,000 from the Department for Communities and Local Government in respect of traffic management costs; partially offset by
- (c) £45,000 to the Office of Government Commerce for the Centre of Excellence for Sustainable Procurement.

DfT (Central) Provisions

£'000	Early retirements	Greater London Authority (2)	NFC travel concessions	Channel Tunnel Rail Link	Other(3)	Total
Position as at 1 April 2008						
Balance at 1 April 2008(1)	26,944	124,000	17,000	238,220	114,693	520,857
Provided in year in Main Estimate	2,500			7,768	6,562	16,830
Provision expected to be used in year	(14,100)	(62,000)	(2,500)	(10)	(5,778)	(84,388)
Expected unwinding of discount			1,500	4,180		5,680
Estimated closing balance	15,344	62,000	16,000	250,158	115,477	458,979
Changes in Winter Supplementary Estimate						
Estimated closing balance in Main Estimate	15,344	62,000	16,000	250,158	115,477	458,979
Extra/new provision in year taken in WSE				7,601		7,601
Provision adjustment	11,660			(7,758)	(3,902)	0
Extra/new provision to be used in year	(9,100)			(10)		(9,110)
Change to unwinding of discount since main estimate						
Estimated closing balance at WSE	17,904	62,000	16,000	249,991	111,575	457,470

Notes

- (1) At the time of the Main Estimates Memorandum the 2007–08 Resource Accounts were not finalised and the closing balance was estimated. The balance at 1 April (in the table above) incorporates numbers in the Resource Accounts
- (2) Provision created in respect of a deficit in the London Underground pension schemes.
- (3) Provisions for shipping enquiries, PPP arborer, Channel Tunnel toll, Channel Tunnel opex, South East Trains and CTRL Section 2.

Highways Agency Provisions

£000's	Land and Property Acquisition	Engineering and Construction Services	Bridge Strengthening	Tunnels	Other Liabilities (RCU, 3rd Party Claims & Other)	Grand Total
Position at 1 April 2008						
Balance at 1 April 2008 (1)	242,764	58,671	125,897	241,484	12,739	681,555
Provided in main estimate	30,585	55,000	-	-	9,386	94,971
Provision expected to be used in year	(70,533)	(61,000)	(21,000)	(18,700)	(7,748)	(178,981)
Estimated closing balance	202,816	52,671	104,897	222,784	14,377	597,545
Changes in supplementary estimate						
Estimated closing balance in estimate	202,816	52,671	104,897	222,784	14,377	597,545
Extra new provision in year taken in supplementary	-	-	-	-	-	-
Extra provision expected to be used in year	-	-	-	-	-	-
Estimated closing balance at supplementary estimate	202,816	52,671	104,897	222,784	14,377	597,545

Notes: (1) At the time of the Main Estimates Memorandum the 2007-08 Resource Accounts were not finalised and the closing balance was estimated. The balance at 1 April (in the table above) incorporates numbers in the Resource Accounts.

Main Estimate 2009–2010

INTRODUCTION

The Department for Transport Main Estimate for 2009–10 seeks the necessary resources and cash to support the functions of the Department for Transport, including its Executive Agencies¹, and to support the construction of venues and infrastructure related to the 2012 Olympics. These are continuing functions from previous years.

The purpose of this Memorandum is to provide the Select Committee with an explanation of how the resources and cash sought in the Main Estimate will be applied to achieve Departmental Strategic Objectives and Public Service Agreement (PSA) targets. This includes information on comparisons with the resources provided in earlier years in Estimates and departmental budgets, and to future financial plans. Details of changes in resources relative to original plans set out in the 2007 Comprehensive Spending Review are also provided.

An explanation of key terms used in the memorandum is provided at Annex A.

2007 COMPREHENSIVE SPENDING REVIEW

The Comprehensive Spending Review, announced by the Chancellor in October 2007 (Cm7227), set new annual Departmental Expenditure Limit figures for the years 2008–09 to 2010–11. These confirmed the overall 2¼% annual real increases announced in the 2004 Spending Review.

Department for Transport CSR settlement for 2009–10 & 2010–11

£million	2009–10	2010–11
Resource DEL ²	6,493	6,673
<i>Of which near-cash²</i>	6,150	6,058
<i>Of which administration</i>	275	269
Capital DEL	7,614	8,112
Total DEL³	13,775	14,465

Notes:

¹ *Highways Agency, Driver and Vehicle Licensing Agency, Maritime and Coastguard Agency, Driving Standards Agency, Vehicle and Operator Services Agency, Vehicle Certification Agency, Government Car and Despatch Agency.*

² *The CSR07 settlement made provision for DfT to manage the public expenditure pressures caused by the Metronet companies entering PPP administration. At the time of the CSR the related terms for the transfer of £1.7bn to TfL for payment of the Put Option*

to Metronet's lenders and the £630m offered by DfT to TfL over four years (reflecting Metronet's unused borrowing headroom at the time of its collapse) remained unresolved.

