Transport for the South East
Shadow Partnership Board

Agenda

28 January 2021, 13:00 – 16:00

Microsoft Teams Meeting

Shadow Partnership Board Members		
Cllr Keith Glazier, Leader, East Sussex County Council	Cllr Michael Payne, Cabinet Member for Highways and Transport, Kent County Council	Cllr Tony Page, Deputy Leader, Reading Borough Council (representing Berkshire Local Transport Body)
Richard Leonard, Head of Network Development, Highways England	Cllr Amy Heley, Chair of the Environment, Transport & Sustainability Committee, Brighton & Hove City Council	Cllr Ian Ward, Cabinet Member for Infrastructure and Transport, Isle of Wight Council
Cllr Steve Leggett, Cabinet Member for Green City & Place, Southampton City Council	Cllr Lynne Stagg, Cabinet Member for Traffic & Transportation, Portsmouth City Council	Cllr Colin Kemp, Leader & Cllr Matt Furniss, Cabinet Member for Transport, Surrey County Council
Cllr Roger Elkins, Cabinet Member for Highways and Infrastructure, West Sussex County Council	Cllr Alan Jarrett, Portfolio Holder for Business Management, Medway Council	Geoff French, Interim Chair, TfSE Transport Forum
Martin Harris, Coast to Capital LEP	Alex Williams, Director of City Planning, Transport for London	Ross McNally, Enterprise M3 LEP
Cllr David Monk, Leader, Folkestone & Hythe District Council	Cllr Daniel Humphreys, Leader of Worthing Council, Adur & Worthing Councils	Vanessa Rowlands (sub for Ian Phillips), Deputy Chair of South Downs National Park Authority Representative from Protected Landscapes
John Halsall, Route Managing Director for South East, Network Rail		

Apologies: Ian Phillips, Chair of South Downs National Park Authority Representative from Protected Landscapes; Cllr Rob Humby, Executive Member for Environment and Transport, Hampshire County Council

Guests: Steven Bishop, Steer; Adam Simmons, Highways England

	Item	Who
1	**Welcome and Apologies**	Cllr Keith Glazier
2	**Minutes from last meeting** ***(p4-11)***	Cllr Keith Glazier
3	**Declarations of interest**	Cllr Keith Glazier
4	**Statements from the public**	Cllr Keith Glazier
5	**Highways England Presentation**	Adam Simmons – Highways England
6	**Covid-19 report** ***(p12-94)***	Mark Valleley / Steven Bishop - Steer
7	**Lead Officer's Report** ***(p95-96)***	Rupert Clubb
8	**Area Studies Update** ***(p97-107)***	Sarah Valentine
9	**Technical Programme Update** ***(p108-110)*** - Freight, Logistics and International Gateways Strategy - Future Mobility Strategy - Carbon assessment work	Rob Dickin
10	**MRN and LLM Schemes Update** ***(p111-113)***	Sarah Valentine
11	**Communications & Stakeholder Engagement** ***(p114-117)***	Lucy Dixon-Thompson
12	**Working towards a strategic investment plan** ***(p118-121)***	Rachel Ford
13	**Finance Update** ***(p122-128)*** - Budget - Forecasts - Spending Round - Staffing update	Rachel Ford
14	**Transport Forum** ***(p129-137)***	Geoff French

15	**Responses to Consultations** ***(p138-159)***	Rupert Clubb
16	**AOB**	All
17	**Date of Next Meeting** Monday 26 April 2021, 13:00 – 16:00	

Officers in Attendance

Secretariat

Rupert Clubb	Lead Officer	Transport for the South East
Mark Valleley	Technical Manager	Transport for the South East
Rachel Ford	Programme Manager	Transport for the South East
Rob Dickin	Transport Strategy Manager	Transport for the South East
Sarah Valentine	Transport Strategy Manager	Transport for the South East
Benn White	Project Officer	Transport for the South East
Russell Spink	Communications Manager	Transport for the South East
Jasmin Barnicoat	Executive Officer	Transport for the South East
Elan Morgan	Support Officer	Transport for the South East
Lucy Dixon-Thompson	Stakeholder & Engagement Manager	Transport for the South East
Tiffany Lynch	Transport Strategy Manager	Transport for the South East

Additional Attendees

Joseph Ratcliffe	Transport Strategy Manager	Kent County Council
Andrew Bull	Strategic Infrastructure Planner	Medway Council
Mark Prior	Assistant Director, City Transport	Brighton and Hove City Council
Matt Davey	Director of Highways and Transport	West Sussex County Council
Colin Rowland	Assistant Chief Executive and Director of Strategy	Isle of Wight Council
Andrew Wilson	Public Transport Manager	Hampshire County Council
Bill Hicks	Head of Infrastructure	Berkshire Local Transport Body / Berkshire Thames Valley LEP
Jonathan Sharrock	Chief Executive	Coast to Capital LEP
Pete Boustred	Strategic Transport Manager	Southampton City Council
Lee Parker	Director of Infrastructure, Planning & Major Projects	Surrey County Council
Alice Darley	Senior Network Strategy Manager (South)	Highways England
Savio DeCruz	Service Lead Major Infrastructure Projects	Slough Borough Council
Mike Smith	Strategy and Planning Director South	Network Rail
Martin Randall	Director for the Economy	Adur & Worthing Councils
Pam Turton	Assistant Director	Portsmouth City Council
Carly Freeston	Deputy Director, London, South, East and Housing	DfT

TfSE Shadow Partnership Board
22 October 2020
Minutes

Shadow Partnership Board Members		
Cllr Keith Glazier (Chair) Leader East Sussex County Council	Cllr Michael Payne, Cabinet Member for Highways and Transport Kent County Council	Cllr Roger Elkins, Cabinet Member for Highways and Infrastructure West Sussex County Council
Cllr Amy Heley, Chair of the Environment, Transport & Sustainability Committee, Brighton and Hove City Council.	Cllr Lynne Stagg Cabinet Member for Environment and Transport Portsmouth City Council	Cllr Tony Page, Deputy Leader Reading Borough Council (representing Berkshire Local Transport Body)
Martin Harris, Business Representative – Transport Sponsor, Coast 2 Capital LEP, (jointly representing LEPs)	Ian Phillips, Chair, South Downs National Park Authority (Representing protected landscapes)	Geoff French CBE Interim Chair Transport Forum
Cllr Steve Leggett, Cabinet Member for Green City and Place, Southampton City Council	Cllr Matt Furniss (sub for Cllr Colin Kemp), Cabinet Member for Transport, Surrey County Council	Cllr Alan Jarrett, Leader, Medway Council
Ross McNally, Director, Enterprise M3 LEP (jointly representing LEPs)	Richard Leonard, Head of Network Development, Strategy & Planning Highways England	Alex Williams Director of City Planning, Transport for London
Cllr Daniel Humphreys, Leader of Worthing Council, Adur & Worthing Councils (jointly representing District and Borough Councils)	Cllr Ian Ward, Cabinet Member for Infrastructure and Transport, Isle of Wight Council	Cllr David Monk, Leader, Folkestone & Hythe District Council (jointly representing District and Borough Councils)
Cllr Rob Humby, Executive Member for Economy, Transport and Environment, Hampshire County Council		

Apologies:
Cllr Colin Kemp, Deputy Leader, Surrey County Council
John Halsall, Route Managing Director for South East, Network Rail

Observers:
Rupert Clubb, Transport for the South East
Mark Valleley, Transport for the South East
Rachel Ford, Transport for the South East
Rob Dickin, Transport for the South East
Sarah Valentine, Transport for the South East
Benn White, Transport for the South East
Russell Spink, Transport for the South East
Jasmin Barnicoat, Transport for the South East
Lucy Dixon-Thompson, Transport for the South East

Steven Bishop, Steer
Alex Pringle, South Downs National Park Authority
Alice Darley, Highways England
Andy Beattie, South Downs National Park Authority
Bill Hicks, Berkshire Local Transport Body / Berkshire Thames Valley LEP
Colin Rowland, Isle of Wight
Felicity Tidbury, Portsmouth City Council
James Hammond, Folkestone & Hythe District Council
Joseph Ratcliffe, Kent County Council
Keith Wilcox, Hampshire County Council
Mark Prior, Brighton and Hove City Council
Martin Randall, Adur & Worthing Councils
Matt Davey, West Sussex County Council
Michael Edwards, Medway Council
Paul Millin, Surrey County Council
Pete Boustred, Southampton City Council
Peter Duggan, Department for Transport

Item	Action
1. Welcome and Apologies	
1.1 Cllr Keith Glazier (KG) welcomed Shadow Partnership Board members to the virtual meeting and noted apologies. 1.2 Cllr Glazier informed attendees that today's meeting is attended by a new member of the TfSE Shadow Partnership Board. KG welcomed Cllr Amy Heley, Chair of the Environment, Transport & Sustainability Committee, Brighton and Hove City Council to the meeting.	
2. Minutes from last meeting	
2.1 The minutes of the previous meeting were agreed.	
3. Declarations of interest	
3.1 Cllr Glazier thanked members for returning completed Declaration of Interest forms and asked those who have not done so to return them to the secretariat as soon as possible. It was explained that completed forms will be published on the Transport for the South East website.	

4. Statements from the public	
4.1 Cllr Glazier confirmed that no statements from the public have been submitted ahead of today's meeting.	
5. Brief update from the Chair	
5.1 Cllr Glazier took the opportunity to provide Board members with a quick update regarding the Department for Transport formal responses to TfSE's Transport Strategy and Proposal to Government submissions. 5.2 Members should now have seen a copy of the responses to both submissions that TfSE received from the Department for Transport. With regards to the Transport Strategy, TfSE received a very positive and supportive response from Baroness Vere. The response highlighted how the strategy aligns with Government objectives around physical connectivity, carbon reduction and sustainable economic growth. Most importantly, the letter states that the DfT will have regards to the TfSE Transport Strategy when developing new policies. 5.3 In terms of the Proposal to Government response, Cllr Glazier highlighted that whilst the Government isn't inclined to grant statutory status at the current time, there was still a large amount of positivity towards Transport for the South East within the Secretary of State's response to the submission. 5.4 Cllr Leggett thanked Cllr Glazier for the update. Regarding the letter from the Secretary of State, Cllr Leggett also felt there was a lot of positivity towards the work being carried out by Transport for the South East and highlighted the importance of continuing to speak with one voice across the entire TfSE area. 5.5 Rupert Clubb reiterated to members that it is now crucial for TfSE to continue focussing on the area studies work as this will lead into the development of a Strategic Investment Plan, plus the other thematic workstreams. The proposal could be revisited at the appropriate time alongside the Strategic Investment Plan. 5.6 Carly Freeston reiterated that the Secretary of State did recognise the very strong relationship between the Department for Transport and Transport for the South East.	
6. Lead Officer's Report – Paper 1	
6.1 Rupert Clubb (RC) introduced this item and guided the Shadow Partnership Board members through the key parts of the paper. 6.2 The recommendation was **agreed** by all Shadow Partnership Board members. *RECOMMENDATION:*	

The members of the Shadow Partnership Board are recommended to note the activities of Transport for the South East between July - October 2020.	
7. Update on Proposal and Statutory Status – Paper 2	
7.1 Rupert Clubb (RC) introduced this item and guided the Shadow Partnership Board members through the key parts of the paper. 7.2 RC reminded attendees that this paper was dispatched before the formal response was received from the Secretary of State. The major point to note from this paper is that the Secretary of State has said that the DfT will have regards to the TfSE Transport Strategy when developing policy going forward. 7.3 The recommendations were **agreed** by all Shadow Partnership Board members. *RECOMMENDATIONS:* The members of the Shadow Partnership Board are recommended to: (1) Note the update on the submission of the proposal to Government; and (2) Note the expected timeline for feedback from the Department for Transport.	
8. Area Studies Update – Paper 3	
8.1 Sarah Valentine (SV) introduced this item and guided the Shadow Partnership Board members through the key parts of the paper. 8.2 SV reminded attendees that a team led by Steer, with support from WSP and Atkins, have been awarded this commission to carry out the five area studies. 8.3 SV provided information to Shadow Partnership Board members on the governance for this workstream. SV explained that each area study will have its own Area Study Steering Group and an Area Study Forum. The individual Area Study Steering Groups will provide technical leadership to the study. The Transport Forums will focus on wider stakeholder input for each of the areas. 8.4 Cllr Humby raised a concern around the interrelationship and interaction of the five area studies. Cllr Humby requested for clarification around how TfSE will report back on the Outer Orbital area study, when none of the other studies have been completed. SV explained that the different area studies are focused on different directions of movement. The orbital studies will predominantly focus on movement from east to west, whilst the radial studies will focus on movement to and from the TfSE area to London and the wider UK. The whole picture for the TfSE area won't become clear until all five studies have been completed. Cllr Humby thanked SV for the explanation but was still a little concerned as to how the area studies will all join up.	

8.5 Cllr Leggett thanked SV for the detailed report. Cllr Leggett asked a question about when TfSE would expect to hear about the funding for the two later area studies. SV explained that the proposed start date for the South West and South East area studies is tentative. SV would hope to hear on the funding allocation for the next financial year by March 2021.

8.6 Cllr Payne confirmed that he was content with the sequencing of the five area studies. Cllr Humby added that his point did not relate to the sequencing of studies but wanted assurance that all area studies will have consideration of each other.

8.7 Martin Harris requested a little more clarity around the approach and nature of the engagement with airports in the TfSE area. SV confirmed that representatives from airports and international gateways are invited to the relevant Area Study Forum meetings. In addition to this engagement, the consultation team would very much welcome 1 to 1 discussions with the airports at the appropriate time in the programme.

8.8 The recommendations were **agreed** by all Shadow Partnership Board members.

RECOMMENDATIONS:
The members of the Shadow Partnership Board are recommended to:

(1) Note the progress on the area studies programme;
(2) Note the geographies for each study;
(3) Approve the governance structure for the overall programme and each area study; and
(4) Approve the sequencing of the five studies.

Post Meeting Note: We are very conscious of the need to ensure that within the programme of area studies, the overlap and relationships between the areas are carefully considered. The approach that is being taken of managing the studies as a programme rather than as 5 separate pieces of work will ensure that where areas overlap or join, issues are neither overlooked nor double counted. We have determined the geographies of the area based on our earlier work and this is focussed around the strategic corridors identified in the transport strategy and the movement patterns to, from and between the major economic hubs and gateways, so very much focussing on how the transport network operates. The orbital and radial studies have different focuses to avoid duplication, the orbital studies will focus on predominantly E-W movements, whilst the radial studies focus more on travel between our economic hubs and gateways, London, and the wider UK. The TfSE and consultant team involved in delivering these studies, along with the wider stakeholder group will be common to several of the studies (Hampshire for example is part of 3 studies) and so this will also help ensure that issues are not missed or duplicated. Development of the Strategic Investment Plan will bring together

the outputs of all five studies and so will also present an opportunity to cross check the individual studies.	
9. Technical Programme Update – Paper 4	
9.1 Rob Dickin (RD) introduced this item and guided the Shadow Partnership Board members through the key parts of the paper. 9.2 Members were reminded that WSP, supported by Steer, have been awarded the contract for the development of a Future Mobility Strategy. This piece of work which aims to develop a Future Mobility Strategy and Action Plan for the TfSE area. RD confirmed that this workstream remains on track to be completed by the end of January 2021. A further update on this workstream will be presented to members at the next Shadow Partnership Board meeting. 9.3 RD confirmed that the TfSE secretariat are currently finalising the procurement tender documentation for a Freight, Logistics and Gateway Strategy. The aim is to begin the procurement process of receiving supplier quotes for this work by the end of the year. A further update on this workstream will be presented to members at the next Shadow Partnership Board meeting. 9.4 RD updated attendees on the recent carbon emissions assessment work that TfSE commissioned Steer to complete earlier this year. RD confirmed that TfSE have now received the final report and this has been shared with the Transport Strategy Working Group. 9.5 RD updated attendees on the recent Covid-19 work that TfSE commissioned Steer to complete earlier this year. TfSE have now received a draft copy of the final report. This will now be reviewed by the TfSE secretariat and will be shared with the Transport Strategy Working Group in due course. 9.6 Alex Williams informed TfSE that Transport for London have carried out detailed work on what Covid-19 could mean in terms of long term demands for Transport in London and the South East. If TfSE would like a discussion with technical colleagues in TfL regarding this subject, then it can be arranged. 9.7 The recommendations were **agreed** by all Shadow Partnership Board members. *RECOMMENDATIONS:* The members of the Shadow Partnership Board are recommended to: (1) Note progress on the development of the future mobility strategy; (2) Note the progress on the process for securing a consultant to develop the freight, logistics and gateways strategy; (3) Note the progress of the carbon emissions assessment work; and (4) Note progress on the Covid-19 impact assessment work.	

10. Finance Update – Paper 5	
10.1 Rachel Ford (RF) introduced this item and guided the Shadow Partnership Board members through the key parts of the paper. 10.2 RF reminded members that TfSE have recently been awarded a £1.225 million grant from the DfT. Conditions are attached to this grant, but it does allow for the recruitment of two 2-year fixed term posts to support and deliver the TfSE technical programme. Because of this grant, two additional area studies can also be started in the current financial year as well as a freight strategy for the TfSE area. 10.3 The paper presented the TfSE submission for Comprehensive Spending Review, which was due to be announced in autumn 2020. However, it had been announced prior to the Board meeting that the spending round would now only cover one year. The TfSE team will continue discussions with the DfT to understand the implications of this for future funding and report back to the next Board meeting. 10.4 The recommendations were **agreed** by all Shadow Partnership Board members. *RECOMMENDATIONS:* The members of the Shadow Partnership Board are recommended to: (1) Agree the amended budget proposal for 2020/21, which is based upon receipt of the £1.225m grant from the Department for Transport; (2) Note the current financial position for 2020/21 to the end of September 2020, including the forecasts for end of year spend; and (3) Note the submission to Treasury for consideration in the forthcoming Spending Round.	
11. Communications and Stakeholder Engagement – See Paper 6	
11.1 Russell Spink (RS) introduced this item and guided the Shadow Partnership Board members through the key parts of the paper. 11.2 Cllr Leggett informed members that he attended the TfSE conference on the 14 October and felt the event was very professional and informative. Cllr Glazier reminded members that the conference can be viewed on YouTube. 11.3 The recommendations were **agreed** by all Shadow Partnership Board members. *RECOMMENDATION:* The members of the Shadow Partnership Board are recommended to note the engagement and communication activity that has been undertaken in the past three months.	

12. Transport Forum Update – See Paper 7	
12.1 Geoff French (GF) introduced this item and guided the Shadow Partnership Board members through the key parts of the paper. 12.2 The recommendations were **agreed** by all Shadow Partnership Board members. *RECOMMENDATIONS:* The members of the Shadow Partnership Board are recommended to: (1) Note the recent meeting of the Transport Forum; (2) Note and consider the comments from the Forum on rural mobility; and (3) Note and consider the topics to be discussed at future Forum meetings.	
13. Responses to consultations – See Paper 8	
13.1 Rupert Clubb (RC) introduced this item and guided the Shadow Partnership Board members through the key parts of the paper. 13.2 The recommendations were **agreed** by all Shadow Partnership Board members. *RECOMMENDATIONS:* The members of the Shadow Partnership Board are recommended to endorse the draft responses to the following consultations: (1) Department for Transport - Transport Decarbonisation Plan (2) Network Rail - Unblocking the Croydon Bottleneck (3) Western Gateway - Draft Strategic Transport Plan 2020 – 2025 (4) Highways England – Lower Thames Crossing (5) England's Economic Heartland – Draft Transport Strategy	
14. AOB	
14.1 Cllr Glazier thanked attendees for their ongoing support towards Transport for the South East.	
15. Date of Next Meeting	
15.1 The next Shadow Partnership Board meeting will take place on Thursday 28 January 2020, via Microsoft Teams.	

