MONDAY 8 JUNE 2009

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Present

Bradshaw, L
Dykes, L
Freeman, L (Chairman)
James of Blackheath, L
Plumb, L
Walpole, L
Whitty, L

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Memorandum submitted by Department for Transport

Examination of Witnesses

Witnesses: **Paul Clark**, a Member of the House of Commons, Parliamentary Under-Secretary of State; **Ms Patricia Hayes**, Director of Road and Vehicle Safety and Standards Directorate; **Ms Serena Cussons**, Transport Technology and Standards Division, Department for Transport, examined.

Q1 Chairman: Minister, you are most welcome. Thank you very much indeed for coming. Could I ask you, for the record, to introduce yourself and perhaps any change of portfolio for today, but also your colleagues. The Minister has kindly agreed to allow 30, 35 minutes or so, and we are most grateful.

Paul Clark: Thank you very much, Chairman. I am Paul Clark, a Member of Parliament, Parliamentary Under-Secretary of State at the Department for Transport. I still am! In terms of portfolios, can I come back to you on that? Things change almost as we are speaking.

Ms Hayes: I am Patricia Hayes. I am Director of Road and Vehicle Safety and Standards in the Department for Transport.

Ms Cussons: I am Serena Cussons. I am in the Transport Technology and Standards Division.

Q2 Chairman: Would you like to make an opening statement, or shall we go into questions?

Paul Clark: If I could just make a brief opening statement, really in part to say, first of all, thank you for this opportunity to be able to update you on progress. Certainly I understand why you have held the document under scrutiny. We certainly welcome this position during our current negotiations . Someone within the Department will in the coming months, keep you up to speed in terms of the work with the Swedish Presidency – if it is not me, certainly someone else will. It may be worth just setting out that we do as a Government recognise the important role that there is to be played by intelligent transport system technologies in helping to achieve those transport objectives which revolve around road safety; in terms of helping to reduce congestion; and assisting in the challenge with climate change. Of course a harmonised approach to implementing ITS applications, can help achieve a more continuous service for those users across Europe. Indeed, it is well documented that the UK has played a successful role in working with and developing ITS technologies, in terms of Urban Traffic Management Control systems and the door to door journey planner which is now used by some 25 million people every single year to plan their journeys on Transport Direct. So those have been successful at a national level and we continue work there. At a European level we are making progress through projects such as EasyWay with European colleagues. We certainly want to encourage further deployment where there is a sound business case for that to happen and we can certainly continue to see and want to work towards potential actions around increasing safety, improving data exchange and of course ensuring the security and protection of personal data, but as you will well know, Chairman, we are concerned that the legislative approach proposed by the Commission is not really the way we believe is the appropriate mechanism for deploying ITS. We have continued to work with other Member States, but I have to say there has been little consensus achieved due to a wide range of

actions contained within the Action Plan and different positions taken by Member States on the draft Directive. We look forward to working with the Swedish Presidency and with other Member States to agree a position and to be able to take forward further work in this field within the Swedish Presidency. I think that clarifies where we are at and, adds to the letter I wrote recently to your goodself.

Chairman: Thank you for the correspondence.

Q3 Lord Dykes: Thank you very much, Paul Clark, for coming today and we wish you well in your portfolio, assuming it is going to carry on, and hope everything works out well. Can you now perhaps give the Committee more of a specific update on what really is an *impasse* in the approach which is now sought by the Commission compared with a number of Member governments, including ourselves in the UK, a general update on the state of negotiations as they are right now and the discussions related to both the ITS Action Plan and the proposal for a framework Directive on ITS, which of course the Commission still favours although it is now heavily amended? What positions are now being taken in Council approaching the end of the Czech Presidency and how do those views contrast with the European Parliament's views?

Paul Clark: That is quite a broad question. As the Committee will be aware, there was the informal Transport Council in the Czech Republic at the end of April which the then Secretary of State attended. He reiterated very clearly our position in the UK: whilst we recognise the need for further work around the ITS Action Plan, we were not convinced that the legislative approach would actually achieve the desired outcomes. He was able to draw on the experience which we had taken forward and the examples, as I have already mentioned, in terms of the work we have been doing with some 60 local authorities on Urban Traffic Management Control systems - work which is making a real difference - and the work I have already indicated on the Transport Direct programme. There is also the work we have