Agreement was subsequently reached between HM Treasury and DfT that the funds would be transferred to TfL under a grant-based arrangement as opposed to a loan-based arrangement. This required the level of future TfL Transport Grants to be reduced to ensure that TfL did not receive any additional benefit from the financing cost savings through grant funding, as opposed to commercial debt servicing. This resulted in a £81/96/103m near cash reduction to the GLA transport grant (resource) in 2008–09 to 2010–11. This reduction has **not** been included in the above table but is reflected in the Main Estimate.

³ Full resource budgeting basis, net of depreciation.

Changes to the CSR settlement are as follows (£million)

Change	2009–10	2010–11
Administration Near Cash		
Transfer from the Department for Communities and Local Government to cover staff costs in traffic management.	+0.037	+0.038
Transfer to the Office of Government Commerce for the Centre of Excellence for Sustainable Procurement.	-0.045	-0.045
Programme Near Cash		
Transfer to Home Office/Office of National Statistics for page 4 of 2011 census.	-	-0.500
Transfer from the Department for Communities and Local Government in respect of the Pan Government Agreement.	+1.400	+1.400
Transfer from the Ministry of Defence for Royal Travel	+0.500	+0.500
Transfer to Cabinet Office for the security, monitoring and co-ordination centre.	-0.040	-0.040
Transfer to Department for Innovation Universities and Skills for Government skills.	-0.055	-0.055
Transfer to Scottish Executive for Rail Environmental Procurement Scheme.	-0.500	-0.500
Reduction in GLA transport grant (see note 2 above)	-96.000	-103.000
Saving as announced in Budget 2009		-200.000
TOTAL NEAR CASH	-94,703	-302.202

Capital		
Fiscal stimulus: Highways Agency	+400.000	-400.000
Fiscal Stimulus: bringing forward of planned purchase of train rolling stock.	+300.000	-300.000
TOTAL CAPITAL	+700.000	-700.000

PROVISION SOUGHT IN MAIN ESTIMATE 2009-10

The following key Estimate and Budget control totals are sought:

Voted provision

The Main Estimate provides for a:

- Net Resource Requirement (NRR) of **£15,630,092,000**
- Net Cash Requirement (NCR) of **£13,259,651,000**

Budgetary data

The key budgetary figures are:

Resource Departmental Expenditure Limit **£6,398,054,000**

	<i>Of which:</i>
<i>Near Cash</i>	<i>£6,055,054,000</i>
<i>Non Cash</i>	<i>£ 343,000,000</i>
 <i>Administration budget</i>	 <i>£ 275,172,000</i>
<i>Programme</i>	<i>£6,122,882,000</i>

Capital Departmental Expenditure Limit **£8,313,602,000**

Annually Managed Expenditure **£4,264,652,000**

EXPLANATIONS OF SIGNIFICANT CHANGES IN PROVISION COMPARED WITH THE PREVIOUS YEAR (2009–10)

The Department's 2009–10 Estimate implements the second year of the 2007 CSR settlement described above. To illustrate the impact of in year budget changes on the 2008–09 Main Estimates position an explanation is provided below of budget changes with particular reference to one-off changes such as take up of end year flexibility.

Net Resource Requirement

2009–10 Main Estimate	£15,630,092,000
2008–09 Main Estimate	£15,149,773,000
2008–09 Spring Supplementary	£23,458,589,000

Provision is currently £7,828m (33%) lower than the 2008–09 Spring Supplementary Estimate figure.

During 2008–09 the Net Resource Requirement was increased by £8,309m of which significant elements were:

- £8,014m non cash Prior Period Adjustment increase associated with implementation of Financial Reporting Standards 25 and 26;
- £165m increase associated with Metronet;
- £151m use of Departmental Unallocated Provision;
- £11m use of End Year Flexibility; partially offset by
- £-32m other changes (including £151m transfer from capital to capital grant; and £-170m net transfer to non voted provision).

At the start of 2009–10 the Department has £608m of non voted Departmental Unallocated Provision of which an amount may be used for voted provision during the year.

Net Cash Requirement

2009–10 Main Estimate	£13,259,651,000
2008–09 Main Estimate	£12,275,144,000
2008–09 Spring Supplementary	£12,561,157,000

Provision is currently £698m (6%) higher than the 2008–09 Spring Supplementary Estimate figure and reflects the fiscal stimulus package for Highways Agency (£400m) and Rail (£300m). During 2008–09 the Net Cash Requirement was increased by £286m to meet estimated requirements.