Agenda Item 6

Report to: **Shadow Partnership Board - Transport for the South East**

Date of meeting: **28 January 2021**

By: **Lead Officer, Transport for the South East**

Title of report: **Covid-19 Recovery Scenarios**

Purpose of report: **To agree the Covid-19 Recovery Scenarios Report.**

RECOMMENDATION:

The members of the Shadow Partnership Board are recommended to agree the Covid-19 Recovery Scenarios Report contained in Appendix 1.

---

1. Introduction

1.1 The purpose of this report is to present the main findings of the Covid-19 Recovery Scenarios work that has been undertaken and to ask the Shadow Partnership Board to agree the technical report setting out these findings contained in Appendix 1. A presentation of the main findings will be given at the Shadow Partnership Board Meeting by Steven Bishop from Steer, who have undertaken the work.

2. Background

2.1 Transport for the South East's (TfSE's) transport strategy was developed during 2019, before the Covid-19 outbreak. In July 2020 the Members of the Shadow Partnership Board agreed the final version of the transport strategy. In doing so, they also agreed that further work should be undertaken to understand the possible impacts of the pandemic on the future direction of the transport strategy and, in particular, the area studies.

3. Technical assessment

3.1 Following the Shadow Partnership Board meeting in July 2020, Steer were instructed to undertake a piece of work on the potential implications of the pandemic and what the recovery from the pandemic might look like. This work was commissioned under Steer's existing contract with TfSE for the development of the transport strategy.

3.2 In outline, the work involved two elements. Firstly, the existing South East Economy and Land Use Model (SEELUM), that had been used to develop the transport strategy, was futher utilised to test the impact of a range of potential recovery scenarios on future travel demand patterns and their interaction with population, housing, employment and economic growth in the TfSE area. Secondly a review was undertaken of the impact that Covid-19 has had to date on the South East. The outputs from these two elements were then used to explore how the area might react/adapt in the future. A

copy of the technical report setting out the findings form this work is included in Appendix 1.

3.3 The assement work has been undertaken during a period of rapid change and is therefore limited in several ways; firstly, the pandemic and its impacts are changing rapidly, and as a consequence, some of the content may become quickly outdated; secondly, there remain many things we do not know about the pandemic, and its socioeconomic impacts; third, the Government has, and will likely continue to, implement major policy initiatives in order to combat the virus and the associated economic impacts which could can cause step changes in forecast trajectories. As a consequence, the analysis presented in the report and the conclusions set out within it, may need to be periodically reviewed.

3.4 The main conclusions drawn in the technical report contained in Appendix 1 include the following:

- Covid-19 has stimulated unprecedented changes in our society, of a scale and speed unseen for generations.
- The pandemic presents an opportunity to think imaginatively and ambitiously about how the South East wants to develop over the coming decades, and shape this development in a decisive way. This window of opportunity will not last long, and therefore decisions and investments made now will have a decisive impact upon the future of the region.
- The economic recovery from Covid-19 is likely to take place over years, rather than months. It may entail major economic restructuring of the South East's economy, although it is unclear what structural changes will occur to the economic makeup of the South East.
- Covid-19 has changed the nature of the relationship between London and the South East, with many people who formerly worked in London now working from home in the South East.
- In the future there may be an increase in the number of individuals relocating permanently to the TfSE area from London. This is likely to bring benefits to the South East by boosting its 'local' economy, but will also place more pressures on an already overstrained housing market.
- The area studies must consider carefully how this new relationship with London is going to influence travel patterns across the South East (for example, the demand for rail travel and the case for enhancing the rail network).
- Radial journeys, which formerly made up a significant proportion of the journeys in the South East, may now become less important, with consequentially greater need for investment in 'orbital' components of the transport network.
- The relatively large number of medium-sized towns and cities across the South East has thus far helped the region's resilience as compared to other UK regions with larger urban hubs. To help these regions thrive into the future, investment in 'intermediate length' transport journeys will be important, for example, reallocating rail capacity to focus on local services, encouraging express bus services (possibly through the segregation of traffic lanes into explicit 'expressway' lanes) and the provision of more road space for active modes like walking and cycling.

- Covid-19 has affected those at the lower end of the income scale the hardest. The South East already has high levels of inequality, which are likely to worsen as a result of the pandemic.
- Although an increase in car mode share has been forecast in the modelling work, this has been offset by a reduction in total numbers of trips resulting from decreased work trips (i.e. higher levels of working from home and a lower number of jobs).
- While passenger demand for public transport has been suppressed, sustaining and increasing public transport is necessary as a direct response to ensure that people who are reliant on public transport and need to travel can, but also for managing congestion in our towns, cities and along major corridors.
- The area studies must ensure that good connections are provided for individuals living in areas of high deprivation to good job opportunities, carefully assessing how provision of transportation can help communities that have been hardest hit by Covid-19 to recover more rapidly.
- Covid-19 has accelerated many technological developments which were already reshaping our society, such as greater working from home and greater demand for remote access to goods, services and amenities.
- Investment in digital technology has the potential to facilitate economic resilience and recovery as partially evidenced from increased levels of home working and remote access to services and amenities.
- The area studies must seek to make best use of the benefits brought by this technological acceleration and behavioural shifts, whilst ameliorating their negative side-effects. In particular, it will be important to ensure that towns and cities remain sites where people want to come and interact, even as economic opportunities become less geographically concentrated.

3.5 For the purposes of the area studies, it must be recognised and accepted that there remains significant uncertainty about how the transport network is going to develop after the pandemic. Although the modelling work that has been undertaken provides some indicative possibilities for what this future may look like, more than anything, it highlights the many ‘known unknowns’ about Covid-19 and its potential impacts. The area studies should therefore aim to develop strategies which provide some measure of flexibility and resilience; strategies which aim to help areas identified as more vulnerable to the impacts of Covid-19, while retaining the flexibility to adapt as its impacts are realised over the long-term.

3.6 The findings of the report will be of interest to many of TfSE’s constituent authorities, LEPs and key other stakeholders and Members of the Shadow Partnership Board are recommended to agree the report contained in Appendix 1.

4. Financial considerations

4.1 The cost of the work undertaken by Steer was £29,725, which was funded from the overall budget allocation for the transport strategy development work. As has been highlighted, the uncertainties about the impact of the Covid-19 pandemic mean that the analysis may need to be periodically reviewed. The resources for this would have to come from the further £50,000 allocation for transport strategy development

work which has been sought as part of TfSE's bid to the Department for Transport for funding in 2021/22.

5. Conclusions and recommendations

5.1 The Shadow Partnership Board are recommended to note the main conclusions from the Covid-19 recovery scenario work set out in this report and are recommended to approve the technical report set out in Appendix 1.

RUPERT CLUBB
Lead Officer
Transport for the South East

Contact Officer: Mark Valleley
Tel. No. 07720 040787
Email: mark.valleley@eastsussex.gov.uk

Draft Final Report
January 2021

Covid-19 Recovery Scenarios: Opportunities for a more prosperous and sustainable South East

Transport for the South East
Our ref: 23433708

Report
January 2021

Covid-19 Recovery Scenarios: Opportunities for a more prosperous and sustainable South East

Prepared by:

Steer
28-32 Upper Ground
London SE1 9PD

+44 20 7910 5000
www.steergroup.com

Prepared for:

Transport for the South East
County Hall
St. Anne's Crescent
Lewes
East Sussex
BN7 1UE

Our ref: 23433708

Contents

Appendices – Technical Modelling

Figures

Tables

Executive Summary

Covid-19 has had a profound impact on every facet of our lives. It has reshaped the way we live, work and travel, and has transformed the world in ways that would have been unimaginable merely 12 months ago. Even now, with large-scale vaccination of the UK population well underway, the future looks uncertain. The interaction of the virus, the economy, and public policy are all likely to shape it in ways that are as yet unknown, and dependent on variables – such as the effective roll out of an effective vaccine or the discovery of an effective treatment.

But, despite this uncertainty, and despite the hardship which will continue to be inflicted by the impacts of Covid-19, we find ourselves in a moment of real opportunity; to reimagine how we construct our societies, and reshape them in ways that are more sustainable and more resilient economically, socially and environmentally.

It is against this background that this report has been written. Its aim is to help inform and support decision makers as they balance options and trade-offs for a more prosperous, and sustainable, South East. The report comes in two sections:

(i) The main report provides an overview of the impact that Covid-19 has had on the South East, and an exploration of how the area might react and adapt in the future.

(ii) A series of appendices providing a technical description of modelling undertaken of the South East, which gives some indications as to how the area's economy and transport systems might recover in the coming years. This work has been used to inform some of the conclusions in the main report, and there are explicit connections/overlaps between the two sections.

This report was developed during a period of rapid change and development. As such, it is expected that some content in this report may become outdated quickly. However, at the time of writing this represents our assessment of how Covid-19 will impact upon travel in the region; recommendations for how to address challenges and seize opportunities to make decisions; and how to plan and build a more resilient South East in this time of great uncertainty.

For the purposes of the area studies it must be recognised and accepted that there remains significant uncertainty about how the transport network is going to develop post Covid-19. Although the modelling work that has been undertaken provides some indicative possibilities for what this future may look like, more than anything, it highlights the many 'known unknowns' about Covid-19 and its potential impacts. The area studies should therefore aim to develop strategies which provide some measure of flexibility and resilience; strategies which aim to help areas identified as more vulnerable to the impacts of Covid-19, while retaining the flexibility to adapt as its impacts are realised over the long-term.

There are a number particular insights about how the area studies might interpret and make use of the findings of this work:

Speed of Recovery

The economic recovery from Covid-19 is likely to take place over years, rather than months. It may entail major economic restructuring of the South East's economy. However, the short-term economic damage caused by the pandemic should not be used as an indicator of what these long-term changes will be. Many of the sectors which have been hit the hardest – Hospitality, Tourism, Entertainment and The Arts – are fundamental to the functioning of a healthy society and are anticipated to return in the South East once the economy has recovered.

Many of these factors are beyond the control of TfSE and the area studies, which should aim to understand how patterns of working and commuting may change in the future, looking to plan for these changes, rather than changes in what these jobs actually are. Ultimately the long-term nature of the planning which TfSE undertakes means that it needs to envision a society which has returned to a 'new normal', while accepting that this may be several years away.

A new relationship with London

Due to its geographical proximity, the South East has traditionally had a strong relationship with London. This is particularly true of 'commuter towns' with good rail connections to the capital. Covid-19 has changed the nature of this relationship, with many people who formerly worked in London now working from home in the South East. In the future there may be an increase in the number of individuals relocating permanently to the area from London. This is likely to bring benefits to the South East by boosting its 'native' economy but will also place more pressures on an already overstrained housing market.

The area studies must consider carefully how this new relationship with London is going to influence travel patterns across the South East (for example, the demand for rail travel and the case for enhancing the rail network), and encourage housing development in areas which are likely to accommodate this increased population. Radial journeys, which formerly made up a significant proportion of the journeys in the South East, may now become less important, with consequentially greater need for investment in 'Orbital' components of the transport network.

The Importance of Polycentricity

The relatively large number of medium-sized towns and cities across the South East has thus far helped the region's resilience as compared to other UK regions with larger urban hubs. Individuals are more likely to be able to move safely and efficiently around these smaller urban areas using active travel modes, rather than public transit, to get around. This tallies well with TfSE's desire to 'create great places to live' and 'put people first' as outlined in the recent transport strategy. TfSE must continue to pursue this strategic direction, newly supported by the evidence that it aids regional economic and social resilience.

To help these regions thrive into the future, investment in 'intermediate length' transport journeys will be important, for example, reallocating rail capacity to focus on local services, encouraging express bus services (possibly through the segregation of traffic lanes into explicit 'expressway' lanes) and the provision of more road space for active modes like walking and cycling. With more dispersed patterns of travel temporally and spatially, it is harder to accommodate these travel patterns by frequent, fixed-route public transport. Existing fixed route transport may also be made less viable with fewer peak trips. In the longer term, if the population of these towns and cities is to increase beyond current plans, there will need to be investment in Transit-Orientated Development, providing the housing needed for population expansion without increasing usage of private cars.

Rising Inequality

Covid-19 has affected those at the lower end of the income scale the hardest. More deprived, lower-income sections of the economy have borne the brunt of the economic shock and will take the longest time to recover. The South East already has high levels of inequality, which are likely to worsen as a result of the pandemic. Transport is an 'economic enabler' – it allows people better access to opportunities, helping to encourage economic prosperity. While passenger demand for public transport is suppressed due to capacity constraints and economic and behavioural responses, sustaining and increasing public transport (including shared mobility and on-demand service) capacity, accessibility, and connectivity is necessary as a direct response to ensure that people who are reliant on public transport and need to travel can. In addition, it is important for managing congestion in our towns, cities and along major corridors.

Investment will have direct and wider benefits for the economy, society and the environment. Support for public transport (e.g. additional funding for subsidies or direct payments to operators, promotional campaigns) are required for maintaining levels of service and growing demand as rapidly as possible. Further measures could include the use of new technologies such as integrated ticketing to encourage wider use of services across the area; bus priority measures; and mass rapid transit. Overall, area studies must make use of their influence to provide good connections for individuals living in areas of high deprivation to good job opportunities, carefully assessing how provision of transportation can help communities which have been hardest hit by Covid-19 to recover more rapidly.

Technological and Behavioural 'Acceleration'

Covid-19 has accelerated many technological developments which were already reshaping our society, such as greater working from home and greater demand for remote access to goods, services and amenities (and corresponding increase in deliveries). Some of these changes have been and will be positive for society. Investment in digital technology has the potential to facilitate economic resilience and recovery as partially evidenced from increased levels of home working and remote access to services and amenities – "Digital as a Mode". Increased homeworking may reduce commuting trips, and longer distance trips, which cause particularly high levels of pollution.

For example, in the short-term greater working from home has lowered the region's carbon emissions. However, many of these developments will pose problems. For example, greater use of online retailers and online forms of 'social' interaction may 'hollow out' the public spaces (such as high-streets) around which society is built, and/or longer but less frequent commutes may lead to a net increase in travel (and therefore carbon emissions).Increased homeworking may also reduce trip-chaining (e.g. combining a commute trip with a school drop-off or grocery shop). However, these and other trips still need to be made and there could be an increase in trips made outside of the AM and PM peaks. Also, with a car more likely to be available at home most of the day, household members may make more trips by car (because they can now). Ultimately, though, increased homeworking is likely to be environmentally beneficial, and therefore, it is advocated that digital (to ultra-fast broadband) and mobile (to 5G) connectivity are improved to ensure the potential for this is maximised.

Although an increase in car mode share has been forecast, this has been offset by a reduction in total numbers of trips resulting from decreased work trips (i.e. higher levels of working from home and a lower number of jobs). This overall reduction in the total number of car trips is forecast to last at least three years, as per the modelling. It is unclear how this will change beyond this period, but we could well be planning in the medium to long term for lower levels of car traffic than previously envisaged. It is also possible that through changing travel patterns as a result of where people live and work and how they work, that demand for car travel spreads to outside the peaks and moves away from some of the most congested radial routes in the region.

TfSE and the area studies must therefore think carefully about how they can best make use of the benefits brought by this technological acceleration and behavioural shifts, whilst ameliorating their negative side-effects. In particular, it will be important to ensure that towns and cities remain sites where people want to come and interact, even as economic opportunities become less geographically concentrated.

1 Context

Purpose

1.1 Transport for the South East's (TfSE's) transport strategy was developed in 2019, before the outbreak of the Covid-19 pandemic in early 2020. The "lockdown" instigated by the UK Government in March 2020 and measures that have been taken since have had short term impacts on the economy, the way people travel, and how far and how often they travel. At this juncture, it is unclear how long-lasting these impacts will be. There is an expectation that transport policy, including investment plans and programmes, will be one way in which public policy can be used to mitigate the economic impacts of the pandemic and aid recovery. At the same time there is a continuing desire to progress pre-pandemic agendas of supporting equitable economic growth, decarbonising the transport sector, and addressing local socio-environmental impacts such as air quality. Changes in travel patterns resulting from the pandemic have the potential to both positively and negatively impact upon the realisation of TfSE's transport strategy and vision (reduction in peak hour travel demand resulting from home working, and reduction in public transport patronage being two of the most notable trends). Overall, at this juncture, what Covid-19 means for TfSE's transport strategy and subsequent area studies is unclear.

1.2 The purpose of this paper is to start to set out issues that may influence the future programme of work. It is limited, however, in several key ways: first, the pandemic and its impacts are changing rapidly, and as such, data presented here will date rapidly; second, there remain many things we do not know about the pandemic and its socioeconomic impacts; third, the Government has, and will likely continue to, implement major policy initiatives in order to combat the virus and the associated economic impacts – in the short term responses such as 'local lockdowns' can cause step changes in forecast trajectories. In the longer term, there are likely to be fiscal and policy initiatives to drive recovery. There will be a need to periodically review and refresh the analysis presented here and any conclusions that are made.

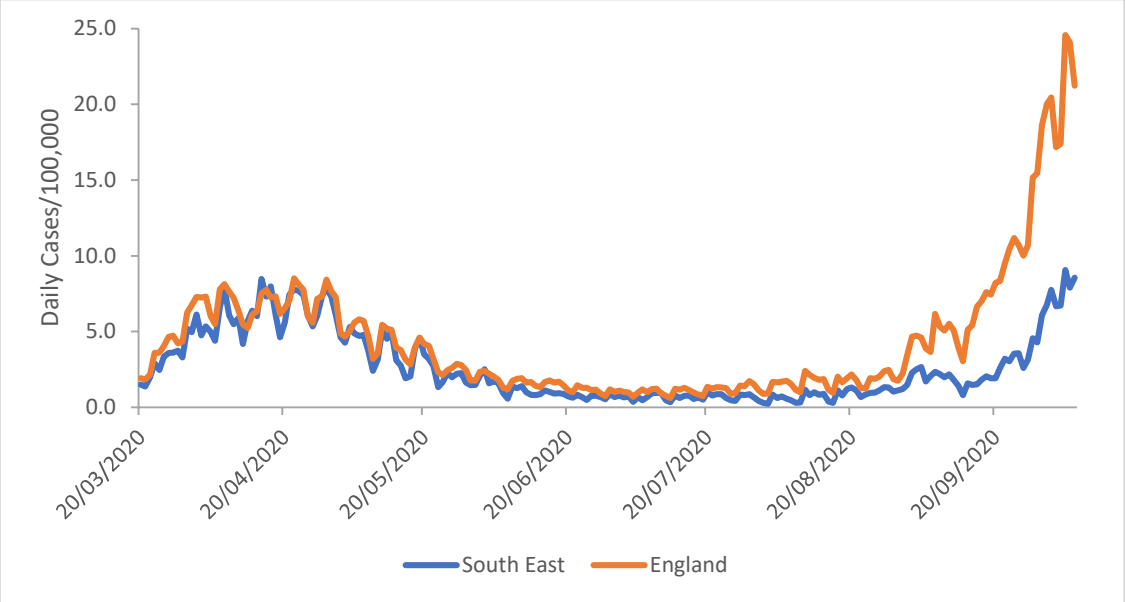
Background

1.3 Covid-19 is a respiratory illness, first identified in China in December 2019. The first cases were detected in the United Kingdom on the 31 January 2020.

1.4 From the beginning of March 2020, the disease spread rapidly across the UK and in most countries globally. The national lockdown reduced the incidence of the disease until the beginning of September 2020, when, after a relaxation of restrictions, case numbers began to rise again. At the time of writing (mid October 2020) we are now well into a 'second wave' of infections with large part of northern England, and parts of the Midlands, Scotland and Wales experiencing different degrees of 'local lockdowns'.