done with our European colleagues under the EasyWay project within Europe looking at the trans-European regional network programme. We had a number of objections and concerns with the proposition which was then before us. Issues revolving around the specifics of the plan were not clear, which needed further work and further consideration. I have to say certain steps have been taken with Department officials continuing those negotiations, but the Commission has now placed a general scrutiny reserve on the draft Directive because they believe it no longer properly represents their intentions or indeed the agreed Council's Conclusions. Amendments have been made in terms of Article 7, which related to the amendment procedure. Clarification has been sought and obtained in terms of the ITS Advisory Group and in terms also of the type approval for ITS applications. There are no further meetings under the current Presidency. There were discussions which officials have had with the Swedish attaché and experts and we are looking to arrange a meeting after the June Council to find ways forward in being able to meet a number of different requirements of Member States. It might just be worth saying at this stage, Chairman, that Ireland as well as Portugal and the Netherlands are broadly supportive of our position Germany to a certain extent as well, but they do recognise that there may need to be legislation in certain areas. Then the newer states, as well as Spain and Italy, tend to be more supportive of the legislative route. I hope that helps to clarify some of the positions and where we find ourselves at this current stage.

Q4 Lord Dykes: Thank you. Presumably there is going to be some kind of progress report, even if it is only brief, on Thursday, 11 June, and presumably you will be attending that?

Paul Clark: The Department for Transport will be in attendance. Whether or not it is me personally, someone will be there to provide an update

Q5 Lord Dykes: Obviously this Committee, and indeed wider opinion, looking at this particular matter need further elucidation, although there is not long to wait for the beginning of the Swedish Presidency and then perhaps there can be further progress. It is a very interesting and slightly unusual *impasse*. Some of the Member States would quite rightly say the Commission should not be criticised for introducing the framework Directive approach, which is after all what everybody wants from the Commission nowadays in general parlance, that is less detailed Directives and allowing the Member States to really incorporate it in the legislation with much more self-indulgent content than they would have done in the old days with the more tightly formed Directives on various matters. So that is an interesting thing, it is not only countries supporting our view, yet the UK Government, with some justification, is very attached to the idea of the Action Plan approach. So what is going to happen with this because this matter is a very important matter for the future of transport coordination in these safety areas and one does not want the delay and the *impasse* to go on too long?

Paul Clark: No. I think the constructive discussions that there have been have been able to move forward. For example, they have clarified issues around the composition of the Intelligent Transport System Advisory Group. There are questions over the impact assessment of many of these actions which need further work. The Action Plan is useful in clearly trying to help to take things forward and yet is in a situation whereby Member States, rightly so, want to be able to work through what actually is behind it and what is going to be that commitment in terms of both financially and administratively for Member States.

Q6 Lord Dykes: Forgive me interrupting, but in relation to the Advisory Group it is not exactly a unanimous opinion there either, is it?

Paul Clark: No. Absolutely. Obviously there has been some progress. There has been some understanding of our requirements and our positions, so in terms of the type approval for ITS applications and software, the setting up of a national body, our belief is that it could be

particularly confusing and not helpful in terms of clarifying work which is already being done. I understand the Commission is mindful of exactly the points we are raising. So I hope that with further discussions on it that can now happen after, as I say, the June Council, and then we can start to look for other routes forward.

Q7 Chairman: You mentioned, Minister, in response to Lord Dykes, the Commission taking out a general scrutiny reserve. The Committee, I do not think, is familiar with this procedure. Are they copying our Lordships' House or are we copying the Commission's procedures?

Paul Clark: Can I ask Patricia to answer technically on that point?

Ms Hayes: I think the intention of the scrutiny reserve is simply to communicate that the Directive, as amended, does not meet the intention the Commission originally had for it. So what it is supposed to do is, I think, signal that the Commission would like a rethink of some of the amendments which have been put into it.

Chairman: Thank you.

Q8 Lord Walpole: Minister, you have done very well so far because you do seem to have answered an awful lot of questions, but I shall ask you about the deployment and use of ITS applications and services entailing the processing of personal data. Is the framework Directive appropriately designed to give adequate protection of personal details? I am probably the only person in this room who is actually fairly in favour of others in this country having identity cards, but I am again worried about the information that is held centrally on them if that happens. Is the EU going to be better than we can be about keeping personal data personal?

Paul Clark: Let me say at the outset I am supportive of the view in terms of ID cards, so that makes two of us. We seriously believe that what is proposed here falls within the scope of

current domestic and indeed EU protection rules. Certainly, though, we would want to make sure there is no new area, no new requirements, which could potentially come under that, for example law enforcement against an individual user. We would want to make sure that those new areas do not appear to come on-stream, but we do believe generally speaking that the existing regulations, both at home and EU protection rules, do actually meet the requirements.