Resource DEL

2009–10 Main Estimate	£6,398,054,000
2008–09 Main Estimate	£6,355,510,000
2008–09 Spring Supplementary	£6,830,000,000

The £432m reduction (6%) from the 2008–09 Spring Supplementary Estimate figure reflects the near cash and non cash explanations provided below.

Administration Budget

2009–10 Main Estimate	£275,172,000
2008–09 <i>Main Estimate</i>	£281,622,000
2008–09 <i>Spring Supplementary</i>	£293,126,000

The £18m reduction (6%) from the 2008–09 Spring Supplementary Estimate figure reflects the year on year real terms efficiency savings agreed in the CSR07 settlement, together with the impact of the EYF drawn down at that time to manage in year pressures.

Near Cash DEL

2009–10 Main Estimate	£6,055,054,000
2008–09 <i>Main Estimate</i>	£6,069,510,000
2008–09 <i>Spring Supplementary</i>	£6,085,082,000

Provision is currently £30m (0.5%) lower than the 2008–09 Spring Supplementary Estimate figure.

During 2008–09 the Near Cash DEL was increased by £16m, of which £11m was EYF take up; £4m non cash provision converted to near cash; £7m HM Treasury agreed increase for Metronet; partially offset by net transfer of £6m to other government departments.

Non Cash DEL

2009–10 Main Estimate	£ 343,000
2008–09 <i>Main Estimate</i>	£ 286,000
2008–09 <i>Spring Supplementary</i>	£458,918,000

Provision is currently £458.6m less than the 2008–09 Spring Supplementary Estimate figure. The Treasury has advised that the in-year movements for 2009–10 resulting from the implementation of FRS and IFRS should be deferred and reflected in the Winter Supplementary Estimate.

During 2008–09 non cash provision was increased by £459m to reflect a HM Treasury agreed increase of £463m to reflect the accounting treatment of changes in fair values arising from the implementation of accounting standards FRS 25 and FRS 26; partly offset by £4m converted to near cash.

Capital DEL

2009–10 Main Estimate	£8,313,602,000
2008–09 Main Estimate	£7,293,191,000
2008–09 Spring Supplementary	£7,283,229,000

Provision is currently £1,030m (14%) more than the 2008–09 Spring Supplementary Estimate figure.

During 2008–09 the Capital DEL was decreased by £10m to reflect a transfer to the Scottish Executive for rail services.

AME (all resource)

2009–10 Main Estimate	£4,264,702,000
2008–09 Main Estimate	£3,980,103,000
2008–09 Spring Supplementary	£3,987,694,000

Provision is currently £277m (7%) more than the 2008–09 Spring Supplementary Estimate figure and includes a revised estimate of impairments requirements.

During 2008–09 AME was increased by £8m to reflect increase in use of rail provisions.

LINKS TO OBJECTIVES AND PSA TARGETS (2009–10)

The Department for Transport Annual Report 2009 (Cm xxxx) will describe the Department's performance in 2008–09 against the targets in the Public Service Agreement (PSA) for the period 2008–11 which was set in Spending Review 2007. The tables below set out the links to the Department's new Departmental Strategic Objectives and PSA target from 2009–10 onwards.

Sections	Resource (incl capital grants)	Capital	Are in pursuit of Departmental Strategic Objective (DSO) ¹ :	Which supports PSA target ¹ :
	£'000s	£'000s		
All of: A, B, H, W, AA, AC; Part of: C, K, L, M, T, U, V, X, Y, Z.	10,748,438	941,048	1. To support national economic competitiveness and growth, by delivering reliable and efficient transport networks.	Deliver reliable and efficient transport networks that support economic growth
All of: E, F, G, N, AD; Part of: L, M, U, W, X, Y, Z.	1,100,908	27,881	2. To reduce transport's emissions of carbon dioxide and other greenhouse gases, with the desired outcome of avoiding dangerous climate change.	
All of: D, O, P, Q, R, S, V, AB; Part of: C, I, L, M, T, U, V, X, Y, Z.	3,284,031	1,041,132	3. To contribute to better safety, security and health and longer life-expectancy through reducing the risk of death, injury or illness arising from transport, and promoting travel modes that are beneficial to health.	
Part of: I, K, M, U, X.	244,425	0	4. To promote greater equality of opportunity for all citizens, with the desired outcome of achieving a fairer society.	
All of: J Part of: C	252,290	0	5. To improve quality of life for transport users and non-transport users, and to promote a healthy natural environment.	
Total	15,630,092	2,010,061		

Note:

¹. The Department for Transport's PSA covers the contribution that transport makes to economic growth although the Department's broad range of transport policy is covered by (a) its full set of DSOs and (b) additional PSAs, led by other departments, under the new framework.