1.5 These patterns are illustrated by Figure 1.1. What is clear in this figure, is that infection rates in the South East closely followed England-wide trends in the 'first wave' but since August (when cases/100,000 began to rise again in a 'second wave') the South East's case rates have increased more slowly than the England-wide average. It is too early to say why this is – it may be because the South East has greater resilience to the virus (due to its socioeconomic characteristics) than other parts of England, or may be because the arrival of this 'second wave' is has been delayed in this part of the country – and as such is too early to say what its implications are.

Figure 1.1: Cases Per 100,000 over time, South East and England (Source: ONS)



Government Response and Policy Context

1.6 To combat the virus, the UK Government made use of several policy intervention areas, two categories of which are particularly relevant for this paper. The first was 'lockdown' – closure of all but essential businesses and the curtailment of freedom of movement for non-essential journeys and interaction of the national population, which occurred on the 24 March 2020 (with a pre-lockdown advisory that everyone in the UK should avoid "non-essential" travel and contact with others delivered on 16 March 2020). Since then, the country has remained in some form of limited lockdown with restrictions varying depending upon geographical location, and moment in time.

1.7 The second major policy intervention was the provision of major economic support packages. These packages have been targeted at individuals and sectors of the economy whose jobs have been detrimentally affected by Covid-19. The most significant policy (in terms of financial cost and impact) has been the Coronavirus Job Retention Scheme (CJRS), which involved the government paying up to 80% of salaries for individuals who were unable to work because of Covid-19. There is also a Self-Employment Income Support Scheme. In addition, the Government has supported businesses directly through schemes such as deferring VAT payments and business rates, as well as the provision of loan facilities, amongst other actions.

1.8 The policy responses to Covid-19 is subject to regular updates and changes, and, as this document is not a policy review, we do not provide extensive exploration of them here. Instead we aim to provide some exploration of the impact these policies have had, in aggregate, on the South East.

2 Impacts

2.1 The measures taken to combat Covid-19 have had a number of impacts upon society, the economy, and the environment. It will continue to do so over the coming months and years, and may drive the world in a new, previously unexpected, direction. This section examines some of the already realised impacts in more detail, bringing them into perspective for the South East.

Health Impacts

National

2.2 At the time of writing, cumulatively, over 430,000 people have tested positive for Covid-19 – a rate of approximately 6,500 cases per million population, although overall infection rates are likely to be much higher. The ONS estimates that nationally by the beginning of September between 1 in 14 and 1 in 18 adults had had Covid-19.[1] Over 42,000 have died within 28 days of providing a positive test[2] and 140,000 have been hospitalised with the virus.[3]

South East

2.3 At the time of writing, the average cumulative case rate (since the discovery of the virus) in the South East is 440 per 100,000 of the population, lower than the UK average of 660 per 100,000 of the population.[4] The death rate in the South East due to Covid-19 is 50 per 100,000, lower than the UK average of 63 per 100,000.[5]

Economic Impacts

National

2.4 A direct result of the actions taken by governments domestically and internationally to tackle the pandemic is that the UK economy experienced a recession. UK Gross Domestic Product (GDP) is estimated by the Office of National Statistics to have fallen by 19.8% in Quarter 2 2020.

---

[1] Source: Office for National Statistics, **Coronavirus (Covid-19) infections in the community in England**, September 2020 Edition

[2] It is worth noting that this figure likely underestimates the number of deaths caused by Covid19, as there will have been a significant increase in the national death rate due to factors such as reduced hospital capacity.

[3] Source: UK Government, **Coronavirus (Covid-19) in the UK**, accessed 15 October 2020

[4] Ibid.

[5] Ibid.

2.5 The future performance of the economy will be a key driver of future transport demand. The most contemporary forecasts for the UK economy were produced in August 2020 by the Bank of England's Monetary Policy Committee. The Committee recognises that there is significant uncertainty about future economic performance, commenting "the outlook for the UK and global economies remains unusually uncertain. It will depend critically on the evolution of the pandemic, measures taken to protect public health, and how governments, households and businesses respond to these factors. The MPC's projections assume that the direct impact of Covid-19 on the economy dissipates gradually over the forecast period."

2.6 As a consequence, the Committee presents its projections as a range. The Committee anticipates a gradual but steady recovery of the economy from the beginning of 2021, but that health concerns will continue to provide a medium-term dampener on economic growth. The Committee's central case forecast is that in real terms it will be Quarter 4 2021 before the economy exceeds its Quarter 4 2019 size. Their central case unemployment projection peaks at around 7.5% in Quarter 4 2020 and only returns to Quarter 2 2020 levels after three years (in Quarter2 2023). The Committee notes that while the Coronavirus Job Retention Scheme (CJRS) ('furlough') has mitigated short term unemployment impacts, the accommodation and food, and recreation and leisure sectors have experienced the greatest short-term impacts.

2.7 In July 2020 the Office of Budget Responsibility set out a similar but more pessimistic forecast. Its central case has output recovers more slowly, regaining its pre-virus peak by the end of 2022. Its unemployment projections are also more pessimistic.

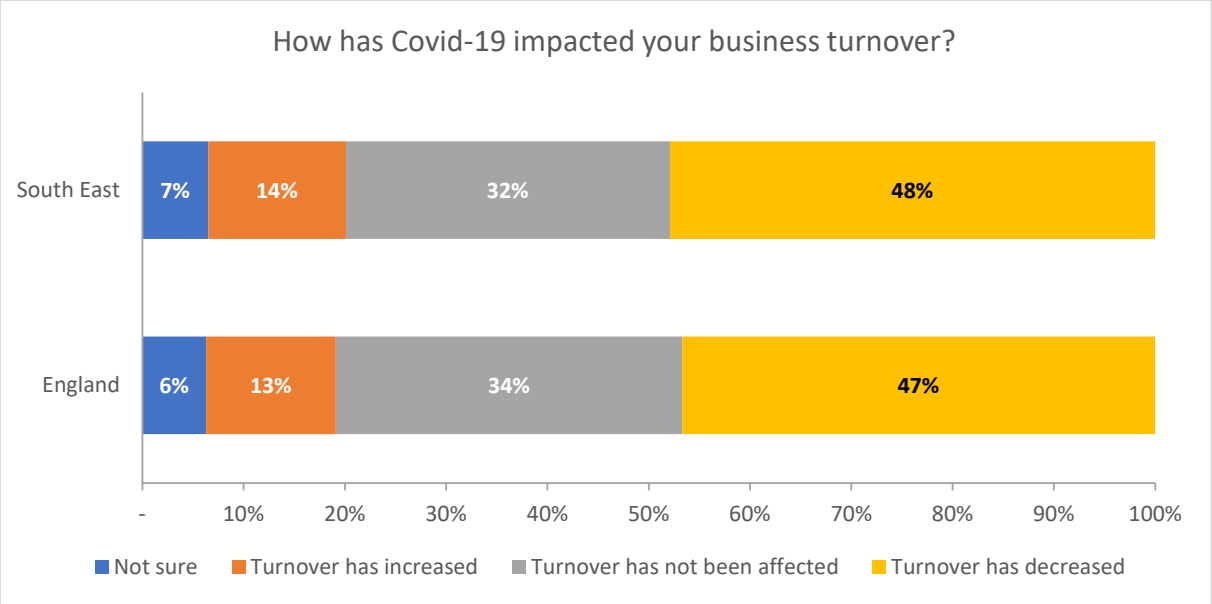
2.8 In time both the Bank of England and the Office for Budgetary Responsibility will produce new forecasts, but what is clear is that the current central case view is that it will be two to three years before the UK economy returns to its pre-pandemic size and longer still before employment levels recover.

South East

2.9 It is challenging to make an accurate assessment of the impact that Covid-19 induced recession has had on the South East's economy, due to the recent nature of the economic shock and the time delay before there will be a sub-national breakdown of the recent fall in GDP. However, while a complete economic picture remains unavailable, 'furloughing' data can provide a useful proxy. In the South East, furloughing rates currently stand at 15% for women and 13% for men for the economically active population. This is lower than the national average for men (currently 14%) but higher than the national average for women (also currently 14%), and the region currently has the highest female furloughing rate of any region outside London.

2.10 The Office for National Statistics has also been conducting 'Business Impact of Coronavirus' surveys to gain a more complete understanding of how Covid-19 is affecting local businesses. This survey is conducted by sending out approximately 40,000 surveys to businesses of a fortnightly basis, asking their opinions on a range of Covid-19 related issues. Some of the results from this survey are presented in Figure 2.1. This shows that businesses in the South East are currently being affected in a similar fashion to the rest of the country (with just under half seeing turnover decreasing). The limited data that is available suggests that on the whole the South East is doing no better and no worse than the English average.

Figure 2.1: Business Impact of Coronavirus (Source: ONS)



Transport Impacts

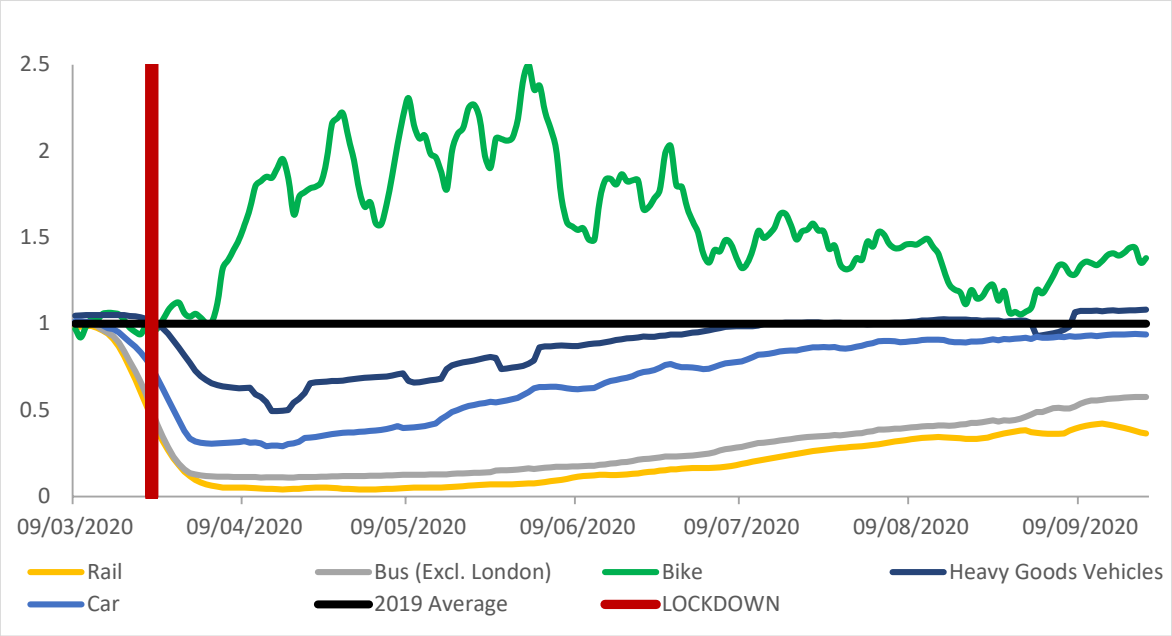
National

2.11 Transport both follows and is a generator of economic activity. During the national lockdown transport demand fell rapidly, but since lockdown relaxation transport usage has not fully recovered, due to the subdued economy and on-going restrictions, including social distancing which has reduced public transport capacity. The shift to home working has probably been the most significant driver of this drop. However, social distancing has also had a significant impact as it influences both capacity (because passengers must remain a greater distance from each other when using public transit, therefore reducing usable seats/space) and demand (because, due to social distancing, fewer spaces are available at entertainment/recreational venues which individuals may have previously chosen to attend). In addition, individuals remain afraid/unwilling to use public transport due to fear, and due to the impact of initial government messaging which told individuals not to use public transport.

2.12 As illustrated by Figure 2.2, the national lockdown had an immediate, and significant impact, upon transport demand. The number of people using public transport fell almost precipitously and has recovered only slowly. Car use fell by more than 50% but has recovered more quickly. Bicycle use increased over the summer months, peaking at nearly 2.5 times previous average levels.

2.13 With regards to freight, Figure 2.2 only shows data for road-based Heavy Goods Vehicles. Demand is comparable to pre-Covid levels. Data for Light Goods Vehicles/delivery vehicles operating will likely have seen an increase in trips and trip miles due to more internet shopping and home working.

Figure 2.2: Volume of Use relative to 2019, 7 day rolling average (Source: Covid Statistics)



NB: Highway data is for the SRN and therefore may not be representative of the MRN and local roads.

South East

2.14 The impacts upon the transport networks, and usage of public space, have not been evenly spread across geographies. For example, using data provided by Google, Figure 2.3 shows the change in usage of public parks for four different areas in the South East. It is apparent that in Brighton and Hove, park usage has seen a greater increase in use than either Reading or West Berkshire. Similar differences are evident in Figure 2.4, which shows the change in usage of 'Public Transit Stations' (transport hubs), which have nearly recovered to 2019 levels in West Berkshire, but remain significantly subdued in Reading. Overall, this suggests that the areas with the highest volume stations are the furthest behind the curve – the more a given area relies on public transport, the slower its recovery to pre-Covid levels of usage.

Figure 2.3: Change in usage of Public Parks, 7 day rolling average (Source: Steer Analysis of Google data)

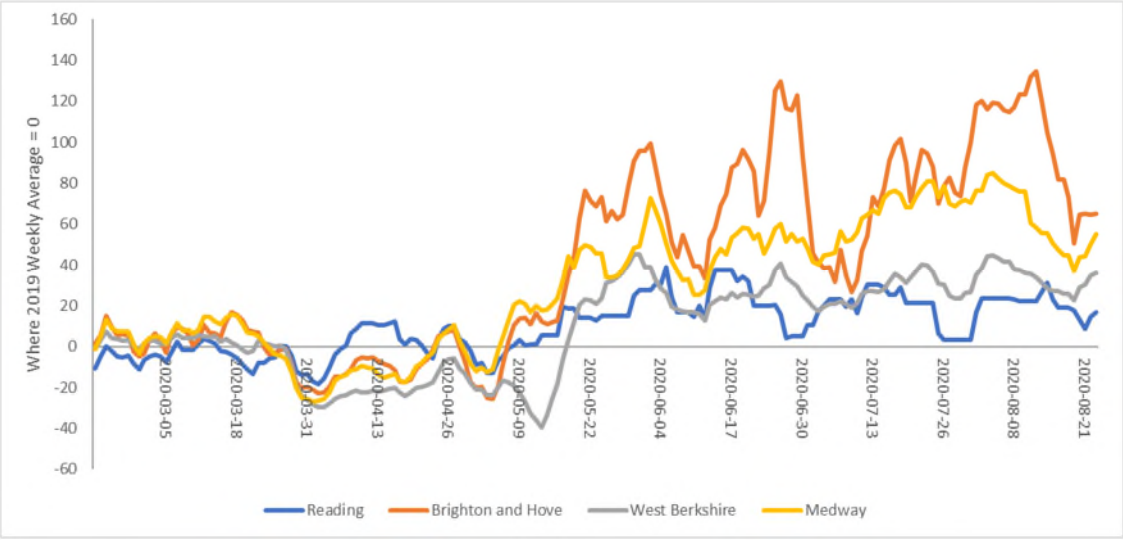
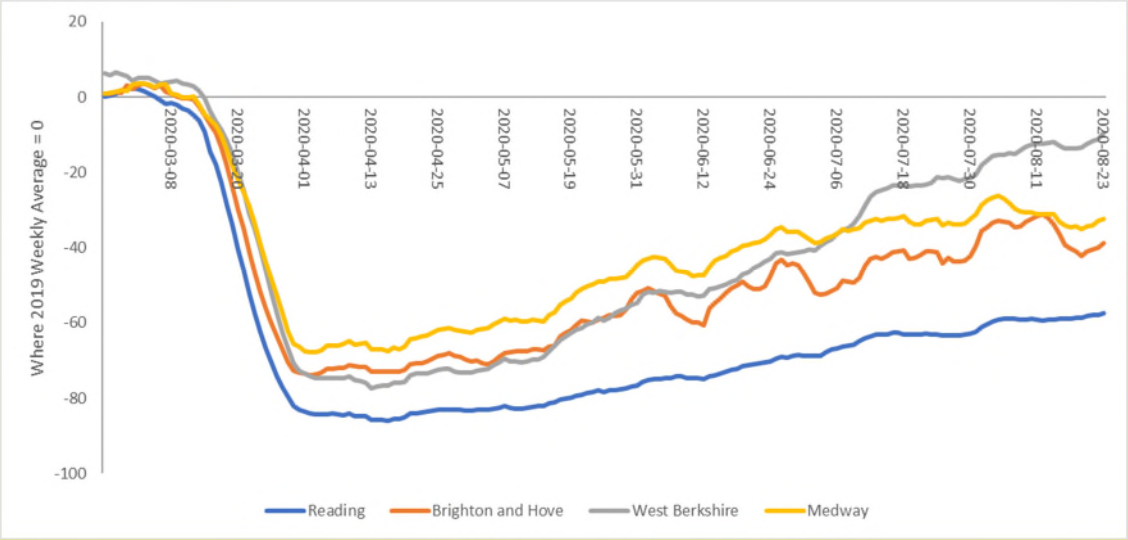


Figure 2.4: Change in usage of Public Transit Stations, 7 day rolling average (Source: Steer Analysis of Google Data)



3 Significant Factors

3.1 The impacts of Covid-19 do not occur in a geographically neutral fashion; they are shaped by social, economic, and demographic factors. Similarly, while all areas of the country have experienced an economic downturn, its economic impacts will be more pronounced in some areas than others. Here an overview of these factors, and their relative incidence in the South East, is provided. We are not epidemiologists, and therefore do not aim to interrogate why these factors influence the spread and severity of the disease. Instead we aim to use this information to try and ascertain the relative strengths and weaknesses of the South East to the societal impacts of the virus, at a region-wide, population level.

3.2 In many cases these factors overlap/intersect – for example, individuals of a given income level are more likely to have certain occupations, as are individuals living in cities (high density areas). As such, although delineating each factor into a separate section provides useful clarity, they must be considered as a 'basket' of indicators, both at an individual and region-wide level, to understand the potential impact of the pandemic. An overview of the factors assessed, and their potential impact, is provided in Table 3.1: Key factors and Impact

3.3 .