Q9 Lord Walpole: Thank you. In your previous letter you did indicate that some other Member States share the Government's concern about moving to a regulatory framework, particularly without understanding the potential impact in Member States. Have the Commission and the Government undertaken the necessary steps to clarify what impact the proposed legislation will have across Europe and in the UK?

Paul Clark: Certainly the Commission recognises the attempt to carry out the impact assessments in the way the framework is currently set but it is too difficult in its current form because the range of stakeholders that are involved, every Member State, is so vast. However, they have given an assurance – and this is part of where we have moved – that for each action contained they would have an individual impact assessment, so certainly that is a step in the right direction. As I said at the outset, we are keen to make sure that ITS systems are used where it clearly is cost-effective and sensible to do so.

Lord Walpole: If you read the Question Time in the House of Lords today you will discover some interesting remarks about the effect these Committees have on Europe.

Chairman: That sounded like a threat!

Lord Walpole: No. I hope we are helpful.

Q10 Chairman: Minister, I am sure the Committee would find it helpful if you could just share any views you have developed in your time as a Minister on impact assessments within the transport field, in particular the timeliness of their preparation and also their

comprehensiveness. I should say that it may be this Committee will be looking at some of the proposals the Commission is working on in terms of improving impact assessments, improving Better Regulation. It may be that we might turn our attention in the coming months to that.

Paul Clark: In terms of impact assessments, I think I have read a number of them, clearly in conjunction with many submissions which have been across my desk in the last six months, or however long. Obviously they provide us with a far better understanding of the implications of measures which we all consciously think might be the right route forward, and invariably are, but we need to know where that is going to impact, who is going to be affected and what is involved administratively and cost-wise, and where that is going to fall. I think certainly further work needs to be done and in terms of this provision it is clear that further work needs to be done on impact assessments. Indeed that is a view which is held by many Member States. Based on the current provisions we do not know enough to make an informed judgment on individual actions. We need further work to be done, therefore, for any of us to be able to take these forward.

Q11 Chairman: Is it a universal principle of Government that no agreement, certainly in Council, is offered until there are proper impact assessments available for assessment?

Paul Clark: I think we have been making that clear on a number of occasions, that a proper impact assessment is required at European Commission level to be able to take forward this Directive.

Q12 Lord Plumb: Minister, could you expand on your views, at least on your objections, to the Commission's proposal both for a Directive and the comitology procedure? If you take the two parts on the Directive, the roll-out appears to be slow at the moment, therefore why not have a Directive? Secondly, on comitology, is it not the fact that technology is perhaps

evolving more quickly than originally anticipated? That being so, why not move to comitology?

Paul Clark: I appreciate the questions. Let me say at the outset, we are not convinced that necessarily there are substantial hurdles, significant barriers to the actual roll-out of Intelligent Transport Systems. I have given examples of how the UK has been working in terms of Urban Traffic Management, Active Traffic Management, hard shoulder running, and a whole range of areas including Transport Direct, as well as work we have undertaken closely with European colleagues. We genuinely believe that you are likely to get a better response with cooperative partnerships, and so on, which have been working successfully in bringing together a whole range of areas there. If you just look at Transport Direct and think of what is involved behind it. You are able to type in one given address with another destination and then it prepares information about a whole range of transport modes, including buses, the Underground, trains, cars, walking, cycling. A vast range of information is required including, if I am correct, more than a million bus stops which are within a metre, having a geographic position and individual number. Bringing all that together involving public and private data sources is quite tremendous and yet it has been achieved. As I indicated earlier, some 25 million people are hitting that website every year, which is quite a tremendous feat. In fact there has been particular growth accessing that through digital tv, which I think you will find will expands further over the coming months and years ahead. So we are not convinced that necessarily having full legislation is the way forward to get over what are obviously barriers. In terms of significant barriers it is not certain that that is the problem in terms of bringing this forward. In terms of comitology, I understand exactly what you are saying in terms of the speed of technology changing and we recognise that if it was for just the updating, then comitology would be fine. However, the proposal is to discuss, deliver, consider and then to specify and deploy specifications on updating the legislation and

regulations. That is where I think it goes that step too far. Our view would be that maybe this could be looked at through a regulatory committee of technical experts in this area, which may be the sensible way because, as your Lordship says, this is a relatively fast moving area and a technical area as well.

Q13 Lord Plumb: What sort of support are you getting from other countries? Do a number of other countries agree with you?

Paul Clark: A number of other countries do agree with me. Broadly speaking, as I have said, in terms of our position, Portugal and the Netherlands do support that line, including this area here.