LINKS TO OBJECTIVES AND PSA TARGETS FOR 2010-11

2010-11		Are in pursuit of Departmental Strategic Objective:
Resource	Capital	
£'000s	£'000s	
10,793,188	278,842	1. To support national economic competitiveness and growth, by delivering reliable and efficient transport networks
1,320,573	18,737	2. To reduce transport's emissions of carbon dioxide and other greenhouse gases, with the desired outcome of avoiding dangerous climate change
3,303,090	1,334,518	3. To contribute to better safety, security and health and longer life-expectancy through reducing the risk of death, injury or illness arising from transport, and promoting travel modes that are beneficial to health.
247,580	0	4. To promote greater equality of opportunity for all citizens, with the desired outcome of achieving a fairer society.
252,175	0	5. To improve quality of life for transport users and non-transport users, and to promote a healthy natural environment.
15,916,606	1,632,097	Total

DEPARTMENTAL EXPENDITURE LIMIT

The table below compares outturn from 2007-08 with planned DEL for the current and future years:

£'000s	OUTTURN	OUTTURN ¹	ESTIMATE	PLANS
	2007-08	2008-09	2009-10	2010-11
Resource DEL	6,793,930	6,495,376	6,398,054	6,371,119
<i>o/w Near Cash</i>	6,555,016	5,852,363	6,055,054	5,756,119
<i>Non Cash</i>	238,914	643,013	343,000	615,000
Capital DEL	7,052,712	7,187,594	8,313,602	7,411,572
<i>Less depreciation</i> ²	-392,368	-859,977	-272,979	-232,451
TOTAL DEL	13,454,274	12,822,993	14,438,677	13,550,240

¹ End of March 2009 provisional outturn.

² Depreciation, which forms part of Resource DEL, is excluded from total DEL since Capital DEL includes capital spending and to include depreciation of those assets would lead to double counting. Planned depreciation for 2009-10 and 2010-11 reflects latest assessment of requirement and differs from assumptions made in the Comprehensive Spending Review. For those years the differences in the value of depreciation are £-59/-88m.

Near Cash

The £703m decrease in near cash expenditure between 2007-08 and 2008-09 largely reflects (a) the £501m planned reduction between years indicated in the 2008-09

Estimate Memorandum; (b) an estimated £233m underspend in 2008–09 compared to £9m in 2007–08; and (c) 2008–09 as the first year implementing budgets arising from CSR07.

Non Cash

The £404m increase in non cash DEL expenditure between 2007–08 and 2008–09 largely reflects £463m change in fair value of FRS 26 government guarantees included in the 2008–09 Spring Supplementary Estimate.

Capital

The £135m increase in capital expenditure between 2007–08 and 2008–09 reflect (a) 2008–09 as the first year implementing budgets arising from CSR07, partially offset by (b) £624m Reserve claim in 2007–08 for Metronet.

For 2009–10 and 2010–11, plans reflects the 2007 Comprehensive Spending Review settlement with adjustments identified in the table on page 4.

END YEAR FLEXIBILITY

The 2008–09 EYF stock for the Department for Transport was reported in the Public Expenditure White Paper 2007–08 (PEOWP) (Cm 7419) *. The analysis below shows changes since then as follows:

£'000	Administration costs	Other Resource	Total Resource DEL	Of which		Capital
				Near Cash	Non Cash	
Entitlement ¹	62,456	104,010	166,466	30,757	135,709	47,642
Take up in Winter Supplementary Estimates	0	0	0	0	0	0
Take up in Spring Supplementary Estimates	11,200	0	11,200	11,200	0	0
Balance of unused EYF at 31 March 2009	51,256	104,010	155,266	19,557	135,709	47,642
Provisional underspend ²	14,685	319,939	334,624	232,719	101,905	95,635
Provisional EYF opening stock at 1 April 2009	65,941	423,949	489,890	252,276	237,614	143,277

¹ EYF entitlement published in PEOWP (Cm 7419).

² *Provisional underspend is based on the difference between provisional 2008–09 outturn (at the end of March 2009) and budgets agreed at the 2008–09 Spring Supplementary Estimates.*

The Department's 2008–09 total DEL opening entitlement of £214m (set out above) arose from: changes in 2006–07 outturn (£+1m); 2007–08 EYF not taken up (£+72m); 2007–08 underspend (£+230m); reduction for Reserve claim (£-69m) and transfer of Communities Infrastructure Fund entitlement to the Department for Communities and Local Government (£-20m).

