

Rt Hon Patrick McLoughlin MP  
Secretary of State  
**Department for Transport**  
Great Minster House  
33 Horseferry Road  
London SW1P 4DR

18 August 2015

Dear Mr McLoughlin

We are writing to you about the Government's forthcoming Spending Review and the implications that it might have for transport. Briefly, our concern is that the Review may result in major national projects and infrastructure programmes for longer distance transport being safeguarded while funding for everyday transport - local roads and railways, local bus services and local programmes to support cycling and walking - will be severely hit and may in some cases cease altogether.

Our concern arises from the way in which Government transport funding is now set up. There are long term strategies with commitments to fund trunk roads and railway investment, and a commitment to HS2. There are also longer term commitments to capital investment, for example in Crossrail and Transport for London programmes.

However, Transport is one of the "unprotected" Departments, and has as you know been given the very challenging task of looking for economies of between 25 and 40%, especially in revenue funding. DCLG has also been asked to do this.

If taken literally, this could mean that Government transport spending will become entirely focused on major capital projects, and that all other transport programmes will be subject to very deep cuts. Particularly at risk might be Bus Service Operators Grant, funding for local road maintenance, and other local transport funding like the Cycling City Ambition Grants and the Local Sustainable Transport Fund. Transport's contribution to the Local Growth Fund, which funds local transport projects, may also be reduced. Future franchises for local rail services may also be required to reduce their costs and services.

On top of this, cuts in the Department for Communities and Local Government budget and therefore general funding for local authorities will also affect transport, since, unlike other local services, transport is not generally a statutory requirement and is therefore likely to be disproportionately targeted for savings.

The combination of all of this could be very severe for local transport. We've termed this "everyday transport", because it is the transport that is used by most people on a daily basis. For example, local roads and pavements, where there is already a £8.6bn maintenance backlog according to your Department's own estimates, are likely to crumble further, despite the (very welcome) funding you have promised so far. This is in contrast to motorways and trunk roads where funding for maintenance and expansion is guaranteed. Local bus services, where there have already been cuts in subsidised services and fares rises, will see much more of both of these. Local rail services may see fares rises and service cuts. Support for active travel will dwindle, putting at risk the delivery of your ministers' commitments to increase cycling and walking within the framework of the new Cycling and Walking Investment Strategy.

This is not just a transport issue. Good local roads are important assets to local communities - their erosion will hurt local economies and also lead to more people ending up in hospital with slips and trips from damaged pavements, not to mention damage to cyclists and vehicles from potholes. Local bus and rail services are also community assets, essential for getting people without cars to work and reducing isolation and congestion, in rural as well as urban areas.

More generally, many of the local transport programmes funded by your Department have very strong track records for getting unemployed people into work and regenerating town centres and run down areas. Cuts in everyday transport funding will damage local authorities' abilities to develop such programmes and manage transport effectively, so as to produce places people want to live, work and invest in, with less congestion and more transport choices. Such cuts will also hamper national and local obligations to reduce air pollution and carbon emissions and will stymie the Government's public health ambitions.

We therefore urge you, in looking at your Department's submission for the Spending Review, to find ways of protecting and enhancing everyday transport, supporting better local roads and local public transport and high quality route networks for pedestrians and cyclists. This might be achieved in various ways:

- through **smarter spending**, for example cross Government programmes for local transport, reflecting the wider benefits it brings. The Total Transport pilots your Department has funded are a welcome start in this direction, and we have made the case to officials in your Department and the Treasury for a "Connectivity Fund" to support local public transport and for an "Active Travel" fund that supports the Government's planned Cycling and Walking Investment Strategy by bringing transport and health funding together and which might be effectively administered by your Department

- through **rebalancing capital and revenue funding**, recognising that without revenue funding there will be no staff to plan and implement capital investment programmes and that capital funding for building transport schemes without the revenue funding to maintain them will benefit no-one. The DfT's own recent publication "Finding the Optimum" showed that the return on investment is substantially higher in schemes which mix revenue-funded behaviour change programmes with capital investment.

- through **re-examining major transport programmes**, especially the Road Investment Strategy which will need to be revisited in the light of the recent Supreme Court judgement on air pollution.. Even minor delays in a few trunk road schemes will create the space for retaining and enhancing local transport programmes.

More broadly, we would like you and your Department to reconsider the balance between major national programmes, especially on trunk roads, and spending on everyday transport. The risk is that major eye-catching projects, which carry short term political kudos but have major costs and risks in delivery, will take precedence over the multitude of smaller local transport projects and programmes that together bring much larger overall benefits for everyone in the country.

We would be happy to discuss these points with you and officials, and look forward to hearing from you.

Yours sincerely



Stephen Joseph, Chief Executive  
Campaign for Better Transport



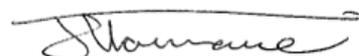
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Campaign to Protect Rural England



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