

# MEMORANDUM

## **Brent Council Response Lyons Inquiry – Implications of Eddington, Barker and Leitch**

Thank you for the opportunity to comment on this additional stage of the Lyons inquiry into Local Government. Brent Council's response to this additional stage is outlined below, particularly with reference to the Eddington Transport Study.

### **Eddington Transport Study**

Brent Council supports the Eddington report's conclusion that local transport plays a critical role in the growth and development of a local economy. Sustainable development of transport systems through effectively managing demand and supply of transport both locally and nationally is vital to ensuring long term economic growth.

The effects of the increasing demands on our transport systems are being experienced across London. Measures to manage this demand, however, must be thoroughly analysed so all possible consequences are considered. The Eddington report concludes that road pricing is necessary to ration demand. This may be an appropriate medium term solution but it might ultimately have harmful effects on growth in the long term. Cars will continue to evolve to be more cost effective and environmentally viable and people's underlying need and desire to travel will eclipse other considerations.

Eddington also demonstrated that GDP is inextricably linked to the amount of travel. In the end, though, the arguments about a sustainable way forward for Transport are secondary to wider social issues affecting society (eg. poverty) as these are the issues which draw funding away from transport. A wider debate may therefore be warranted concerning where money should be directed. Investment in public transport and roads will lead to economic growth which in turn help combat other social problems.

### ***Local Priorities***

A major theme of the Lyons review is the ability of local governments to effectively deliver local priorities and increase the involvement of their citizens in local decision making. The current system of funding and administration to local council's, however, can affect their ability to provide local transport tailored to the needs of their community.

One example is the difficulties apparent in meeting local priorities through the business planning process. Brent Council's Transport Unit is expected to produce a plan supporting objectives outlined in our Corporate Strategy. This plan must also support the wider priorities outlined in the Mayor's Transport Strategy. Problems occur when these priorities do not align with local direction.

The funding of local transport is another area which imposes constraints on a council's ability to deliver local priorities. In Brent the majority of tax local people pay is re-distributed through the GLA, TfL and other central government agencies. This causes two main problems, firstly it reduces the ability of local people and their elected representatives to directly influence local priorities. Secondly redistributing resources greatly increases the cost of bureaucracy leaving less money to spend in the local area.



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The advantage of this system is that national and regional strategies and networks can be effectively developed which are vital to integrated economic growth. It also reduces the impact of divergent local, political interests. The cost of this system, however, is that the reduced freedoms and flexibilities of local governments have in the manner by which they can spend the money restricts their ability to deliver services directly tailored to the needs of their local community.

The problem in devolving budgets to local government is that the money may not be used for the intended purpose. One solution to this is to set national and regional policies, provide budgets based on population but ring fenced to specific purposes. This would result in the local council being responsible for a particular priority but having the freedom to deliver based on the needs of the local community.