The main elements of the 2007–08 underspend were:

- Near Cash (£8m) across a range of programmes;
- Non Cash (£89m) which reflects unused Departmental Unallocated Provision;
- Capital (£133m) across a range of programmes including Local Authority Major Schemes (£47m); unexpected repayment of entire NATS loan of £106m (£21m); Local Authority Road Maintenance Schemes (£15m); Community Infrastructure Fund (£12m); reduction in Trustports borrowing (£6m); and others (£32m).

The Department took up EYF during 2008–09 as follows:

Spring Supplementary Estimates: £11m near cash for administration.

Provisional 2008–09 under/over spend The near cash underspend is £233m, of which £219m relates to programme and £14m to admin. The non cash underspend is £102m, of which £101m relates to programme and £1m to admin. The capital underspend is £96m.

Future Use

It is likely that some end year flexibility will be required to meet pressures including those which may arise as a result of the economic downturn.

Near Cash: the provisional stock of £252m (£227m programme, £25m administration) will be used to meet pressures that may arise in 2009–10 and 2010–11.

Non Cash: the provisional stock of £238m (£197m programme, £41m administration) will be used to meet pressures that may arise in 2009–10 and 2010–11.

Capital: the provisional stock of £143m will be used to meet pressures that may arise in 2009–10 and 2010–11. £65m is ring-fenced underspending which will be used to meet future costs of the Olympics programme.

2009–10 OPENING DEPARTMENTAL UNALLOCATED PROVISIONS

	£'000
Resource – near cash	228,910
Resource – non cash	151,849
Total Resource	380,759
Capital	227,381

ADMINISTRATION BUDGET

The table below compares outturn from 2007–08 with planned DEL for the current and future years:

£'000s	OUTTURN	OUTTURN ¹	ESTIMATE	PLANS
	2007–08	2008–09	2009–10	2010–11
Administration budget	282,328	278,441	275,172	268,387

Notes

¹ *End of March 2009 provisional outturn.*

The budgets for 2009–10 and 2010–11 have been set at levels that will enable the Department to deliver annual value for money reductions as detailed in the Department's CSR07 Value for Money Delivery Agreement.

PROVISIONS AND CONTINGENT LIABILITIES

Provisions

DfT (Central)

£'000s	Early retirements ¹	Greater London Authority ²	NFC travel concessions ³	Channel Tunnel Rail Link ⁴	Other ⁵	Total
Position as at 1 April 2009						
Balance at 1 April 2009	18,904	62,000	16,000	249,991	311,575	658,470
Provided in year in Main Estimate					22,177	22,177
Provision expected to be used in year	(4,775)	(62,000)			(22,100)	(88,875)
Expected unwinding of discount						0
Estimated closing balance	14,129	0	16,000	249,991	311,652	591,772

Notes

1 Early retirements - These amounts relate to former staff who left the Department's employment before their formal retirement age, and in respect of whom the Department and its Agencies are responsible for making payments until their retirement age.

2 Greater London Authority Grant - Amounts in respect of a commitment to fund a deficit in the London Regional Transport/London Underground pension scheme.

3 NFC travel concessions –this is for amounts in respect of re-imbursments to National Freight Company PLC and its subsidiaries for providing travel concessions to staff previously employed by the road transport division of British Rail.

4 Channel Tunnel Rail Link - These amounts cover Domestic Capacity Charge payments to London and Continental Railways Ltd (LCR), specifically those de-risked to facilitate the raising of finance by LCR.

5 Provisions for shipping inquiries, the PPP arbiter's pension liabilities, Channel Tunnel toll, Channel Tunnel opex, South East Trains, CTRL Section 2, SRA pension liabilities, LCR grant provision, sale of RFD payments and dilapidations.

Highways Agency Provisions for Liabilities and Charges

£'000s	Land and Property Acquisition	Engineering and Construction Services	Bridge Strengthening	Tunnels	Other Liabilities (RCU, 3 rd Party Claims & Other)	Grand Total
Position as at 1 April 2009						
Estimated Balance at 1 April 2009 ¹	208,134	90,184	111,394	213,504	13,711	636,927
Provided in main estimate	50,037	46,614	-	-	8,988	105,639
Provision expected to be used in year	(69,190)	(49,605)	(39,135)	(59,600)	(6,921)	(224,451)
Estimated closing balance	188,981	87,193	72,259	153,904	15,778	518,115

¹ The balance at 1 April 2009 is derived from the Highways Agency Draft 2008–09 Accounts..