Table 3.1: Key factors and Impact

Impact	Factor				
	Age and Sex	Density	Deprivation	Ethnicity	Occupation
Does this influence the chances of contracting Covid-19? ***(Health Impact)***	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**
Does this influence economic vulnerability to Covid-19? ***(Economic Impact)***		**Yes**	**Yes**		**Yes**
Does this influence how transportation networks have changed due to Covid-19? ***(Transport Impacts)***		**Yes**			

Age and Sex

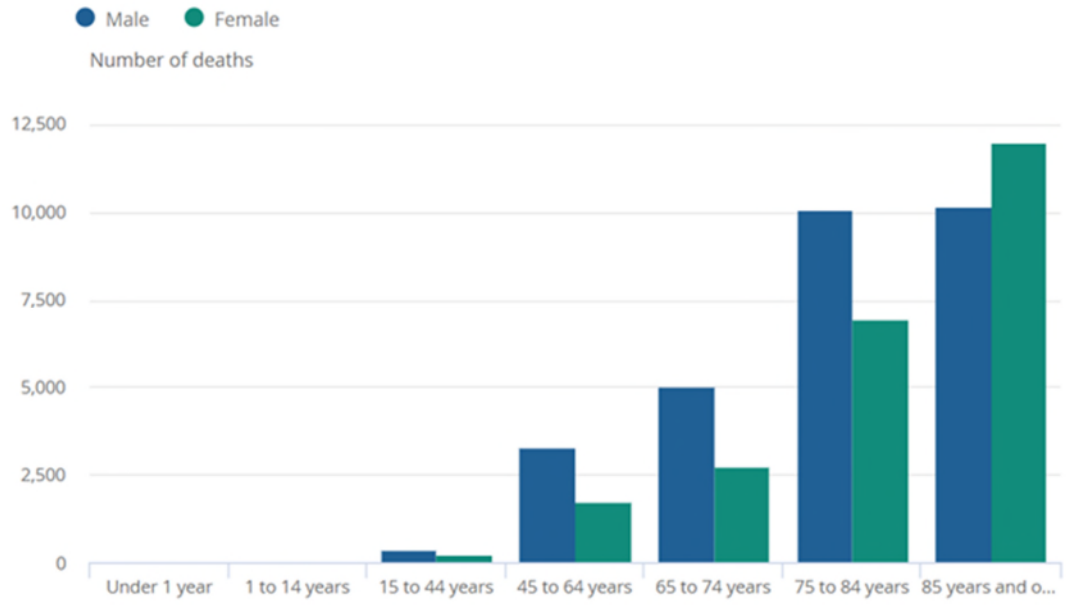
Health Impacts

3.4 Age is the single most significant factor for determining the likelihood of serious illness and death by Covid-19, as illustrated in Figure 3.1: Number of deaths involving Covid-19 by sex and age group, England and Wales, registered between 28 December 2019 and 11 September 2020 (Source: ONS)

3.5 . While data is readily available on the number of people who have died from the disease, the number of people who have been ill or continue to experience symptoms of so-called "long Covid" is less clear. For those younger than 45, the risk of death from the disease is low when compared with the other risks faced. On average men are slightly more likely to die from the disease than women.

3.6 This does not mean that the propensity to contract, or likelihood of spreading the disease, are determined by age. In the UK, this has tended to vary through time, for example, in the month of September 2020 as lockdown restrictions eased, younger individuals had a greater propensity to contract the disease.

Figure 3.1: Number of deaths involving Covid-19 by sex and age group, England and Wales, registered between 28 December 2019 and 11 September 2020 (Source: ONS)



Relevance for the South East

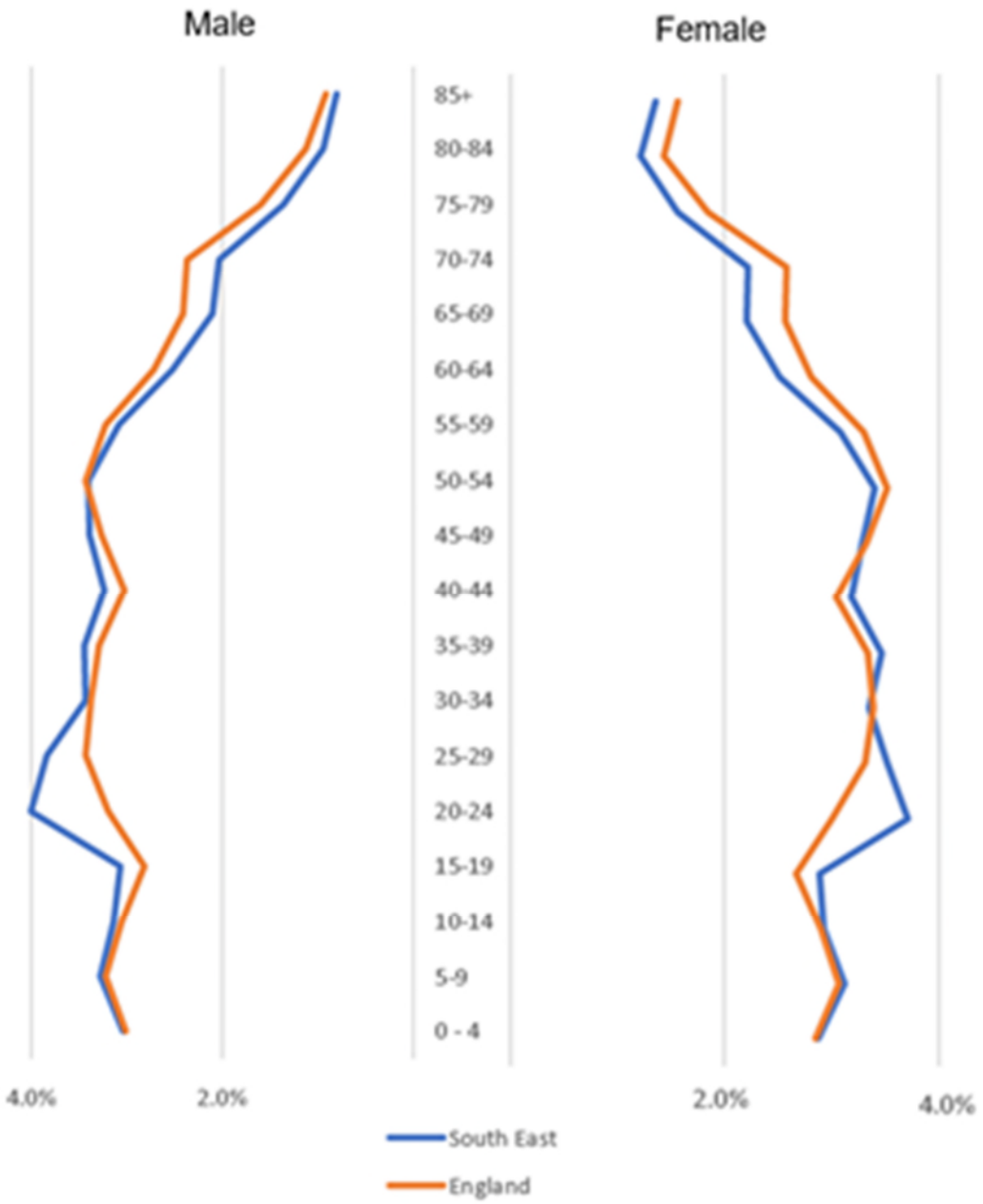
3.7 As illustrated by Figure 3.2: Pre-Covid Population Pyramid, South East vs. England (Source: ONS)

, the South East's population has an age profile which is broadly comparable to that of England as a whole. A slightly larger proportion of its population is made up by individuals between 19 and 30 years old. The region also has a slightly lower proportion of its population aged 65+ than England as a whole. Overall, this age profile suggests that as a whole the South East should be slightly more resilient to Covid-19 than the rest of the country. However, within the South East there are localities that have a population with a greater share of people over 65

than either the national or South East average, for example, on the Isle of Wight 26% of the population is older than 65 (compared to the South East average of 16%).

3.8 Areas with a higher than average number of older people could well have a more subdued recovery than those with younger people, because elderly people will likely be more cautious about returning to pre-Covid-19 activities. This may mean that areas within the South East with particularly high proportions of elderly people may see a more subdued, slower return to 'transport as normal' than in more 'youthful' areas, and particularly subdued public transport ridership (where the risk of catching Covid-19 is higher, and perceived to be higher, than in private cars).

Figure 3.2: Pre-Covid Population Pyramid, South East vs. England (Source: ONS)



Density

Health Impacts

3.9 The higher rates of social mixing and interaction associated with dense urban areas mean that Covid-19 is more likely to spread quickly and widely in urban areas than their rural counterparts.[6] In an recent review of available evidence, Public Health England noted that 'Authorities, which are mostly urban, in London, the North West, the West Midlands and the North East had the highest rates [of infection]. A similar geographic pattern is seen for death rates'.[7]

Economic Impacts

3.10 The economic impact of Covid-19 has varied markedly between urban and rural areas. Centre for Cities note that 'the scale and pace of the response [to lockdown] was biggest in the largest cities.'[8] While the largest cities have large numbers of office-based jobs which can be undertaken from home, they also have large retail and food and beverage and visitor sectors, which have been adversely affected by the drop in city centre footfall. Available evidence suggests smaller cities are recovering more quickly than larger cities. By the end of July 2020, instore offline sales in Southampton had reached over 95% of their pre-lockdown average, while in London the figure remained at 50%. In Brighton and Hove, figures were actually higher than the pre-lockdown average at more than 105%. Average footfall in Southampton had also recovered to between 80%-90% of pre-lockdown levels while in London it remained under 40%.[9]

Transport Impacts

3.11 Although, initially, all forms of transport saw large drops in usage after the lockdown, others have been affected more severely, or been slower to recover. In larger cities, urban transit networks have seen large drops in ridership (London Underground ridership dropped by approximately 90% immediately after lockdown[10] and at the end of September 2020 had recovered to just 30% of its pre-Covid-19 levels)[11], most of which have failed to recover, and are not expected to for a significant period of time. The long-term prognosis for London is difficult to predict accurately, but a recent survey found that 14% of Londoners want to relocate from the capital as a result of the Covid-19 pandemic.[12]

---

[6] Source: **De Lusignan et. al., 2020**, Risk factors for SARS-CoV-2 among patients in the Oxford Royal College of General Practitioners Research and Surveillance Centre primary care network: a cross-sectional study.

[7] Source: Public Health England 2020, **Disparities in the risk and outcomes of Covid-19**

[8] Source: Centre for Cities, **How quickly did people respond to the coronavirus?** Accessed October 2020

[9] Source: Centre for Cities, **High streets recovery tracker**, accessed October 2020

[10] Source: Greater London Authority, **Coronavirus (Covid-19) Mobility Report**, accessed October 2020

[11] Source: Transport for London, **TfL Network Demand**, accessed October 2020

[12] Source: London Assembly, **Half of Londoners wanting to move home want out of London**, accessed October 2020

Relevance for the South East

3.12 Overall the South East has one of the highest population densities in Europe for a non-city area. However, as illustrated in Figure 3.3: Resident population density and major transport connections (Census 2011)

3.13 , this density is highly variable. Importantly, none of these denser urban areas are very large (in a review of 'Major Economic Hubs' across the area, Steer found that the majority were under 500,000 people). The polycentric nature of the South East likely assists its resilience to Covid-19 – the majority of towns across the area are small/medium, where economic damage from the pandemic has been more limited than larger cities. Furthermore, the South East's proximity to London means that individuals who formerly commuted to the capital are now working from home in the South East (and therefore potentially making a more significant contribution to the South East's economy as a result of spending locally). There may also be a wider more long-term de-urbanisation movement of individuals looking to move home from London into the South East.

Figure 3.3: Resident population density and major transport connections (Census 2011)

Deprivation

Health Impacts

3.14 Those living in more deprived areas are more likely to catch Covid-19 and more likely to die from it. As Public Health England notes in data until August 2020, 'the mortality rates from Covid-19 in the most deprived areas were more than double the least deprived areas.'[13] At the time of writing (when the country is well into a second wave of infection) rates of infection are accelerating most rapidly in the most deprived areas.[14]

Economic Impacts

3.15 The economic impact of Covid-19 has also been more acutely felt in deprived communities and the recovery from it is likely to be slower. This is partly because more deprived individuals are less likely to have access to assets and savings that can assist in times of economic difficulty, and because of the nature of low-earning employment which is often impossible to do from home. For example, Figure 3.4: Key Lockdown Sectors by Income Decile (Source: Blundell et. al., 2020)

3.16 shows that low-income workers are more likely to work in sectors which are subjected to specific 'lockdown rules' (e.g. the hospitality sector) and are less likely to be employed in jobs where working from home is possible. In addition, for low income earners, consumer spending remains high, while it has decreased for high income earners. Some of this is explained by Figure 3.5: Consumer Spending by Income (Source: Institute of Fiscal Studies)

3.17 . Low income earners spend a greater proportion of their income on necessities, costs which are difficult/impossible to cut, even if the individual is placed under additional financial pressure by being furloughed or laid off. By contrast, high-income workers spend a higher proportion of their wages on discretionary spend, which can be reduced, or has been forcibly reduced by the shutdown of some sectors of the economy. As such, high-income earners are more likely to have been saving during the lockdown, and there may be some 'pent up' demand in high-income sectors, while low-income earners are less likely to have been saving, and may be in a worse financial position than at the beginning of the pandemic.

[13] Source: Public Health England 2020, **Disparities in the risk and outcomes of Covid-19**

[14] Source: Office for National Statistics, **Coronavirus (Covid-19) roundup**, accessed October 2020

Figure 3.4: Key Lockdown Sectors by Income Decile (Source: Blundell et. al., 2020**)**

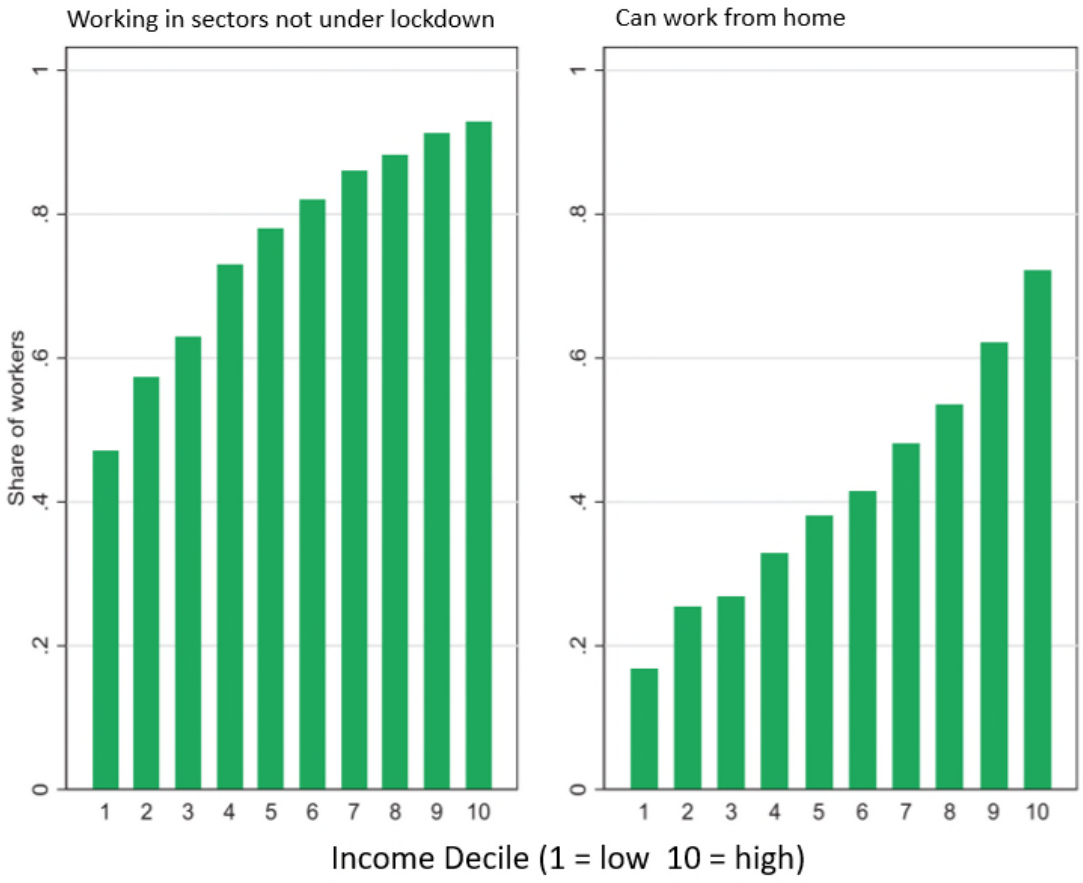
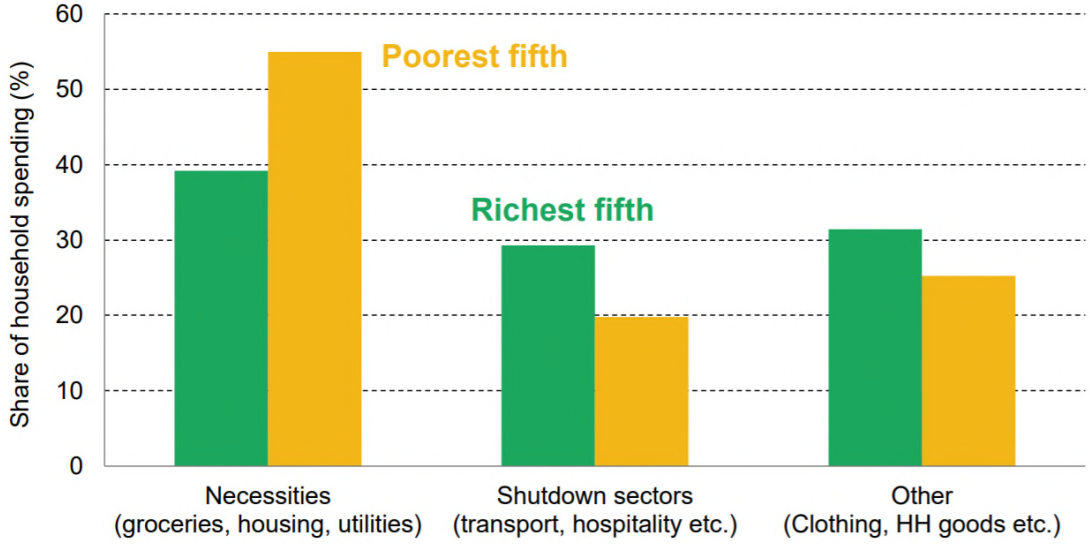


Figure 3.5: Consumer Spending by Income (Source: Institute of Fiscal Studies**)**



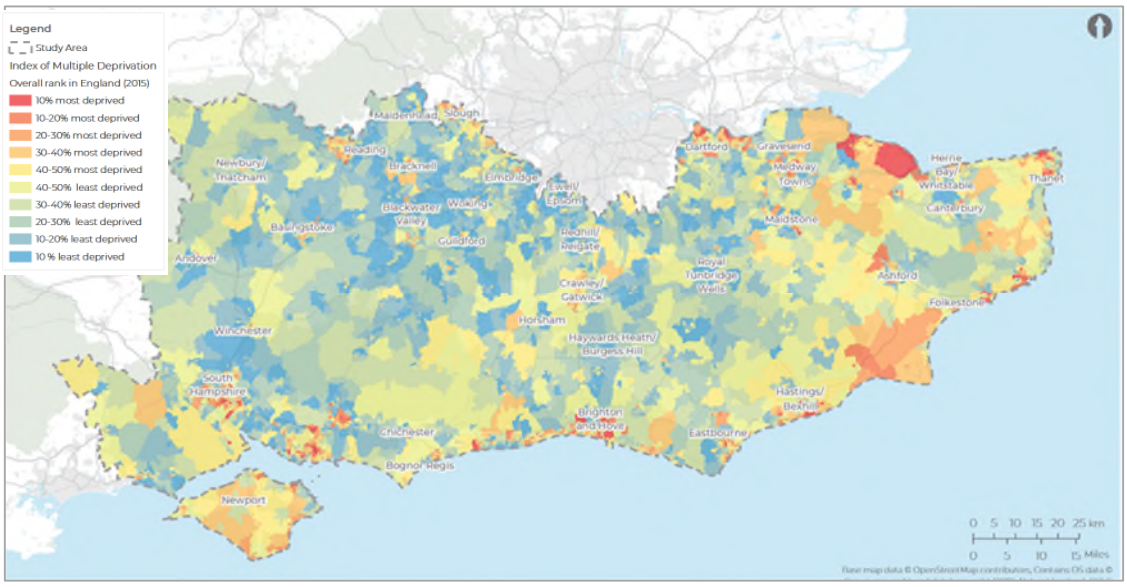
Relevance for the South East

3.18 Although on average relatively prosperous, the South East contains pockets of deprivation as illustrated by Figure 3.6: Index of Multiple Deprivation (TfSE Area)

3.19 . This is particularly true of its eastern and south eastern coastal areas, which are amongst the most deprived in the country. Because Covid-19 is more damaging to poorer communities than their better off counterparts, areas of high deprivation are more likely to be subjected to major short-term economic impacts; and recover more slowly than their less-deprived counterparts.

