

## **Local Transport Body contacts**

June I am writing to confirm your funding allocation, in relation to local transport major projects, from within the single Local Growth Fund and to update you on a number of associated issues.

## **Working with LEPs**

High level guidance to LEPs on Growth Deals will be made available shortly.

If LEPs are to be effective in securing additional resources for transport projects through their Growth Deal negotiations they will need to work effectively with LTBs. Our expectation is that, as LTBs' plans should have been developed in close collaboration with LEPs, the LEP Strategic Economic Plans should include schemes identified in these prioritised lists or, by exception, set out clearly why the LEP has taken a different view from the LTB.

Unless you have already done so, we would encourage you to meet urgently with your LEP colleagues to agree how you will work together on the development of their Strategic Economic Plan. We, along with BIS and DCLG colleagues, see real potential for LTBs to work jointly with LEPs on the transport elements of these plans and will consider the extent to which you have worked together effectively as part of the Growth Deal negotiations with Government. In doing so, we would expect you to highlight the importance of effective and speedy delivery and robust value for money evidence.

I should also confirm that we will expect Strategic Economic Plans to reflect wider transport needs beyond major projects and set out the overall priorities for the LEP area. This could include smaller scale transport projects that unlock job opportunities (such as pinch point, local sustainable transport or integrated transport projects) or maintenance of parts of the road network which, if not addressed, could become barriers to growth. LEPs may wish to indicate in their plans what level of spend they would wish to commit to schemes of this nature and give an indication of where/how it would be used and the benefits to be achieved. The plan needs to consider the resources available in the round including the Local Growth F

## **Profile of funding**

The spreadsheet we have asked you to send us when you publish your scheme lists includes a proposed profile of spending. We will use this information, from across LTBs, to agree a provisional overall funding profile with the Treasury for the total share of the Local Growth Fund that has been confirmed to LTBs/LEPs today. Specific funding profiles for each LTB/LEP will be provided in the autumn, on the basis of: your final prioritised lists following public consideration; the overall profile for this share of the Local Growth Fund we will have agreed with the Treasury; and any views from LEPs. We would therefore encourage you to engage with your LEP over the summer to ensure that they are comfortable with the profile you have provided to us.

## **Next steps**

Over the summer and early autumn we will work with both LTBs and LEPs to address the further detailed issues related to the transition to funding via the Local Growth Fund. On many of these we are already forming an initial view within Whitehall, but we are keen to ensure that the arrangements put in place work in practice – and we need your input to achieve this.

For example, the allocated funding will now formally be provided to the LEP, not the LTB. This raises both accountability and boundary issues. Our current intention is that where the boundaries of LEPs and LTBs do not align, funding will be awarded to the LEP on the same geographical basis as used for the indicative allocations, rather than attempting to make any adjustment to reflect the geographical differences. We will discuss this further with the affected LTBs and LEPs.

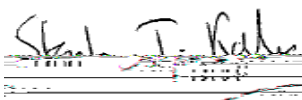
Similarly, funding for existing DfT-approved Local Authority Major schemes will also flow nominally through the Local Growth Fund and we will need to ensure that any delay to these projects does not impact on the total funding available to LEPs on a competitive basis. We will confirm the detailed mechanisms for how this will work at a later date but the key principle is that this element of the funding is dependent on the schemes going ahead as planned.

We aim to have resolved these detailed issues and provide further guidance as appropriate.

If you have any queries with the content of this letter, or if there are particular issues that you consider it is important that we address in the guidance to LEP officers, please contact your usual engagement contact (see list at Annex B). I would also be very happy to discuss this letter with you or a colleague.

I am copying this letter, for information, to the Chairs of LEPs and to Local Authority Transport Directors.

Yours faithfully,



Stephen Fidler



OXFORDSHIRE	10.6
SOLENT	19.2
SOUTH EAST	65.9
SOUTH EAST MIDLANDS	14.7
STOKE-ON-TRENT AND STAFFORDSHIRE	16.3

## ANNEX B

### DfT Local engagement contacts:

<b>AREA</b>	<b>NAME</b>	<b>TEL:</b>
North West, North East and Yorks & Humber	Margaret Jackson	0113 283 6677
South East and East	Lee Sambrook	0207 944 6136
West Midlands, East Midlands and South West	Liz Charlton	0121 678 8726