Contingent Liabilities

The Department accounts for contingent liabilities in its Resource Accounts in accordance with the Accounting Standards Board's publication, *Financial Reporting Standard 12 "Provisions, contingent liabilities and assets" (1998) (FRS 12)*, as endorsed by Treasury's Financial Reporting Manual (*FReM*). This includes contingent liabilities created through letters of comfort, guarantees and indemnities, which are required to be

reported to Parliament in accordance with *Government Accounting*, as well as contingent liabilities arising as a result of litigation or other claims or disputes affecting the Department. Consequently, the Department recognises as actual liabilities any contingent liabilities which it considers more likely than not that it will have to settle, it discloses any contingent liabilities for which it considers the likelihood of settlement to be more than remotely likely and it also discloses all contingent liabilities reported to Parliament in accordance with *Government Accounting*, except where disclosure might prejudice a legal claim, or jeopardise security arrangements.

The majority of the Department's contingent liabilities fall into five categories:

Financial guarantees in respect of Network Rail - The Department has offered guarantees to the purchasers of Network Rail's debt instruments that, if Network Rail is unable to repay its borrowings, the Department will do so. These guarantees enable Network Rail to borrow at a preferable rate.

Letters of Comfort to Train Operating Companies - The Department has offered guarantees to Train Operating Companies and Rolling Stock Companies. These typically provide assurance that companies will recover the value of their investment in franchise-specific assets and consequently encourage investment. They also reflect other concerns, such as *force majeure* arrangements.

Measures to support London and Continental Railways - Following the restructuring of London and Continental Railways between 1998 and 2003, the Department has offered a series of support measures to the company. *The value of these measures depends on London and Continental Railways future performance as well as other matters.*

Support in other transport sectors - The Department has offered financial support to other entities in the transport sector, where required by legislation (for example, to protect purchasers of package holidays) or to support contractual arrangements.

Occasional claims and litigation - The Department occasionally faces legal challenges over some of its actions. It defends its position robustly and ensures that disclosure given in the Resource Accounts does not prejudice the Crown's position.

FRS 25 and 26

In 2008–09 the Department adopted FRS 25 and 26, the accounting standards on the disclosure and measurement of contractual arrangements deemed to be financial instruments. As a result three of the Department's contingent liabilities have been classified as financial guarantee contracts. These are a financial indemnity in support of Network Rail's Debt Issuance Programme; a guarantee to the Air Travel Trust Fund and various guarantees to support London and Continental Railways. A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when

due. The Department notified Parliament of the adjustments arising from this change in accounting policy in the Spring Supplementary Estimate 2008–09. In accordance with HM Treasury instruction, provision for in-year movements relating to these financial guarantee contracts will be requested in the 2009–10 Winter Supplementary Estimate.

Significant changes:

(a) Network Rail Debt Issuance Programme (DIP) – Financial Indemnity provided for holders of debt raised under NR’s DIP against any cash shortfall at NR to meet debt service payments. The Debt Issuance Programme was initiated to replace Network Rail’s earlier borrowing programmes. Over time, the amounts borrowed under the Debt Issuance Programme will therefore increase, while amounts borrowed under the earlier programmes will reduce. Exact figures of the amounts borrowed by Network Rail as at 31 March in any year do not become available until late summer of that year, when Network Rail’s accounts are released; until then, the information is market sensitive.

(b) The guarantee for the Air Travel Trust Fund (ATTF) – This Fund provides compensation following the collapse of a tour operator, but does not have sufficient liquid funds to cover any large-scale failure. Legislation provided for the Fund to supplement these funds by a surcharge on tickets, but the power has lapsed. Until the power is restored, the Fund would be required to borrow to meet its compensation commitments. The Department has agreed to guarantee the ATTF borrowings up to a limit of £31m.

(c) Docklands Light Railway Lewisham Extension guarantee – This guarantee lapsed in 2008–09.

(d) National Air Traffic Services (NATS) Private public Partnership obligations – There are two obligations: an indemnity to the financial adviser; and a commitment to respond if the contract experiences financial problems. The contractual warranties given as part of the NATS PPP in 2001 have now lapsed, these were previously estimated at £760m. Separately, the Department continues to carry a contingent liability as NATS shareholder in relation to the potential for a cash call on equity holders.

APPROVAL OF MEMORANDUM

This memorandum has been prepared with reference to guidance in the Estimates Manual provided by HM Treasury and that found on the House of Commons Scrutiny Unit website. The information in this Memorandum has been approved by the Departmental Accounting Officer.