3.20 Ultimately this means that inequality across the South East could well be worsened by the pandemic, and in this case more deprived regions would need more assistance than their wealthier counterparts to recover effectively. Issues in deprived areas are likely to be amplified, making it more important than ever that they are prioritised in terms of investment (such as in the public transport network) and support.

Figure 3.6: Index of Multiple Deprivation (TfSE Area)

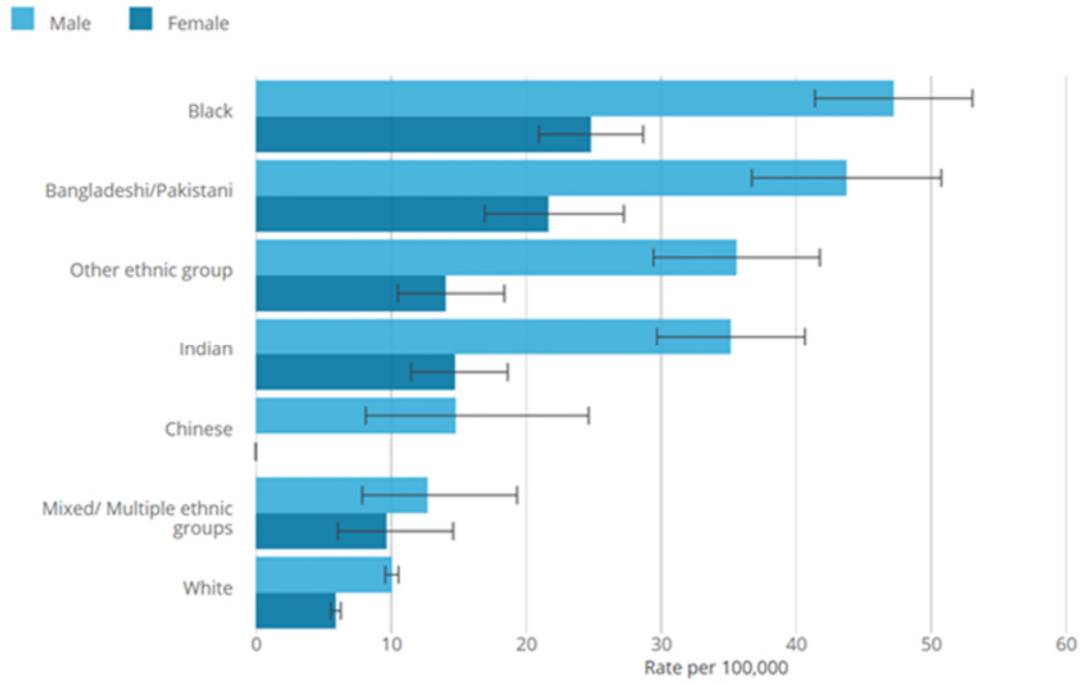


Ethnicity

3.21 As illustrated by Figure 3.7: Deaths involving Covid-19 at ages 9 to 64 years by sex and ethnic group, per 100,000 people: England and Wales, occurring 2 March to 15 May 2020 (Source: ONS)

3.22 , people in the UK from ethnic minorities have significantly higher death rates due to Covid-19 than their white counterparts. The ONS found that Black people are more than four times more likely to die from Covid-19 than white people, with higher death rates in other ethnic minority groups too.[15] As we have already noted, we quote mortality data because that is data that is readily available but high concentrations of mortality will also be correlated with high incidents of debilitating illness. It is important to note that the links between ethnicity, infection rates, and deaths, are poorly understood, and the impact of comorbidities is likely to be particularly important here.

Figure 3.7: Deaths involving Covid-19 at ages 9 to 64 years by sex and ethnic group, per 100,000 people: England and Wales, occurring 2 March to 15 May 2020 (Source: ONS)



Relevance for the South East

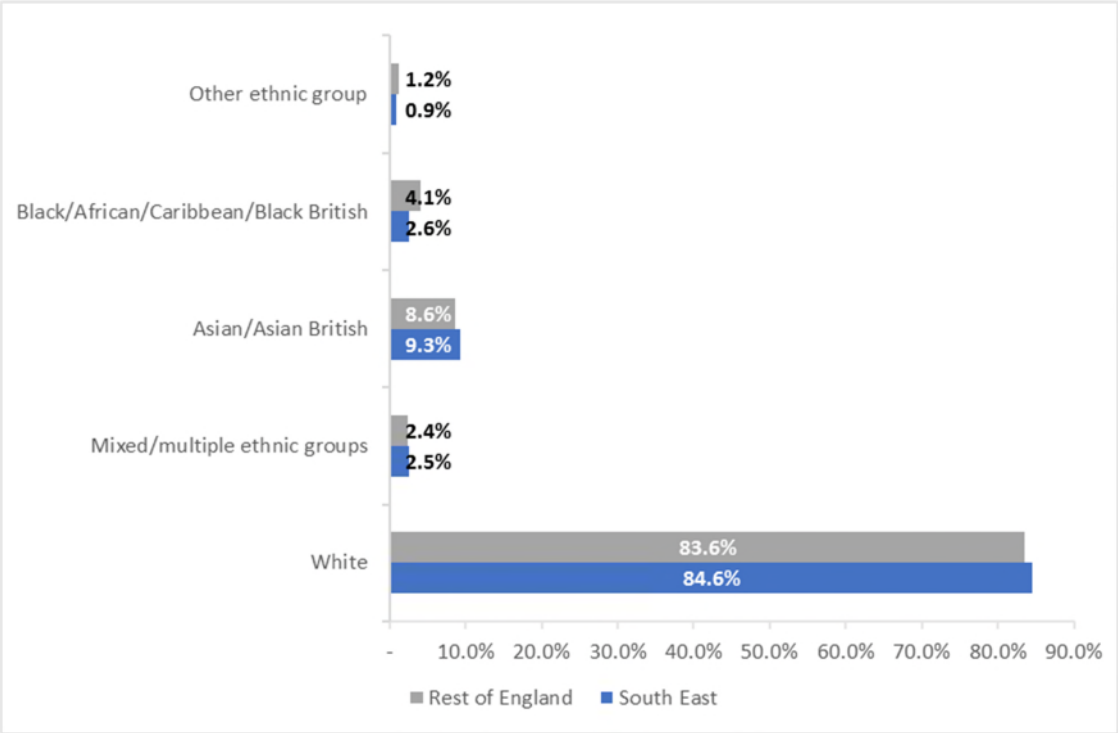
3.23 As illustrated by Figure 3.8: Comparison of Ethnic Diversity in South East England and rest of England (Source: Census, 2011)

3.24 , the South East is less diverse than the rest of England, but not significantly so. It has 1.5% fewer black residents, and 1% more white residents than the rest of the country. However, in contrast with the London and the metropolitan cities in the Midlands and the North, the South East does not have as many localised high density BAME populations that lead to high Covid-19 impacts in a particular locality.

[15] Source: Office for National Statistics, **Coronavirus (Covid-19) in 10 charts**, accessed October 2020

3.25 Overall this suggests that the South East should be slightly more resilient to Covid-19 than the rest of the country.

Figure 3.8: Comparison of Ethnic Diversity in South East England and rest of England (Source: Census, 2011)



Occupation

Health Implications

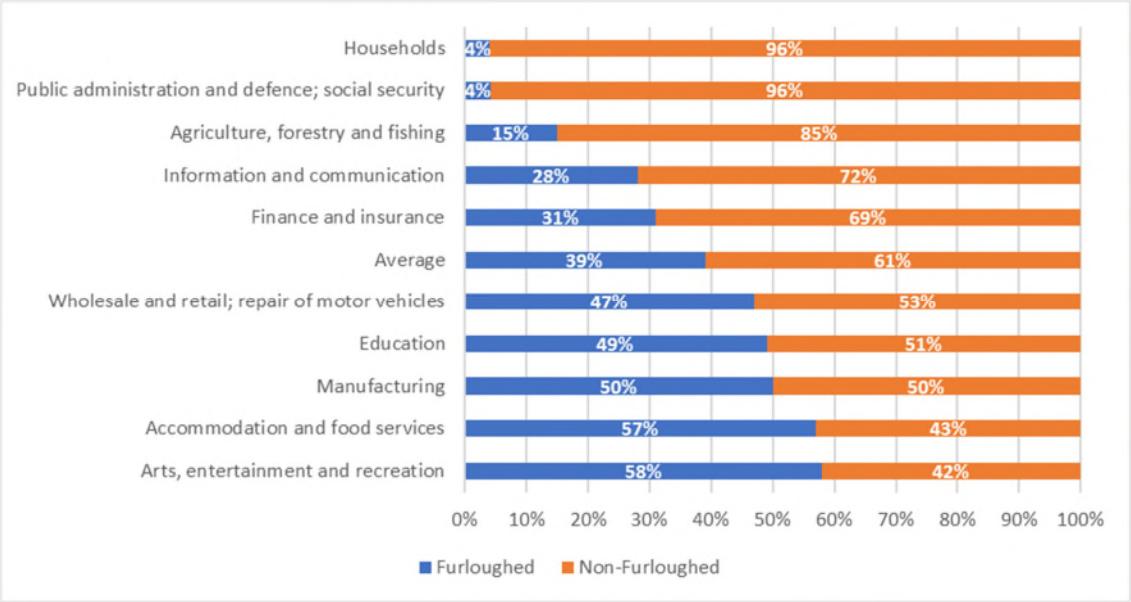
3.26 Jobs which require frequent and/or close contact with other individuals mean that the employee has a higher risk of Covid-19 infection. Health Care Workers are therefore particularly at risk (especially because they are likely to be in contact with high-risk individuals).[16] Individuals working in elementary occupations (e.g. security guards, taxi drivers and chauffeurs, bus and coach drivers, chefs, sales and retail assistants, lower skilled workers in construction and processing plants) have also had higher death rates from Covid-19.[17]

Economic Implications

3.27 Those with occupations which can be conducted from home, or while socially distanced, were less likely to be affected by the economic downturn associated by Covid-19. Furloughing rates can provide some insight here. Figure 3.9: Top and Bottom 5 industries by Furlough Rate Nationally, September 2020 (Source: Covid Statistics)

3.28 shows the top and bottom 5 industries by furloughing rate nationally. What becomes immediately apparent is that jobs which are 'essential', or 'professional' in nature have had lower furloughing rates than those associated with entertainment, consumption, or education. Significant economic restructuring post-Covid-19 is very likely; certain industries such as IT will likely see significant gains, while others, such as urban property development, significant losses.

Figure 3.9: Top and Bottom 5 industries by Furlough Rate Nationally, September 2020 (Source: Covid Statistics)



[16] Source: Public Health England 2020, **Disparities in the risk and outcomes of Covid-19**

[17] Source: Office for National Statistics, **Coronavirus (Covid-19) in 10 charts**, accessed October 2020

Relevance for the South East

3.29 In the recently conducted Economic Connectivity Review of the South East, priority sectors, important for the region's economic resilience and growth were identified as being;

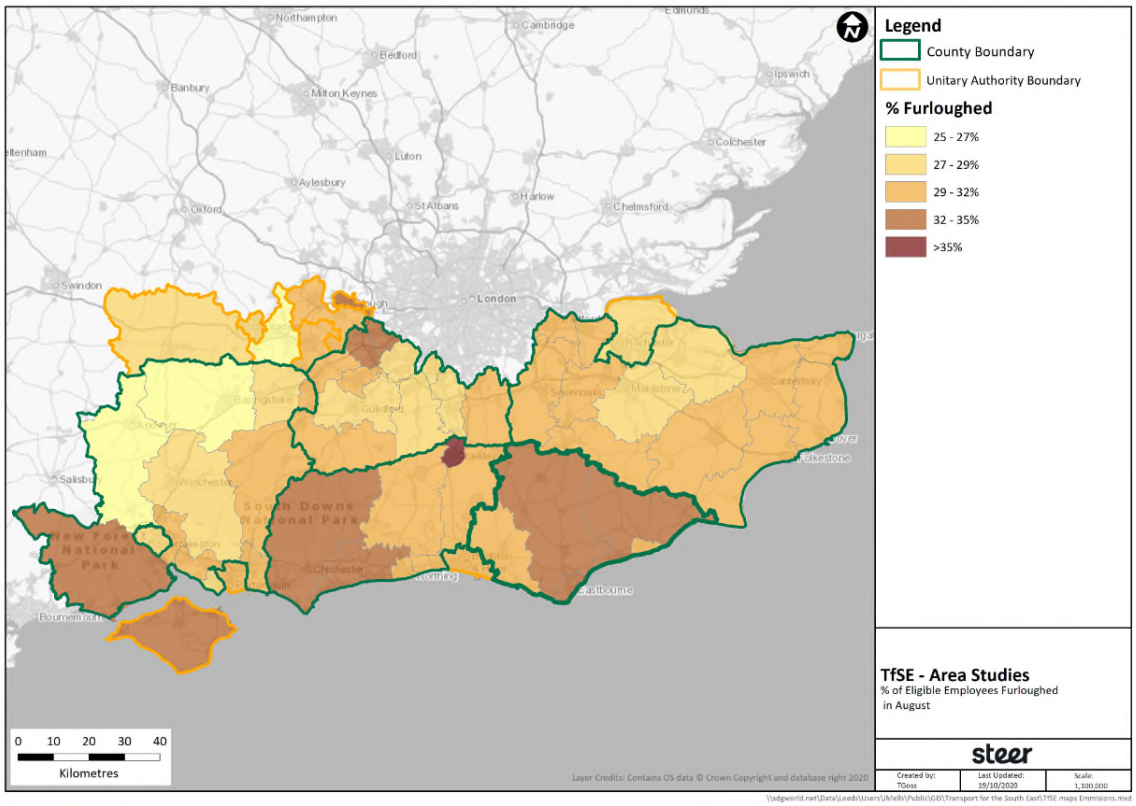
- Advanced Engineering and Manufacturing;
- Creative Industries;
- Financial and Professional Services;
- IT and Data Services;
- Low Carbon Environmental Industries;
- Marine;
- Maritime and Defence;
- Tourism; and,
- Transport and Logistics[18]

3.30 Some of these industries (for example, Tourism) have been particularly susceptible to the economic damage of lockdown. However, the impacts have not been equally felt across the South East's geography. This is illustrated by Figure 3.10: Percentage of Eligible Employees Furloughed

3.31 , which shows the percentage of eligible workers who have been furloughed. This provides some proxy for the economic impact of Covid-19. As illustrated, the rates of furloughing are highly variable. Crawley, for example, has seen very high levels of furloughing due to the area's reliance upon aviation as a source of employment (an industry which has been majorly impacted by Covid-19.

[18] Source: Transport Strategy, **Economic Connectivity Review**, 2019

Figure 3.10: Percentage of Eligible Employees Furloughed



Pre-Covid-19 Transport Volumes

3.32 Covid-19 has caused a major drop in the use of transport, but this drop has not been spread evenly across modes, as illustrated by Figure 2.2 in Section 1.8. Public transport modes (rail and bus) have seen large drops in usage, and limited recovery. By contrast, use of private modes (bike and car) have either increased (bike) or returned more quickly to pre-Covid-19 levels (car). DfT data suggests car usage has almost returned to pre-Covid-19 averages, although this data is for the Strategic Road Network and may not be representative of local roads. Bike use is higher than pre-Covid-19 levels (and during the early stages of lockdown was significantly higher than average). Every time an individual chooses a certain transport mode, they do so based upon a range of factors, which since the Covid-19 pandemic have included fear of catching the virus, and the 'tightness' of government restrictions. Modes which the government permits the use of, and which people feel 'safe' when using, are therefore those which have shown the most 'pandemic resilience'.

Relevance for the South East

3.33 In a review of the South East's major economic hubs (defined as 'urban centres with the highest population and employment densities in the South East') Steer found that, pre-Covid-19, 53% of journeys to work were less than 5km – distances which could easily be travelled by active transport. However, only 17% of commuting journeys in the South East were made by active modes, 6% by public transport, and 70% by road. This data is further broken down in Figure 3.11: Commuting Distances for Major Economic Hubs

3.34 and Figure 3.12: Mode share of pre-Covid commuting trips for Major Economic Hubs

3.35 .

3.36 In locations where there is a high proportion of commuting journeys less than 5km, it is expected that during the pandemic public transit ridership (which remains low across the area) has been split between road and active travel, or that these trips are no longer being made. Where average journey lengths are longer than 5km, it is anticipated that the majority of public transit trips will have shifted to car usage, or are no longer being made (for example, people 'working from home'). Although, as highlighted above in Figure 3.4: Key Lockdown Sectors by Income Decile (Source: Blundell et. al., 2020)

3.37 , only between 40% and 50% of the workforce in the South East individuals are able to work from home (less than 20% for people in the most deprived areas), meaning that the shift to home working may be more limited for certain sectors/occupations.

3.38 Planning for the future, what is clear from these two figures is that there are already lots of relatively short car commuting trips being made in the South East. The more of these trips that can be transferred to active transport (walking and cycling) or public transport, the easier it will be to make the transport network in the South East carbon neutral, and the quicker concurrent public realm/environmental improvements can be delivered. As transport usage recovers to normal, it is important that we try to move a proportion of individuals from private cars to these alternative modes, despite the emerging trend of car use being the transport mode returning to pre Covid-19 levels the most rapidly.

