



From the Secretary of State

**PRIME MINISTER**

Thank you for your letter of 9 May setting out your view of the challenges facing my Department. You asked that I reply to you by the end of May to explain how I have allocated responsibility for key transport issues and objectives amongst my ministerial team.

This is an important and challenging time for transport policy. We need to build a transport infrastructure that will underpin growth in the future. A modern efficient system that gets people to work, allows businesses to operate effectively, enables goods to be transported efficiently and allows people to make the most of their leisure time. We also need to do this whilst meeting our environmental obligations.

### **Sustained investment**

In order to deliver on this agenda, we need sustained and stable levels of funding, combined with long term planning. I remain committed to the long-term spending guideline set out for the Department in SR04, and will take the lead in discussions with the Treasury as we look to take forward this commitment in CSR07. But this is only part of the story, and we should ensure that we look further into the future to see what will be needed in transport to meet the challenges of the global economy. That is why Alistair and Gordon asked Sir Rod Eddington to look at longer term transport needs including planning and infrastructure, and I look forward to considering his findings in the coming months.

I intend to maintain a close overview of all the policy areas you mention in your letter, in particular those that are cross-cutting, and to lead in ensuring that we successfully articulate our policies to deliver transport that works for everyone.

### **Tackling congestion**

On the specific challenges you mention, I have asked Stephen Ladyman to support me in securing further improvements in transport management, particularly on the strategic road network. As I have already made clear, I will in the months ahead also be looking closely at how road pricing could help to better manage capacity on the roads and tackle congestion. This will require greater engagement with the public than we have seen previously, and on which I shall be leading, and

I have asked Stephen to work closely with Local Authorities developing proposals for pilot schemes, to ensure the debate is moved from the 'why' to the 'how'.

### **Driving delivery**

On rail, my focus will continue to be on improving rail performance and reliability, and next summer I will be setting out my long term strategy for rail in a white paper. This will incorporate the High Level Output Specification setting out what the Government wants the rail industry to deliver over the five years to 2014. I will be looking to Derek Twigg to support me in this challenge, as well as continuing to manage on a day to day basis the network's punctuality and reliability targets and issues relating to rail franchising, as well as continuing work on Crossrail.

On aviation, by the end of the year, I intend to report formally on the progress made on the policies and proposals set out in the Air Transport White Paper. I have asked Gillian Merron to support me in this, and also to continue to explore mechanisms for mitigating the environmental consequence of growth in aviation. Gillian will also support me in the coming months as we work through new proposals for improving the public transport offer provided by buses outwith the Capital.

### **Tackling climate change**

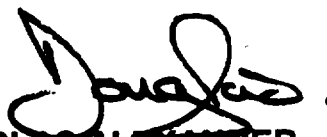
The wider challenge posed by economic growth is of course environmental sustainability, in which transport has both a key role and responsibility. Within my Department, I shall be seeking innovation and opportunities across all transport modes. I welcome the opportunity to work closely with Cabinet colleagues in addressing this shared challenge.

### **Scotland**

On Scotland, clearly I shall look to David Cairns to support me across the full range of my responsibilities. He will lead for me on relations with the Scottish Executive and will assist me in maintaining the balance of the devolution settlement.

I am copying this letter to my Ministerial team, to David Rowlands and to Alex Allen.

*Yours ever,*



**DOUGLAS ALEXANDER**

26<sup>th</sup> May 2006