ANNEX A

GLOSSARY OF KEY TERMS

Administrative Expenditure - expenditure incurred by departments and agencies in providing those services which are not directly associated with frontline service delivery. Includes pay, training, travel, accommodation, stationery, utilities, etc.

Annually Managed Expenditure (AME) - a Treasury budgetary control for expenditure which is generally less predictable and controllable than expenditure in DEL.

Comprehensive Spending Review (CSR) - a cross-government review of the departmental aims and objectives and analysis of all spending programmes, with the resultant allocation of three year Departmental Expenditure Limits (DEL).

Consolidated Fund Extra Receipts (CFERs) - Income, or related cash, that may not be appropriated in aid of an Estimate and is surrendered to the Consolidated Fund.

Contingent liabilities - potential liabilities that are uncertain but recognise that future expenditure may arise if certain conditions are met or certain events happen.

Departmental Expenditure Limit (DEL) - a Treasury budgetary control for expenditure which is generally within the department's control and can be managed within fixed three-year limits (Comprehensive Spending Review period).

Departmental Unallocated Provision (DUP) - an amount held back by a department to meet unforeseen pressures in expenditure and is not allocated at the start of the year to any particular programme. It forms part of the DEL.

End Year Flexibility (EYF) - a set of rules by which departments are allowed to carry forward unspent DEL budget from one year to the next. Agreed EYF entitlement for the year is set out in an annual Public Expenditure Outturn White Paper (PEOWP).

Financial Reporting Standards (FRS) - a publication issued by the Accounting Standards Board that communicates best practice in accounting for the type of transaction or item specified in the title. Accounting standards FRS 25 and FRS 26 on financial instruments provide guidance on the accounting treatment of contractual financial assets and liabilities.

Near-cash - resource expenditure that has a related cash implication, even though the timing of cash payment may be slightly different.

Non-cash - costs where there is no cash transaction but which are included in a body's accounts (or taken into account in charging for a service) to establish the true cost of all

the resource used. Such costs include cost of capital charges, depreciation, profit/loss on disposal of assets, provisions, writedowns, bad debits, etc.

Non Voted Expenditure - public expenditure outside that voted by Parliament in Supply Estimates. It is largely used for NDPB and DVLA budgets, apart from grant-in-aid paid to these bodies which is voted expenditure. Non voted expenditure also includes utilisation of provisions and Supported Capital Expenditure (Resource).

Provision - a provision is set up to cover recognised liabilities which either have to be paid out by departments over a period of more than one year (such as pensions or contractual obligations), or are held back by the departments pending decision for eventual payment if directed by a ruling body.

Reserve - a small amount of both resource and capital DEL budgetary provision that has not been allocated by HM Treasury to a department. The function of the Reserve is to assist departments with the costs of genuinely unexpected and unforeseeable events, which are also large relative to the department's available resources.

Supplementary Estimates - seek parliamentary authority for additional resources and/or cash, or vary the way in which resources are allocated. Normally presented in the summer (June), winter (November) and spring (February).

Voted Expenditure - that which has been authorised by Parliament in response to Supply Estimates.

Formal Minutes

Wednesday 13 January 2010

Members present:

Mrs Louise Ellman, in the Chair

Mr David Clelland

Rt Hon Jeffrey Donaldson

Mr Philip Hollobone

Mr John Leech

Mr Eric Martlew

Mark Pritchard

Ms Angela C. Smith

Graham Stringer

Draft Report (Work of the Committee in 2008–09), proposed by the Chairman, brought up and read.

Ordered, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 65 read and agreed to.

Annexes agreed to.

A Paper was appended to the Report as Appendix 1.

Papers were appended to the Report as Appendix 2.

Resolved, That the Report be the Second Report of the Committee to the House.

Ordered, That the Chairman make the Report to the House.

[Adjourned till Wednesday 20 January at 2.30 pm]

List of Reports from the Committee during the current Parliament

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2009–10

Second Report	Work of the Committee in 2008–09	HC 262
First Report	The future of aviation	HC 125–I and –II (<i>HC(08–09)499</i>)

Session 2008–09

First Report	Work of the Committee in 2007–08	HC 211
Second Report	School Travel	HC 351 (<i>HC 561</i>)
Third Report	Appointment of the Chair of the Office of Rail Regulation	HC 433
Fourth Report	The effects of adverse weather conditions on transport	HC 328 (<i>HC 957</i>)
Fifth Report	The use of airspace	HC 163 (<i>HC 996</i>)
Sixth Report	Taxes and charges on road users	HC 103 (<i>HC 995</i>)
Seventh Report	The enforcement activities of the Vehicle and Operator Services Agency (VOSA)	HC 39 (<i>HC 1057</i>)
Eighth Report	Rail fares and franchises	HC 233 (<i>HC 1004</i>)