Figure 3.11: Commuting Distances for Major Economic Hubs

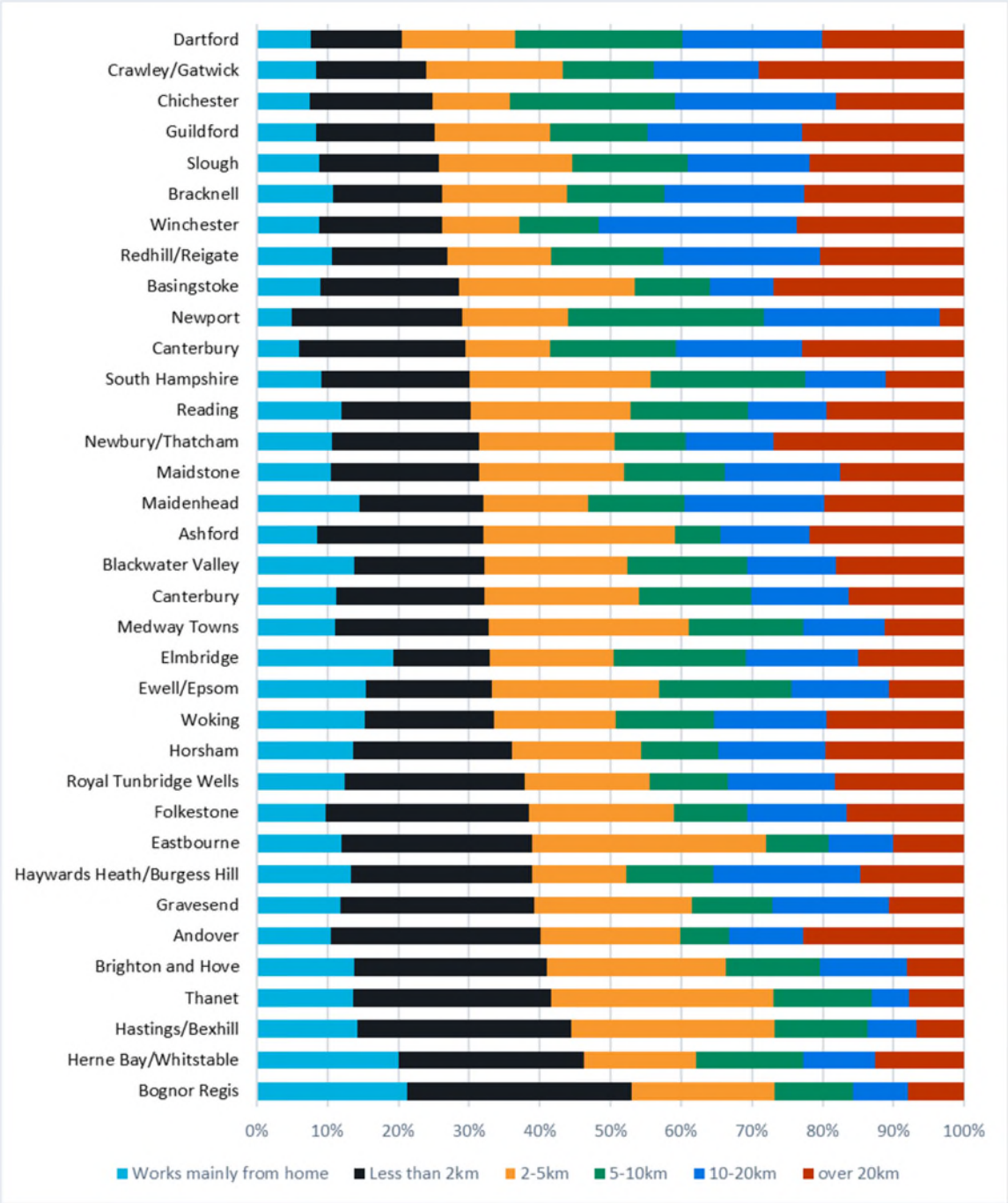
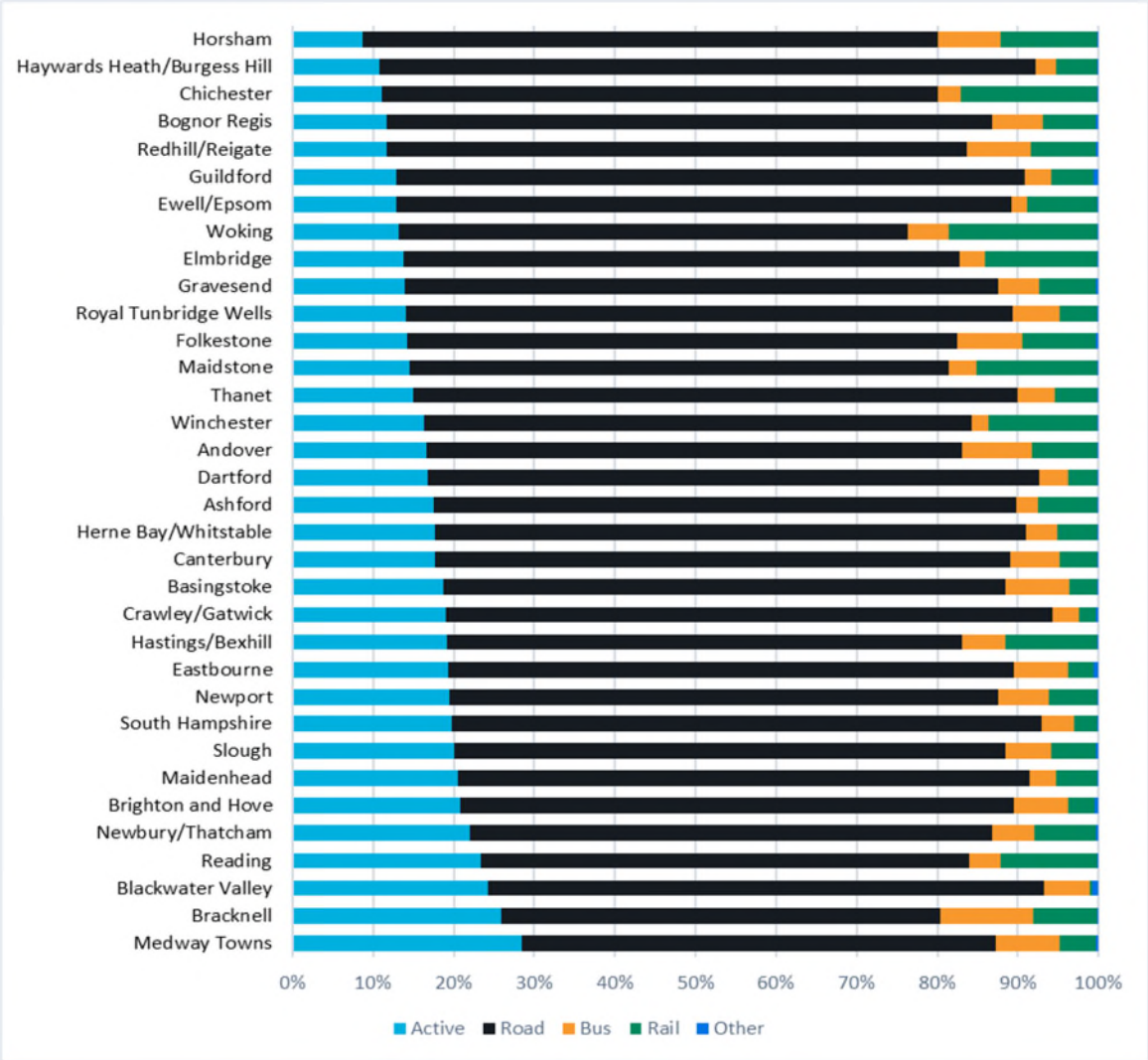


Figure 3.12: Mode share of pre-Covid commuting trips for Major Economic Hubs



Implications for the Area Studies

The geographical variability of Covid-19 and the complexity of the factors which cause this variability, make it challenging to draw overarching conclusions about the South East as a whole. As illustrated by Figure 1.1, the South East is currently experiencing lower rates of Covid-19 infection than the England average, but whether this is due to underlying factors which make the area resilient to infection, or because the "second wave" is upon us, is impossible to state at this stage. The evidence presented above shows a variety of factors determine individual and community resilience to Covid-19. Many of these factors overlap and intersect to affect economic and health resilience, both of which, in turn, will impact current and future transportation demand.

The Area Studies, being more geographically specific than the transport strategy, will be able to present a more geographically precise view of the underlying socio-demographics for each area. This should mean that specific areas which are likely to be hit particularly hard by Covid-19, and struggle to recover, can be identified, and prioritised for future investment programmes. Ultimately, each Area Study should conduct an assessment of Covid-19 resilience and recovery potential, allowing clearer understanding of how the region's human geography might shift in the coming years as a result of the pandemic.

4 Modelling and Future Impacts

4.1 As part of the project to develop TfSE's Transport Strategy, Steer was commissioned to develop a model that would determine the impact of economic growth scenarios on employment, population and travel in the South East. This model was the South East Economy and Land Use Model (SEELUM). The complete technical report produced alongside this modelling exercise can be found in the appendices. Here a brief overview is provided.

4.2 In our previous work, we tested several growth and transport strategy options. The preferred option was the 'Sustainable Route to Growth' (SRtG). To further develop the model and help better understand how the South East will recover from Covid19, we tested a range of scenarios against this scenario (in other words, the tests show how the SRtG case is altered, in its early years, by each of four Covid-19 response scenarios):

- **Scenario 1:** Cycles of Lockdown: Social distancing and 'track-and-trace' fail to stop a second wave of Covid-19. No effective treatment of vaccine is available and further lockdowns are necessary over the next 2-3 years with the consequent negative effects on society. Abbreviated to CoL in charts.
- **Scenario 2:** Adaptation: No second wave materialises, and society adapts, finding a new equilibrium of behaviours and activities that keep Covid-19 under control. Abbreviated to Adap in charts.
- **Scenario 3:** Therapeutics: By 2021 an effective clinical pathway is found that significantly reduces the health impacts and the mortality rate of the virus. There is no vaccine, but society returns mostly to normal. Abbreviated to Thera in charts.
- **Scenario 4:** Vaccine: An effective vaccine is widely deployed in 2022. Society rapidly returns to pre-Covid-19 norms. Abbreviated to Vacc in charts.

Results

Unemployment

4.3 The four lockdown scenarios follow a similar pattern across the three-year model period. This similar pattern is primarily a result of the same assumptions being used regarding the furloughing period and number of expected job losses (post furlough) for all four scenarios. The jobs lost, post furlough, lead to an increase in unemployment in all four lockdown scenarios.

4.4 Over time, as capacity restrictions begin to ease, the availability of workforces helps the recovery progress. Employers, reacting to a plentiful supply of labour and seeing as recruitment is one of the key factors affecting location attractiveness, are attracted to the area. This increased level of attractiveness and workforce availability leads to relatively rapid recovery in unemployment for all four lockdown scenarios. (This information is displayed more completely in Figure D.4: Lockdown Scenarios - Workforce Unemployment rate

4.5 in the annex).

Travel to work trips

4.6 The initial drop in travel to work trips, which persists for almost six months, is a result of the various lockdown measures (i.e. capacity constraints, working from home, and furlough) being implemented. The subsequent rise in trips nearly half a year into the simulation is caused by the removal of the furlough scheme, which encourages those who are not able to work from home to travel to their place of work. This rise in trips is followed by a reduction in travel to work trips due to the loss of jobs which kicks in after the furlough period.

Following this, scenarios 1, 2 and 3 (Cycles of Lockdown, Adaptation and Therapeutics) follow similar paths, due to multiple capacity constraints still being applied to the scenarios. Scenario 4 sees a significant uplift in travel to work trips due to the removal of capacity constraints, allowing the transportation networks to return to pre-Covid capacity levels. The total level of trips still remains lower than in the SRtG scenario, as a result of the lower employment levels and increased, long-lasting, WFH among the workforce. (This information is displayed more fully in Figure D.5: Lockdown Scenarios - Total Travel to Work trips

4.7 in the annex).

Work from Home

4.8 Scenario 3 (Therapeutics) displays indications of rapid economic improvement, similar to what is experienced in Scenario 4 (Vaccine), despite the persistent capacity constraints on workplaces and transport. The ability for employees to work from home takes up the strain, filling the gap left by the capacity loss. (This information is displayed more completely in Figure D.6: Lockdown Scenarios - Work From Home Volumes

4.9 in the annex).

4.10 The initial rise in working from home volumes is a result of the introduction of this mechanism as well as the various lockdown measures (i.e. capacity constraints and furlough) being implemented. As in when investing travel to work trips, the subsequent rise in working from home volumes nearly half a year into the simulation is caused by the removal of the furlough scheme, which encourages those who had previously not been economically active to now working from home if they are in a position to do so. The peak is followed by a reduction in volumes due to loss of jobs following the furlough period.

4.11 From this point, the various Scenarios begin to diverge. Scenario 1 and 2 (Cycles of Lockdown and Adaptation) follow similar patterns throughout the model period due to capacity constraints still being applied and therefore these volumes illustrate the maximum working from home levels applicable under each Scenario. The slight difference between Scenario 1 and 2 (Cycles of Lockdown and Adaptation) is due to the overall levels of employment achieved in these scenarios which affects the maximum amount of working from home as a result of business type.

4.12 Following the easing of capacity restrictions, Scenario 4 (Vaccine) volumes drop to levels of working from home where they stabilise to a new level, which is higher than the starting point because we assume employers will continue using working from home for its staff to some degree. Investigating Scenario 3's (Therapeutics) working from home volumes shows that after easing of capacity constraints working from home volumes are no longer at maximum level (which is illustrated by Scenario 2) (Adaptation). As mentioned above, in Scenario 3 (Therapeutics), working from home is no longer a constraint and is now able to provide the remaining 'virtual' capacity. This explains the higher levels of economic outputs experienced under Scenario 3 (Therapeutics) without the increased level of travel to work trips seen in Scenario 4 (Vaccine).

Travel to work mode shares

4.13 The changing transport conditions throughout the scenarios lead to a change in travel patterns. As these conditions impact travel to work volumes, they also impact mode shares. To investigate changes in mode shares, we have tabulated the respective start and end points of each respective mode in each of the scenarios. These start and end mode shares for travel to work trips can be viewed in Table 4.1. The table shows how, under SRtG conditions, the public transport mode shares are expected to increase, and the car mode share to fall.

Table 4.1: Lockdown Scenarios - Start and End Mode Shares

Mode Shares	Starting mode shares				Ending mode shares			
	Car	Rail	Bus	Walk/cycle	Car	Rail	Bus	Walk/cycle
Scenario 1	77.2%	4.1%	6.0%	12.7%	81.2%	1.2%	3.4%	14.2%
Scenario 2	77.2%	4.1%	6.0%	12.7%	79.5%	2.0%	4.6%	13.9%
Scenario 3	77.2%	4.1%	6.0%	12.7%	76.7%	4.1%	6.0%	13.2%
Scenario 4	77.2%	4.1%	6.0%	12.7%	74.7%	5.3%	7.4%	12.6%
SRtG	77.2%	4.1%	6.0%	12.7%	67.3%	9.4%	10.9%	12.5%
BAU	77.2%	4.1%	6.0%	12.7%	74.3%	4.7%	6.9%	14.1%

4.14 Table 4.2 shows how the mode shares change in each case between the start and end points, and also how they change compared to the SRtG case. It illustrates the SRtG scenario's interventions reduced car travel within the TfSE area by encouraging use of public transport. The lockdown scenarios have all negatively impacted public transport mode shares (rail and bus) and increased shares for walk/cycle. Even when the transport capacity restrictions have been lifted (in Scenario 4 (Vaccine)), the mode share for car remains higher than in SRtG. This happens because there are fewer travel to work trips overall (fewer jobs, more working from home) and road congestion is reduced at a region-wide level. This makes car more attractive, relative to public transport, resulting in a higher car mode share, even after the public transport capacity restrictions have been lifted. The table also shows how the mode shift effect becomes more pronounced as the capacity on public modes becomes more constraining (shifting from Scenario 4 (Vaccine) to Scenario 1 (Cycles of Lockdown)).

Table 4.2: Lockdown Scenarios - Mode share comparison

Mode Shares	Change from start				Change from SRtG			
	Car	Rail	Bus	Walk/cycle	Car	Rail	Bus	Walk/cycle
Scenario 1	4.1%	-2.9%	-2.7%	1.5%	14.0%	-8.2%	-7.5%	1.7%
Scenario 2	2.3%	-2.1%	-1.4%	1.2%	12.2%	-7.4%	-6.3%	1.4%
Scenario 3	-0.4%	-0.1%	0.0%	0.5%	9.5%	-5.4%	-4.8%	0.7%
Scenario 4	-2.5%	1.2%	1.4%	0.0%	7.4%	-4.1%	-3.4%	0.1%
SRtG	-9.9%	5.3%	4.8%	-0.2%	-	-	-	-
BAU	-2.9%	0.6%	0.8%	1.5%	7.0%	-4.7%	-4.0%	1.7%

Implications for the Area Studies

These results underline the fact that recovery from the pandemic will likely take years, rather than months, and when the recovery does occur, the volume of users using different transport modes (and therefore, the form of the transport network) will likely differ markedly from that which currently runs across the region.

For the purposes of the area studies it must be recognised and accepted that there remains significant uncertainty about how the transport network is going to develop post Covid-19. Although the modelling above provides some indicative possibilities for what this future may look like, more than anything, it highlights the many 'known unknowns' about Covid-19 and its potential impacts. The area studies should therefore aim to develop strategies which provide some measure of flexibility and resilience; strategies which aim to help areas identified as more vulnerable to the impacts of Covid-19, while retaining the flexibility to adapt as its impacts are realised over the long-term.

5 Summary and Recommendations

5.1 The aim of this paper has, ultimately, been to answer the question: what does Covid-19 mean for TfSE and the area studies?

5.2 The answer is not straightforward – as this paper has outlined, the impacts of Covid-19 are complicated, still poorly understood, and still being realised. The picture is further complicated by the fact that many of the factors which influence its impact overlap and intersect.

5.3 However, what is very clear, is that Covid-19 has stimulated unprecedented changes in our society, of a scale and speed unseen for generations. As such, it represents an opportunity to think imaginatively and ambitiously about how the South East wants to develop over the coming decades, and shape this development in a decisive way. This window of opportunity will not last long, and therefore decisions and investments made now will have a decisive impact upon the future of the region.

5.4 Below, more specific insights are presented about how the area studies might interpret and make use of the information in this paper.

Speed of Recovery

5.5 The economic recovery from Covid-19 is likely to take place over years, rather than months. It may entail major economic restructuring of the South East's economy. However, the short-term economic damage caused by the pandemic should not be used as an indicator of what these long-term changes will be. Many of the sectors which have been hit the hardest – Hospitality, Tourism, Entertainment and The Arts – are fundamental to the functioning of a healthy society and are anticipated to return in the South East once the economy has recovered. For many who have continued in full employment through the pandemic, there will be a degree of pent up demand for leisure activities which could help drive recovery of these sectors. Portsmouth, Southampton and Brighton and Hove all show signs of making a strong recovery, with consumer spending and footfall in the city centres rebounding to near pre-Covid-19 levels.

5.6 Many of these factors are beyond the control of TfSE and the area studies, which should aim to understand how patterns of working and commuting may change in the future, looking to plan for these changes, rather than changes in what these jobs actually are. Ultimately the long-term nature of the planning which TfSE undertakes means that it needs to envision a society which has returned to a 'new normal', while accepting that this may be several years away.

Certainty	Outcome
Very Certain	Covid-19 has had the most significant economic impact on the South East for a generation.
Relatively Sure *(Can Forecast)*	The economy will rebound over the course of years, rather than months.
Realistic Possibility	The economy will rebound relatively well (vigorously) due to pent-up demand.
Very Unsure	What structural changes will occur to the economic makeup of the South East.

A new relationship with London

5.17 Due to its geographical proximity, the South East has traditionally had a strong relationship with London. This is particularly true of 'commuter towns' with good rail connections to the capital. Covid-19 has changed the nature of this relationship, with many people who formerly worked in London now working from home in the South East. In the future there may be an increase in the number of individuals relocating permanently to the area from London. This is likely to bring benefits to the South East by boosting its 'native' economy, but will also place more pressures on an already overstrained housing market. The Area studies must consider carefully how this new relationship with London is going to influence travel patterns across the South East (for example, the demand for rail travel and the case for enhancing the rail network), and encourage housing development in areas which are likely to accommodate this increased population. Radial journeys, which formerly made up a significant proportion of the journeys in the South East, may now become less important, with consequentially greater need for investment in 'Orbital' components of the transport network.

Certainty	Outcome
Very Certain	In the short term, commuting trips to London from the South East have dropped precipitously.
Relatively Sure *(Can Forecast)*	The increased time spent in the South East has provided a relative boost to the 'native' economy.
Realistic Possibility	This will be a permanent shift, which restructures the relationship that the South East has with London.
Very Unsure	London's day time population will not recover to pre COVD-19 levels, and there will be a permanent shift in the UKs economic geography.

