

Sir John Peace, Chair of Midlands Connect Mayor Dave Hodgson, Chair of England's Economic Heartland Strategic Transport Forum Cllr Keith Glazier, Chair of Transport for the South East

Cllr Bridget Wayman, Chair of Western Gateway Cllr Geoff Brown, Chair of Peninsula Transport Cllr Kevin Bentley, Chair of Transport East From the Secretary of State
The Rt. Hon. Chris Grayling

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My fellow Ministers and I have been meeting and corresponding with many of you recently about your work, on top of the close engagement you already have with officials. I have been encouraged by the discussions and the progress made to date.

A number of emerging sub-national national transport bodies (STBs) have sought clarity on the Department's approach to STBs and whether more statutory STBs may be created in the future. I therefore felt it would be useful to write to you all to set out our current position and also look ahead to how we can build on existing collaborative working relationships.

I understand the desire of some emerging sub-national transport bodies to cement strong foundations by seeking statutory status and powers, and that this ambition is testament to your collective ambition for your region. While I do not rule out creating more statutory sub-national transport bodies, my preference for the time being is to continue working with emerging sub-national transport bodies on a voluntary partnership basis. Where STBs have a strong rationale, broad regional scope and coherent economic geography, prioritise effectively and speak with one voice on behalf of their region, the Department will continue to take account of your views in developing national transport policy and investment decisions, regardless of your formal status. The work you are doing to develop and implement your transport strategies is already demonstrating its value, for example in the prioritisation of schemes for the MRN.

The Department will continue working with you on the development and implementation of your transport strategies including proportionate oversight of spending where relevant and as set out in individual funding agreements.

Related to this and looking ahead, I understand many of you have already started to consider and discuss with my officials the risks and opportunities for STBs associated with the forthcoming Spending Review. This is prudent and I have asked my officials to build on these conversations by seeking your views as part of developing a proposal to allow STBs to continue supporting DfT decision-making and better outcomes for your places over the next Spending Review period, while offering value for money.

The Chancellor made clear in the Spring Statement that, subject to a smooth exit from the EU, this coming Spending Review, SR19, will set funding envelopes for the next three years. My view is that we should use that period to support the consolidation of the important functions you are already performing by developing a Regional Evidence Base, transport strategy and investment proposals, and inputting to policy development in other ways including by responding to Government consultations. This will put us in a good position ahead of the following Spending Review to discuss the next stages of our relationship, reflecting on progress achieved and lessons we might learn to improve our collaboration.

I would encourage you to continue your dialogue with my officials in this light, and also to reflect on how STBs can support wider Government objectives including improving productivity in line with the Industrial Strategy, unlocking new homes in places where people want to live and supporting sustainable and inclusive development.

I am copying this letter to John Cridland at Transport for the North.

Rt Hon Chris Grayling MP

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SECRETARY OF STATE FOR TRANSPORT