Session 2007–08

First Report	Galileo: Recent Developments	HC 53 (<i>HC 283</i>)
Second Report	The London Underground and the Public-Private Partnership Agreements	HC 45 (<i>HC 461</i>)
Third Report	Work of the Committee in 2007	HC 248
Fourth Report	The future of BAA	HC 119 (<i>HC 569</i>)
Fifth Report	Ticketing and Concessionary Travel on Public Transport	HC 84 (<i>HC 708</i>)
Sixth Report	The Blue Badge Scheme	HC 475 (<i>HC 1106</i>)
Seventh Report	Department for Transport Annual Report 2007	HC 313 (<i>HC 1102</i>)
Eighth Report	Freight Transport	HC 249 (<i>HC 1103</i>)
Ninth Report	The Draft Marine Navigation Bill	HC 709 (<i>HC 1104</i>)
Tenth Report	Delivering a sustainable railway: a 30-year strategy for the railways?	HC 219 (<i>HC 1105</i>)
Eleventh Report	Ending the Scandal of Complacency: Road Safety beyond 2010	HC 460 (<i>HC(08–09)136 & HC(08–09)422</i>)
Twelfth Report	The opening of Heathrow Terminal 5	HC 543

Session 2006–07

First Report	Work of the Committee in 2005–06	HC 226
Second Report	The Ports Industry in England and Wales	HC 61-I and -II (HC 954)
Third Report	Transport for the London 2012 Olympic and Paralympic Games: The Draft Transport Plan	HC 199 (HC 484)
Fourth Report	Department for Transport Annual Report 2006	HC 95 (HC 485)
Fifth Report	The Government's Motorcycling Strategy	HC 264 (HC 698)
Sixth Report	The new National Boatmasters' Licence	HC 320-I and -II (HC 1050)
Seventh Report	Novice Drivers	HC 355-I and -II (HC 1051)
Eighth Report	Passengers' Experiences of Air Travel	HC 435-I and -II (HC 1052)
Ninth Report	The draft Local Transport Bill and the Transport Innovation Fund	HC 692-I and -II (HC 1053)

Session 2005–06

First Report	UK Transport Security – preliminary report	HC 637
Second Report	Financial Protection for Air Travellers: Second Report Abandoning Effective Protection	HC 636 (HC 996)
Third Report	Going for Gold: Transport for London's 2012 Olympic Games	HC 588-I and -II (HC 1152)
Fourth Report	Departmental Annual Report 2005	HC 684 (HC 1517)
Fifth Report	Future of the British Transport Police	HC 1070-I and -II (HC 1639)
Sixth Report	How fair are the fares? Train fares and ticketing	HC 700-I and -II (HC 1640)
Seventh Report	Parking Policy and Enforcement	HC 748-I and -II (HC 1641)
Eighth Report	Piracy	HC 1026 (HC 1690)
Ninth Report	The work of the Department for Transport's Agencies – Driver and Vehicle Operator Group and the Highways Agency	HC 907 (HC 1615)
Tenth Report	Roads Policing and Technology: Getting the right balance	HC 975 (HC(06–07)290)
Eleventh Report	Bus Services across the UK	HC 1317 (HC(06–07)298)
Twelfth Report	Local Transport Planning and Funding	HC 1120 (HC(06–07)334)
Thirteenth Report	The work of the Civil Aviation Authority	HC 809 (HC(06–07)371)
Fourteenth Report	Passenger Rail Franchising	HC 1354 (HC(06–07)265)
First Special Report	The Performance of the London Underground: Government Response to the Committee's Sixth Report of Session 2004–05	HC 431
Second Special Report	The Departmental Annual Report 2004: Government Response to the Committee's Fourth Report of Session 2004–05	HC 432
Third Special Report	Integrated Transport: the Future of Light Rail and Modern Trams in the UK: Government Response to the Committee's Tenth Report of session 2004–05	HC 526
Fourth Special Report	Search and Rescue: Government Response to the Committee's Eighth Report of Session 2004–05	HC 586

Fifth Special Report	Rural Railways: Government Response to the Committee's Fifth Report of Session 2004–05	HC 587
Sixth Special Report	Tonnage Tax: Government Response to the Committee's Second Report of Session 2004–05	HC 611
Seventh Special Report	Financial Protection for Air Travellers: Government and Civil Aviation Authority Responses to the Committee's Fifteenth Report of Session 2003–04	HC 639
Eighth Special Report	European Community Competence and Transport: Government Response to the Committee's Ninth Report of Session 2004–05	HC 976