Ms Hayes: I think there is a very wide range of Member States' views. One thing that is in common between all the Member States is the need for more work on detailing exactly what is involved in the individual items in the Action Plan and working through in more detail what obligations they would put forward. I think that will shape people's views on what the appropriate committee structure might be to update those specific provisions.

Q14 Lord James of Blackheath: Minister, your answers are welcomingly comprehensive but our questions to some extent, because you are so comprehensive, are getting into areas of your answers on several issues, so I apologise if we ask again in the same area. In your explanatory memorandum you are clearly in favour of concentrating on "coordination and synergy measures" rather than the Commission's proposal for a Directive and comitology procedures. What would these measures consist of, how would they be agreed and how would they be implemented? I suppose I would have to add, in your ideal world.

Paul Clark: I always seek the ideal world! I think the answer there is very much the starting point of a discussion started with Member States as to what their policy objectives are, and then considering whether technology is the solution to that problem. Technology is an

important tool but it is not necessarily the answer to every single transport issue that is out there and every policy objective which Member States across Europe might well have. So it would be about considering whether technology might be one of the tools which could be used to help meet those objectives and then, of course, identifying the actions which might be needed. I would not want the Committee, Chairman, to be of the opinion that we did not see that there may be a need for European open standards and specifications to ensure that for the users of these systems there is a continuous service level, but on the deployment issue it should be for Member States to make that decision and there should be a case by case consideration of the issues. We should not forget the work that is being done to coordinate standards through ISO, for example, and the European Committee of Standardisation to be able to meet some of the requirements across those open standards and specifications.

Q15 Lord James of Blackheath: Do you feel that the technical service supports are available widely in Europe or will one set of support functions become used over and over again, and does that create any problems whereby an error in one concept gets replicated in other States?

Paul Clark: I think there is an issue there. One of the things we have been saying is in terms of not specifying the specifics, in the sense that we need to allow markets to work, to be able to find solutions to the issues, and we certainly would not want to stifle innovation. I do not know whether at official level there is anything to add in terms of what you found?

Ms Hayes: I think there is a kind of related concern about the position of those Member States which have existing systems which are developed to a range of different standards. There are certainly a number of leaders in the ITS field, of which the UK is one, but the others will be the French, the Germans, the Dutch and the Swedes, and some of those have got quite sophisticated ITS system already in place which work in different ways, which are doing a perfectly good job of solving the transport problems they are supposed to be solving.

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I think we would have concerns that retrofitting a common standard where a country has already been successful may not be the right approach to take.

Q16 Lord James of Blackheath: You sound as though you are almost saying there is a role for a systems audit somewhere within the structure and to what extent would that be feasible in today's day and age? You are looking very horrified, I think! It would apply in a major engineering project, for example. You could have a systems audit and this is a conceptual equivalent. Should it come from a central regulator to impose that, or should it be the collective will of the States?

Paul Clark: I think the reason why I may have been grimacing was partly that I was thinking in terms of some of the costs which could be involved, but equally, as we were indicating, if you impose a standard and then you have got to go back and change systems which are already in place which are meeting that requirement, the costs and so on which would be involved in that way I think would be the concern. But as I indicated in the initial response, of course there is work to coordinate and to look at standardisation through organisations, as I say, like ISO, and so on.

Ms Hayes: Could I just add to that? One of the slight frustrations of dealing with this topic is that we tend to default to talking about systems very quickly in the conversation. When we look at the items in the Action Plan we see a kind of group of potential solutions to a range of transport problems, some of which will require technological solutions where a common standards approach is appropriate, some of which will require technological solutions where it is perfectly okay for Member States to have their own technological standards because that will be fit for purpose, and some of which may be capable of solutions in ways which do not require a technological approach at all. I think the grimacing is a function of looking at the systems before we have actually been very clear what problems the systems are designed to solve.

Lord James of Blackheath: I think we have trawled the question pretty thoroughly. Thank you very much.

Q17 Lord Whitty: Much of this discussion has been about process, but if I can focus on the Action Plan rather than the proposed Directive, what are the bits of that that we think we can rapidly take forward? My impression is that although there have been some successes in different countries of ITS systems, whether they are total systems or Google-based systems, or specific task systems, there has not been as much progress as the technology would already allow. Are there bits of the Action Plan which you think we should be pushing for, for example congestion solving, or whatever, and that you think we should focus on those rather than on the totality of ITS, or are there bits which you think are actually misconceived and where we should simply rely on domestic solutions? What is the balance between systems which deal with traffic flow, systems which protect safety and systems which are primarily to do with environmental issues such as emissions control? Obviously they overlap, but is there an area within that Action Plan you think is worth taking out and pursuing with greater vigour rather than trying to have a completely comprehensive Action Plan which everybody signs up to?