The Importance of Polycentricity

5.18 The relatively large number of medium-sized towns and cities across the South East has thus far helped the region's resilience as compared to other UK regions with larger urban hubs. Individuals are more likely to be able to move safely and efficiently around these smaller urban areas using active travel modes, rather than public transit, to get around. This tallies well with TfSE's desire to 'create great places to live' and 'put people first' as outlined in the recent transport strategy.[19] TfSE must continue to pursue this strategic direction, newly supported by the evidence that it aids regional economic and social resilience. To help these regions thrive into the future, investment in 'intermediate length' transport journeys will be important, for example, reallocating rail capacity to focus on local services, encouraging express bus services (possibly through the segregation of traffic lanes into explicit 'expressway' lanes) and the provision of more road space for active modes like walking and cycling. With more dispersed patterns of travel temporally and spatially, it is harder to accommodate these travel patterns by frequent, fixed-route public transport. Existing fixed route transport may also be made less viable with fewer peak trips. In the longer term, if the population of these towns and cities is to increase beyond current plans, there will need to be investment in Transit-Orientated Development, providing the housing needed for population expansion without increasing usage of private cars.

Certainty	Outcome
Very Certain	Thus far the medium-sized towns and cities found in the South East have been more resilient to Covid-19 than larger comparators.
Relatively Sure *(Can Forecast)*	Short-term investment in active transport and public transportation will make them healthier, more attractive places to live.
Realistic Possibility	There will be higher long-term population growth in these smaller urban centres, relative to larger comparators.
Very Unsure	All individuals living in cities in the South East will live in '15-minute cities.'

[19] https://transportforthesoutheast.org.uk/wp-content/uploads/2020/07/TfSE-transport-strategy-Summary-Document.pdf

Rising Inequality

5.19 Covid-19 has affected those at the lower end of the income scale the hardest. More deprived, lower-income sections of the economy have borne the brunt of the economic shock and will take the longest time to recover. The South East already has high levels of inequality, which are likely to worsen as a result of the pandemic. Transport is an 'economic enabler' – it allows people better access to opportunities, helping to encourage economic prosperity. While passenger demand for public transport is suppressed due to capacity constraints and economic and behavioural responses, sustaining and increasing public transport (including shared mobility and on-demand service) capacity, accessibility, and connectivity is necessary as a direct response to ensure that people who are reliant on public transport and need to travel can, but also for managing congestion in our towns, cities and along major corridors. Investment will have direct and wider benefits for the economy, society and the environment. Support for public transport (e.g. additional funding for subsidies or direct payments to operators, promotional campaigns) are required for maintaining levels of service and growing demand as rapidly as possible. Further measures could include the use of new technologies such as integrated ticketing to encourage wider use of services across the area; bus priority measures; and mass rapid transit. Overall, area studies must make use of their influence to provide good connections for individuals living in areas of high deprivation to good job opportunities, carefully assessing how provision of transportation can help communities which have been hardest hit by Covid-19 to recover more rapidly.

Certainty	Outcome
Very Certain	Covid-19 is hitting those at the bottom of the income scale the hardest and has exacerbated inequality.
Relatively Sure *(Can Forecast)*	Those at the bottom of the income scale will find it hardest to get back 'on their feet' after the pandemic.
Realistic Possibility	The gap between the most deprived places in the South East and the rest of the region will increase. Drop in mean income/ economic activity amongst the least well-off in the South East will lead to a drop in public transport ridership.
Very Unsure	Long-term inequality will have a significant impact upon the 'liveability' of urban spaces.

Technological and Behavioural 'Acceleration'

5.20 Covid-19 has accelerated many technological developments which were already reshaping our society, such as greater working from home and greater demand for remote access to goods, services and amenities (and corresponding increase in deliveries). Some of these changes have been and will be positive for society. Investment in digital technology has the potential to facilitate economic resilience and recovery as partially evidenced from increased levels of home working and remote access to services and amenities – "Digital as a Mode". Increased homeworking may reduce commuting trips, and longer distance trips, which cause particularly high levels of pollution.

5.21 For example, in the short-term greater working from home has lowered the region's carbon emissions. However, many of these developments will pose problems. For example, greater use of online retailers and online forms of 'social' interaction may 'hollow out' the public spaces (such as high-streets) around which society is built, and/or longer but less frequent commutes may lead to a net increase in travel (and therefore carbon emissions).Increased homeworking may also reduce trip-chaining (e.g. combining a commute trip with a school drop-off or grocery shop). However, these and other trips still need to be made and there could be an increase in trips made outside of the AM and PM peaks. Also, with a car more likely to be available at home most of the day, household members may make more trips by car (because they can now). Ultimately, though, increased homeworking is likely to be environmentally beneficial, and therefore, it is advocated that digital (to ultra-fast broadband) and mobile (to 5G) connectivity are improved to ensure the potential for this is maximised.

5.22 Although an increase in car mode share has been forecast, this has been offset by a reduction in total numbers of trips resulting from decreased work trips (i.e. higher levels of working from home and a lower number of jobs). This overall reduction in the total number of car trips is forecast to last at least three years, as per the modelling. It is unclear how this will change beyond this period, but we could well be planning in the medium to long term for lower levels of car traffic than previously envisaged. It is also possible that through changing travel patterns as a result of where people live and work and how they work, that demand for car travel spreads to outside the peaks and moves away from some of the most congested radial routes in the region.

5.23 TfSE and the area studies must therefore think carefully about how they can best make use of the benefits brought by this technological acceleration and behavioural shifts, whilst ameliorating their negative side-effects. In particular, it will be important to ensure that towns and cities remain sites where people want to come and interact, even as economic opportunities become less geographically concentrated.

Certainty	Outcome
Very Certain	The numbers of individuals who are working from home has increased dramatically, along with delivery vehicle movements associated with online retail.
Relatively Sure *(Can Forecast)*	The numbers of individuals working from home will decrease compared with the height of the pandemic but remain higher than pre-Covid-19 levels.
Realistic Possibility	Urban centre office spaces are no longer required in the scale and style that they currently exist.
Very Unsure	New technologies will be used to ensure that city-centre spaces are car-free, people-friendly spaces used for recreation and entertainment.

Scenario Modelling Appendices

A Introduction

Background to this Project

A.1 There are big questions for towns, cities and regions about lifting lockdown. What happens to transport and employers if only some categories of people are allowed to travel, for limited purposes? If extended social distancing reduces public transport capacity, how will the system cope? How long will public transport operators require subsidy? Will home working affect transport operators' ability to provide peak capacity? How much will car travel increase if people are afraid of public transport? What happens if lockdowns are re-imposed?

A.2 In giving approval for the final version of the Transport Strategy for the South East (TfSE), TfSE's Shadow Partnership Board was concerned about the potential impacts of Covid-19 and consequential impacts on the development of the transport strategy and in particular the forthcoming Area Studies. It was recognised that there is further need to assess potential impacts on travel demand, patterns and supply; and their interaction with population, housing, employment and GVA in the TfSE area. Additional technical work would be needed to ensure that the forthcoming area studies can take account of these potential impacts.

A.3 While forecasting is of limited use in these circumstances, we believe there is a strong case for envisaging future scenarios and rehearsing responses to them to find how to achieve the best possible outcomes, especially for economic recovery.

A.4 The SEELUM transport and land use model, that was developed to inform the development of the transport strategy, offers an excellent platform to test a range of recovery trajectories, rehearsing how they might unfold and how to best manage them. While it has required some modification, the core model and the principal outputs it delivers remain as before: employment, business activity and travel patterns. To this we have added to ability to simulate lockdown and the effects of capacity restraints in public transport and workplaces.

The SEELUM Model

A.5 As part of the project to develop its Transport Strategy, Steer was commissioned to develop a model that would determine the impact of economic growth scenarios on employment, population and travel in the South East. This model was the South East Economy and Land Use Model (SEELUM).

A.6 SEELUM is a transport and land use model that simulates the interaction of transport, people, employers and land-use over periods of time. SEELUM is a simulation, which means that it attempts to replicate events in the real world using simplified representations of how people perceive their circumstances and decide how to react. It is also dynamic, which means it is concerned with how events unfold through time: as its internal clock rolls forward it calculates, step by step, how conditions change and how people respond. It does this for everything encompassed by the model, at every time step, simultaneously.

SEELUM's primary use is to test how investment in transport, sometimes coupled with changes to land-use policy, affect the economic performance of a region, city or urban area. It does this principally by simulating how

changes in patterns of connectivity and access affect how attractive different locations are for employers and/or households to locate in, how they respond, and what the consequences are. For example, if travel costs rise in a particular area (say, due to an exogenous input), depending on the other options available, people may change their mode of travel, change where they live or change where they work. In the extreme, if there are no other viable options to access work, people can become unemployed. Similarly, businesses can relocate to an area if transport costs reduce, increasing their accessibility to the potential workforce. Figure A.1: High level overview of the linkages in the model

shows a high-level view of the linkages in the model.

Figure A.2: High level overview of scenario testing inputs and outputs

A.7 shows a high-level view of the key inputs and outputs when testing scenarios.

Figure A.1: High level overview of the linkages in the model

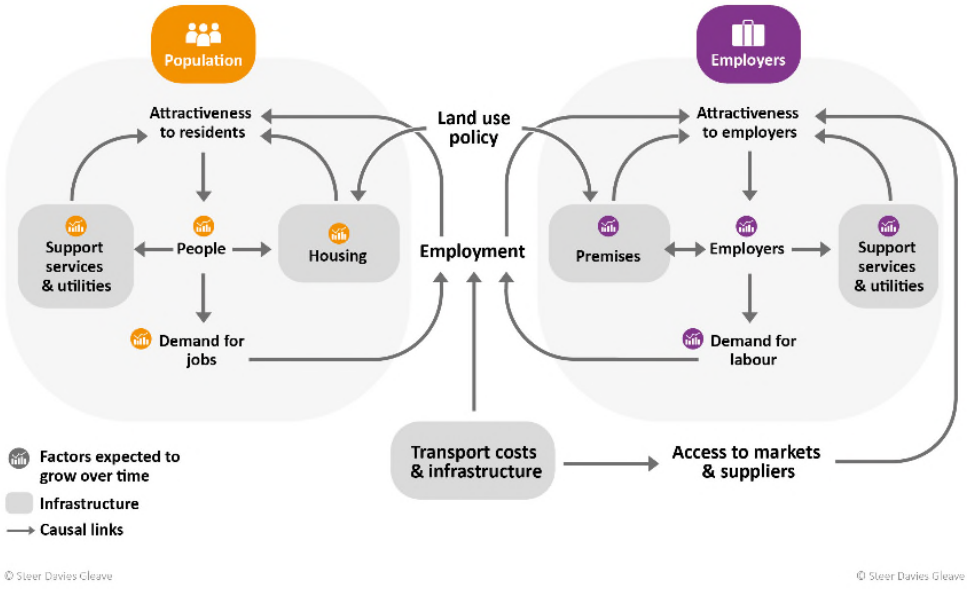
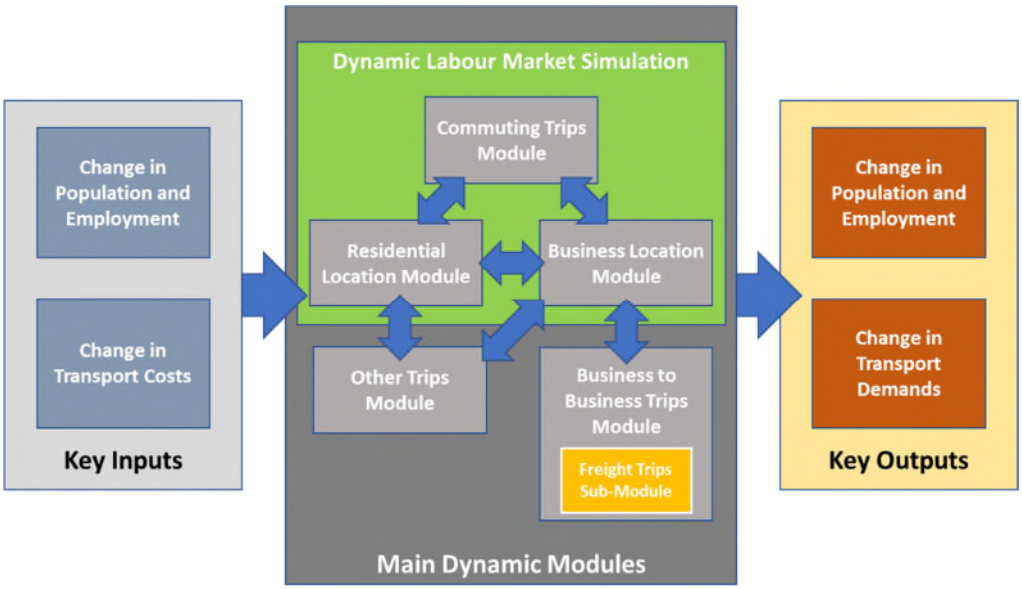


Figure A.2: High level overview of scenario testing inputs and outputs



Project Scope

A.8 This project was divided into the main tasks outlined below:

i. Develop lockdown related scenarios: With the use of Steer's previously developed Covid-19 scenarios as well as input derived from a stakeholder scenario workshop, scenarios based on different possible futures regarding the relaxation of lockdown were developed.
ii. The creation of a test model: in order to develop and test the mechanisms needed to rehearse lockdown (such as working from home and furloughing of staff), the mechanisms were first built in a small test model to ensure the model would respond as anticipated.
iii. Implement new mechanisms in SEELUM: Once the mechanisms had been understood and developed, they were implemented in SEELUM and the model was initialised in "lockdown".
iv. Intervention testing: In addition to the lockdown scenarios developed, intervention testing runs were carried out to explore how recovery might best be managed, by adjusting fares, capacity and employment policies.
v. Identification of the potential implication of these findings for the development of the forthcoming area studies

A.9 We should stress that the modified model does *not* simulate transmission of the Covid-19 virus. It is *not* an epidemiological model. Rather, it takes the restrictions on daily life that are a consequence of government guidance and simulates the impact on travel and employment. It can then be used to test how effective transport related remedial measures might be in reducing the negative impacts of lockdown and/or of speeding up recovery.

Following sections

- **Appendix B:** Describes the Lockdown Scenario development and how they operate within SEELUM;
- **Appendix C:** Explains the adaptations in SEELUM required to allow for the rehearsal of lockdown scenarios;
- **Appendix D:** Discusses the lockdown scenario results;
- **Appendix E:** Discusses the impacts of intervention testing; and
- **Appendix F:** Provides an overview of the findings and concluding remarks.

B Lockdown Scenario Development

Introduction

B.1 Across the world, Covid-19 has led to unprecedented impacts on the way we live, work and travel. As governments start to ease lockdowns and the focus turns from immediate crisis to recovery, natural questions arise as:

- What will the future look like in a post Covid-19 world?
- What interventions can be implemented to ease the path of economic and societal recovery?

B.2 To assist in the development of Lockdown Scenarios, Steer used a combined approach of internal research development coupled with a local stakeholder workshop to allow Steer to internally develop Covid-19 Scenarios.

Steer Internally developed Covid-19 Scenarios

B.3 To answer these questions arising from the uncertainty surrounding the easing of Covid-19 lockdown, scenario development of potential futures was required. To help frame possible ways forward, Steer experts from across the world have come together to consider the impacts and paths forward relating to Covid-19. With perspectives from the Americas, Europe and Asia, and expertise in roads, transit and rail, aviation, and freight and logistics, looking ahead over the next few years we have developed four future scenarios.

B.4 In our view, the form and timing of any medical resolution of the Covid-19 crisis is the key question. This will drive the direction of behavioural and policy responses and what this means to the economy, people's activity and transport demand. Based on this, we have identified three key uncertainty areas:

- Whether or not there is a second wave;
- Whether or not effective treatment pathways are found; and
- Whether or not a successful vaccine is successfully deployed.

B.5 Based on these ideas, Steer has developed four broad scenarios describing possible and plausible ways in which the future could develop. These scenarios have been developed to look at 'what is' and 'what could plausibly be' to define potential paths forward. They are not target-seeking/normative scenarios, and they do not represent Steer *forecasts* of what will occur; they have been created to help further analysis and development of policy and strategy.

B.6 These scenarios and accompanying high-level assumptions are outlined overleaf.

Scenario 1: Cycles of Lockdown

B.7 Social distancing and 'track-and-trace' fail to stop a second wave of Covid-19. No effective treatment of vaccine is available and further lockdowns are necessary over the next two to three years with the consequent negative effects on society, the economy and transport demand.

Scenario 2: Adaptation

B.8 No second wave materialises, and society adapts, finding a new equilibrium of behaviours and activities that keep Covid-19 under control.

Scenario 3: Therapeutics

B.9 By 2021 an effective clinical pathway is found that significantly reduces the health impacts and the mortality rate of the virus. There is no vaccine, but society returns mostly to normal.

Scenario 4: Vaccine

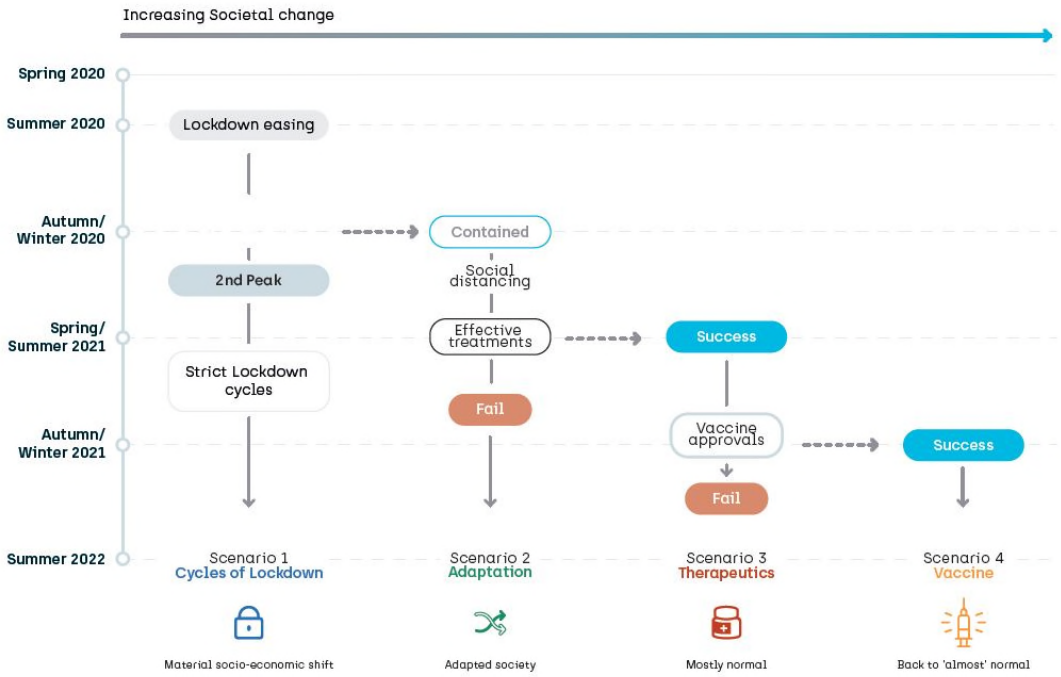
B.10 An effective vaccine is widely deployed in 2022. Society rapidly returns to pre-Covid-19 norms.

B.11 Across these scenarios, there are likely to be some changes or new "norms" that could derive positive impacts. For example, increased levels of home working could reduce traffic levels and associated impacts as well as foster greater work-life balance/ quality of life impacts and increased spend in local economies.

Other variants are possible. For instance, a world on the Cycles of Lockdown pathway could find a vaccine. However, we believe "Vaccine" (least impact) and "Cycles of Lockdown" (biggest impact) represent the upper and lower bounds of what we believe to be the plausible post-Covid-19 outcomes for economy, activity and transport demand. A timeline illustrating the pathways to our scenarios can be seen in Figure B.1: Covid-19 Scenario Timelines

below.

Figure B.1: Covid-19 Scenario Timelines



Stakeholder Workshop

B.12 In order to provide a range of potential future outcomes regarding the Covid-19 pandemic and the response to lifting lockdown restrictions, it was important that in addition to the internally developed Steer scenarios we also received inputs from local stakeholder within the South East region. To achieve this, we hosted an online workshop session. Those invited to the workshop included officers from the constituent authorities as well as a number of representatives from key stakeholders who are members of the TfSE Transport Forum.