Paul Clark: Certainly in terms of where we are and in terms of trying to reducing congestion, in terms of tackling climate change, there is no question that ITS systems can help to meet some of those requirements. They may not be required universally in any given Member State, but I think that things like, again, the Urban Traffic Management Control systems and ATM, help to smooth those flows of traffic and are therefore able to reduce congestion, reduce fuel consumption and also reduce emissions, and so on. Indeed there are figures which show that where this has been successfully introduced we have seen reductions in CO_2 emissions, carbon monoxide by four per cent, CO_2 by four per cent, and fuel efficiency increased as well. So certainly the tools have use in terms of being able to help to meet some

of those major policies, but I think there needs to be greater clarity about the actions which are actually required. There are three areas in particular which I was just noting down here. One is steps which help us in terms of safety, which I think is something we would all recognise as being important to work towards, to do anything that can help to increase the safety side of things. Another is having a better understanding in terms of what is going on out there in whatever mode of transport. So data exchange is another area where clearly that is important. Thinking about an earlier question from, I believe, Lord Walpole in terms of protecting data, personal data, I suppose, is the other area where I particularly would want to make sure there was security and protection of that data, and using systems and looking to find solutions in ways which helps all of us across the board.

Q18 Lord Whitty: Clearly standard specifications, a range of specifications, can be useful even if every country is pursuing different configurations. Is there any proposition on more common procurement across the EU in this Action Plan? As I read it, there is not, but could there be some benefit in it specifically? A lot of this depends on satellite technology. Is there any role for Galileo in this?

Paul Clark: I am sure there is a role for Galileo and, as your Lordships will be well aware, the work which is currently ongoing in terms of the positioning system. One of our general positions has been that specifying specific technology and developments to be used may actually be counteractive in terms of helping to find solutions and actually stifling innovation. So, whilst recognising that obviously there could potentially be a role for Galileo as it rolls out, our general position in terms of specification would be, let us make sure that we do not end up closing off further developments and further innovation which might actually help us meet the objectives which no doubt all of us have got around this table in terms of the use of Intelligent Transport Systems.

Q19 Lord Bradshaw: I am going to pick up something else you mentioned, which is data exchange, because you have systems which collect data, some connected with ITS, some not, but we will take the question of stopping lorries which are overloaded, in poor mechanical condition and where the drivers are flagrantly infringing drivers' hours. What is the purpose if, when you exchange that data with other jurisdictions, very little action is taken? I am thinking particularly of the Irish.

Paul Clark: I think the point you raise is about the data which we would be in a position to collect and then how that is used. I think this is part of the work which needs to be continued in terms of the tool which could be at your fingertips, at my fingertips, or any government organisation across Europe. This is obviously quite significant and the data needs to be used in a way which actually meets the recognised objectives which we have all agreed. That is why in terms of having that data protection, as I mentioned in response to Lord Whitty, one of the areas we need to be sure about is securing that personal data and ensuring that it is used in the right ways. Yes, if I went around the table no doubt, Chairman, we would have a number of people who would say it should be used for this, this and this, dangerous driving, whatever, and we would all agree, and yet there would be other areas where we would not and where we would say it should not be used in that way. That is where you need to have cooperation and the work which needs to still go on in terms of development around the Action Plan and the implementation of ITS across the board.

Q20 Lord Bradshaw: There does not seem to be any purpose in having a sophisticated system which collects data if it then does not get used?

Paul Clark: Absolutely right, and that is why earlier on I said that we need to look at what Member States' objectives are before deciding whether technology is the answer to that. Is that the tool to use? If it is, what are the outcomes? What do you want to use it for? That is what we need to come to.

Q21 Chairman: Perhaps I can ask one final question, unless any colleague has some supplementary questions. The flavour of your very helpful evidence, and that from your officials, is that Her Majesty's Government is keen to encourage the use of Intelligent Transport Systems across Europe with exchange of information, with good coordination but no rigid standardisation, no Directive at this stage. If I have got the flavour correct, then would it be fair to say that the role of the Commission, and indeed the role of the Council, should be more in terms of encouragement than prescription?

Paul Clark: I think that would be a reasonable summary of exactly what we should be looking to do to encourage Member States to work together and to look at what can be achieved, what we have already achieved in various Member States, and how we can share best practice and knowledge and then exactly what should be rolled out. Whilst there may not be total agreement, in terms of clarification, including on the ITS Advisory Group, again it is part and parcel of that role, of being able to exchange that information.

Chairman: Minister, thank you very much indeed. I am sure the Committee wishes you well, and thank you for coming.