B.13 Participating stakeholders in the workshop were given a brief introduction to the project and its context and were informed of the modelling approach and the approach to scenario planning being used in this project.

B.14 Following this, the stakeholders were separated into four 'break-out' groups, with each group being assigned to a particular Steer Covid-19 scenario. The purpose of these 'break-out' groups was to allow each group to focus on a single scenario and provide their insights and inputs on realistic/plausible conditions and regarding:

- "unlock" policies and government guidance;
- capacity constraints on transport and workplaces;
- modal preference and behaviour adaptation; and
- transport interventions.

B.15 By combining the inputs received during the stakeholder workshop and applying them to our Covid-19 scenarios we were able to infer quantifiable values relating to various mechanisms which needed to be developed and implemented into the SEELUM model. The description of these mechanisms and their accompanying assumptions have been detailed in Chapter C below.

C Adapting the SEELUM Model

C.1 This section describes the new mechanisms we built into SEELUM in order to simulate the effects of lockdown, so far as it affects travel and employment.

Mechanisms

Furlough

C.2 During furlough, this mechanism removes a specified proportion of all travel to work trips. Furloughed staff are assumed to be still employed, but do not travel to work, and do not contribute to GVA.

Safe carrying capacity on public transport

C.3 Social distancing rules mean the safe carrying capacity on public transport is significantly reduced to 25%, or even less, of its pre-Covid level. When social distancing is introduced, the model calculates the new ratio of demand to (reduced) capacity and uses this to generate a sharp increase in the perceived travel times to deter use. This has two immediate effects: mode switching, mainly to car and walk/cycle; and increased desire to work from home. The model adjusts people's behaviour until demand is more loosely aligned with capacity (There is a third, longer term effect, in that the higher perceived generalised times on public transport will deter recruitment, and shift employment patterns; however, this is largely beyond the timescales we have simulated to date).

Safe capacity at workplaces

C.4 Social distancing also reduces the safe working capacities in workplaces. In the model, when social distancing is activated, this creates a requirement for staff to work from home. The model calculates this number, and these staff are then assumed to work from home, subject to constraints on the maximum proportion of people who can work from home; these constraints are inputs and vary by employment sector. Staff who work from home do not travel to work but do contribute to GVA.

Hard lockdown

C.5 Under hard lockdown, as occurred back in March 2020, people are assumed to be compelled to reduce travel and work from home. The model imposes the maximum work from hoe rates permissible (see above) for as long as hard lockdown is in place. After it is lifted the model assumes responses are all voluntary responses to conditions, such as social distancing on public transport and at the workplace.

Public Confidence

C.6 Public confidence is rated on a scale from 1 to 3, with 3 as the highest level, equivalent to pre-Covid levels. This number is supplied as an input and changes throughout the simulation depending on the scenario being tested.

C.7 The public confidence variable increases or decreases the speed at which people react to conditions. Low confidence makes people quicker to reduce travel and increase working from home, and slower to adjust back to pre-Covid behaviour; their behaviour becomes asymmetric. At the highest level of confidence, decisions are made as in the pre-Covid model. Public confidence affects decisions about mode shares, working from home, non-commuting trip rates and business travel.

Retail

C.8 In previous version of the model, retail expenditure was distributed among retail locations within accessible reach of the home. In the new model a proportion of this expenditure, assumed to be 15%, takes place close to the workplace. When people stop travelling to work because of furlough or working from home, this expenditure shifts back to the home location. The total amount of expenditure does not change, only the distribution of where it takes place.

Switching peak travel to off peak

C.9 Travel occurs in either the peak or off-peak period. The proportional split of travel between peak and off-peak can be varied as a policy input, allowing peak journeys to take place in the off-peak, reducing crowding.

Forced business closure

C.10 It is expected that when furlough ends, businesses that relied on the scheme to remain trading will be forced to lay off staff or close completely. The model will force a specified proportion of businesses to close, with a consequent loss of jobs, when furlough ends. The expected loss of jobs, differentiated by employment sector, is an input to the model, based on the views expressed at the stakeholder workshop.

Business to business trip rates

C.11 As the travel into work is reduced the amount of travel between workplace also decreases. The model assumes that the proportional reduction in business to business trip rates is the same as the proportional reduction in travel to work trips. The speed at which these trip rates vary depends on public confidence; with low confidence the rates fall quickly but rise slowly.

Non-commuting trip rates

C.12 We assume home-based non commuting trip rates also fall under lockdown. Trip rates are assumed to fall by the same fraction as bus capacities fall under social distancing constraints. The speed at which theses rates fall and rise are affected by the level of public confidence: with low confidence the rates fall quickly but rise slowly.

Employers using smaller premises

C.13 There is much speculation about how employers' use of premises might change after Covid. We have assumed after Covid, employers decide to retain / experience at least some increased level of working from home and will, therefore, require proportionally smaller premises if social distancing is no longer required. The model will then put new businesses and employers into proportionally smaller workplace units[20].

C.14 As the turnover in businesses continues, more and more of them occupy smaller premises, but since the stock of buildings remains the same, the number of vacant premises rises. The post-Covid levels of working from home vary by business sector and are inputs to the model.

Time controls

C.15 The revised model was set up to simulate three years, and the smallest simulated time unit was reduced to one week.

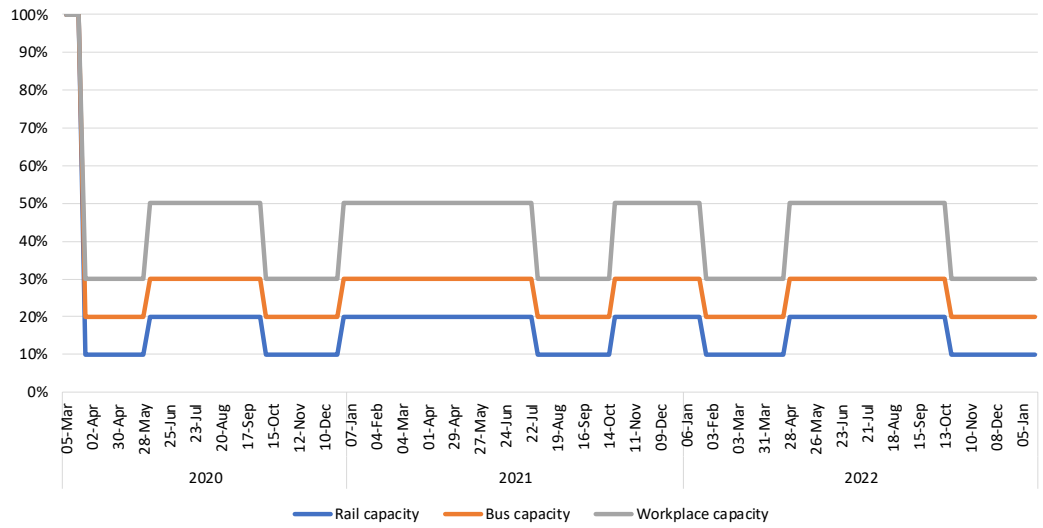
Scenarios

C.16 The model reads in timeseries data from an Excel workbook telling it how conditions vary over time for each of the four scenarios.

The transport and workplace capacities change in line with the scenario timelines in Chapter 2. Below are charts that show how the capacities change throughout each scenario. These are based on results from the stakeholder workshops. It should be noted that the workplace capacity figures shown in the following charts do not equate to levels of occupancy. Due to assumed work from home rates remaining post-Covid, provided at the end of this section, the capacity rates should rather be viewed as the "maximum" levels achievable. In scenario 1 the capacities cycle through different levels of lockdown as the model comes out of lockdown and returns to lockdown repeatedly shown Figure C.1: Capacity in Scenario 1: Cycles of Lockdown

C.17 .

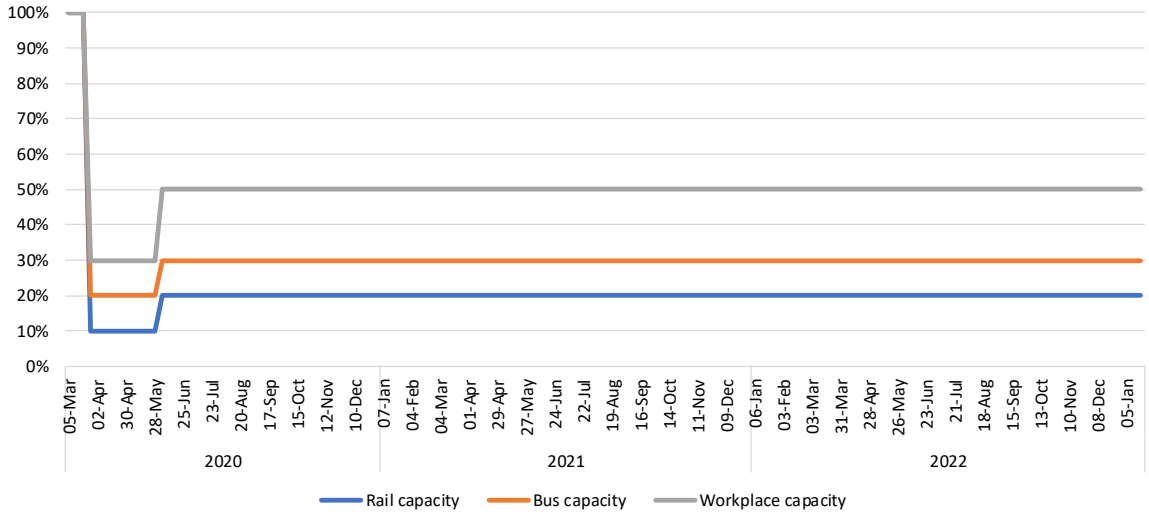
Figure C.1: Capacity in Scenario 1: Cycles of Lockdown



[20] This only happens in the model after social distancing restrictions end. In practice the change might happen sooner, but we have assumed that while social distancing is in place employers will need to retain larger premises in order to accommodate satisfactory numbers of staff safely.

C.18 Figure C.2 shows adaptation, where there is an increase in capacity as lockdown is relaxed. As no other mitigation becomes available this capacity restriction remains until the end of the three-year period.

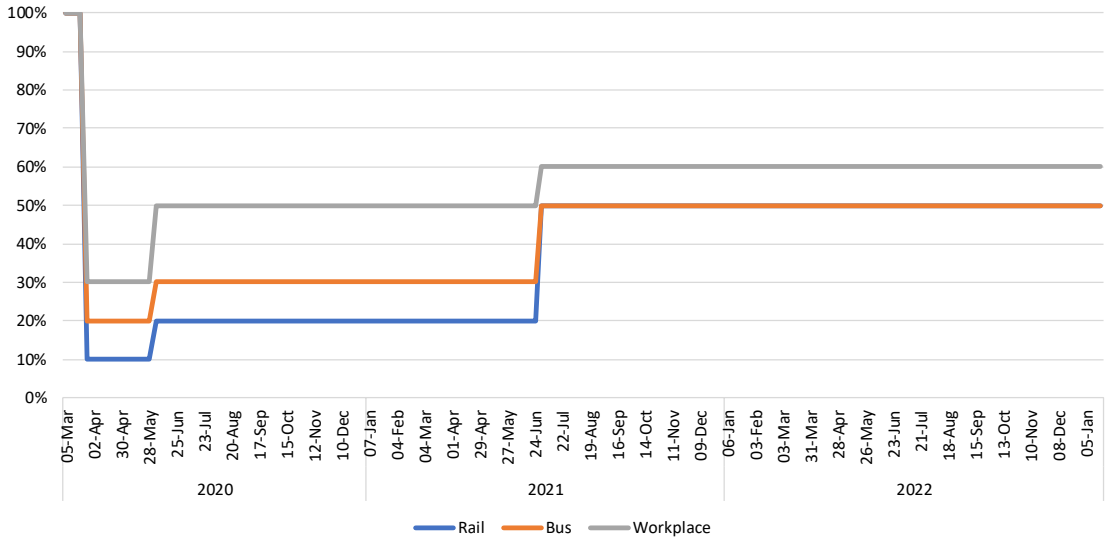
Figure C.2: Capacity in Scenario 2: Adaptation



C.19 Scenario 3 has the relaxing of lockdown and the discovery of effective treatment, allowing the capacity to increase again shown in Figure C.3: Capacity in Scenario 3: Therapeutics

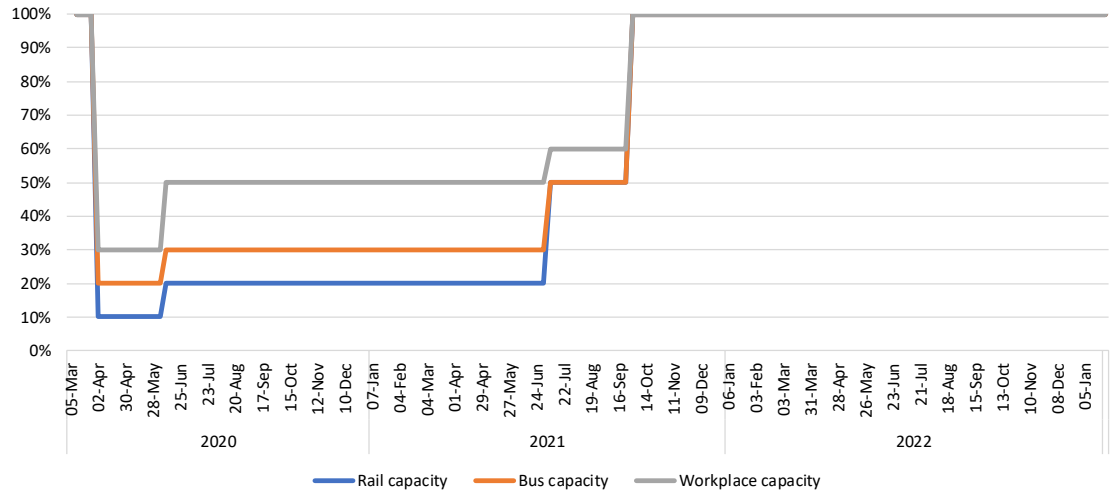
C.20 .

Figure C.3: Capacity in Scenario 3: Therapeutics



C.21 In Scenario 4 the relaxing and treatment allow for two increases in capacity as before. There is an additional increase back to pre-Covid capacity as a vaccine is discovered and there is no longer a need to reduce capacity for safety (shown in Figure C.4). Even though workplace capacity has returned to 100% in this scenario there will still be some working from home post Covid. The impact of this is discussed below.

Figure C.4: Capacity in Scenario 4: Vaccine



C.22 Public Confidence starts off on a medium level (level 2) in all four scenarios. In scenario 1, this level of confidence is reduced in September of 2020 as the public would be anticipating the reintroduction of constrained capacities, from where it cycles between capacity levels. In scenario 4, public confidence is increased to a high level once a promising vaccine is assumed to be in its final stages of development (July 2021). For scenarios 2 and 3, the initial medium level of public confidence is maintained throughout the timeline.

Scenario independent assumptions

C.23 As mentioned above, some of the mechanism inputs change depending on the scenario being tested. However, some assumptions remain consistent between scenarios; these have been outlined in Table C.1 below and are concerned with the proportion of employees able to work from home, furloughed and the loss of jobs once furlough ends. These inputs have been inferred from the workshops held in addition to the collection of available data where possible.

Table C.1: Business category related assumptions

Sector / type of worker	Max % who can work from home	Jobs remaining (post Furlough)	Percentage of staff furloughed
Advanced Manufacturing	23%	90%	27%
Knowledge Service Sectors	77%	87%	24%
Primary Sectors (e.g. agriculture)	10%	97%	38%
Finance and Business	83%	83%	26%
Education	20%	97%	11%
Retail and Catering	10%	77%	49%
Other Industry and Manufacturing	10%	87%	27%
Other Services (e.g. health, public administration)	43%	93%	20%
Sea Ports	10%	90%	20%
Airports	10%	70%	20%

C.24 The assumed post-Covid rates for working from home are supplied to the model differentiated by type of building. The assumed values are:

- Offices: 50%
- Shops, hotels and restaurants: 10%
- Research and manufacturing premises: 10%
- Other: 50%

C.25 Hard lockdown occurs in all four scenarios from 26 March 2020 through to the end of May 2020. Similarly, the furlough period input used in all four scenarios has also been assumed to remain the same and lasts for 6 months following the introduction of the hard lockdown.

D Lockdown Scenario Results

Introduction

D.1 This section presents the results of the simulation tests.

D.2 In our previous work, we tested several growth and transport strategy options. The preferred option was the 'Sustainable Route to Growth', or SRtG, so we tested each of the four Covid scenarios against this background growth scenario. In other words, the tests show how the SRtG case is altered, in its early years, by each of the four Covid scenarios.

D.3 In the following sections we compare the results for each Covid scenario against the original SRtG results. For information, we also show the 'Business as usual' (BAU) case, taken from the original work.

D.4 A brief description of the growth strategy options and their naming conventions can be found below:

- **Business as Usual (BAU)**: This scenario assumes NTEM growth and only do minimum transport interventions.
- **Sustainable Route to Growth (SRtG)**: A "do something" scenario aimed to increased mode shift to public transportation while encouraging economic growth within the study area. This scenario is supported by increased road pricing, public transport fare subsidisation, no policy constraints on CAV/MAAS, road space reallocation, improved bus/high quality urban transit and pedestrianised urban centres. This scenario is also the "preferred scenario" informing TfSE's Transport Strategy.

D.5 Further details regarding the scenarios and naming conversions above, and description regarding output metrics can be found within our full report for the Transport Strategy[21].

D.6 Seeing as SRtG has been identified as the "preferred scenario" in TfSE's Transport Strategy, the four lockdown scenarios outlined below have been based off the underlying interventions assumed to take place under SRtG conditions. As such, SRtG should be viewed as the reference case when comparing outputs regarding the lockdown scenarios. The following naming conventions are used for the lockdown scenarios:

- **CoL:** Reflects conditions assumed to take place in "Cycles of Lockdown";
- **Adap**: Reflects conditions assumed to take place in "Adaptation";
- **Thera**: Reflects conditions assumed to take place in "Therapeutics"; and
- **Vacc**: Reflects conditions assumed to take place in "Vaccine".

[21] Report Title: Transport Strategy for the South East – Scenario Forecasting Technical Report

SEELUM Lockdown Scenario Results

Introduction

D.7 This section provides the results relating to lockdown scenario testing and compare the outputs of the four tested lockdown scenarios to the BAU and SRtG scenario baselines.

D.8 Due to uncertainties surrounding Covid recovery and data availability, the scenarios have been modelled for a three-year period and outputs provided as such. When reviewing the various Lockdown scenario results and comparing the metrics to those of SRtG and BAU, it is noticeable that the trajectories of some metrics have shifted, where in some cases growth seems to have been accelerated. With current outputs, we can't precisely determine whether the trajectories will lead to increased levels in the future. However, crucially the main economic growth assumptions are subject to the same land use constraints in SRtG as in the Lockdown scenarios. We would therefore assume that the results for the Lockdown scenario's (once capacity constraints have been lifted) would broadly be similar to SRtG in the long term.

D.9 It should be mentioned that the baseline BAU and SRtG scenarios and four Lockdown Scenarios presented do not include the same exact assumptions on how life is expected to change post-Covid (i.e. increased working from home). We therefore suggest that future work expand upon the comparison of scenarios by developing more comparable baselines as well as investigate longer modelling periods. This will allow for an improved understanding of how these differences in trajectories are expected change in the long run.

Gross Value Added (GVA)

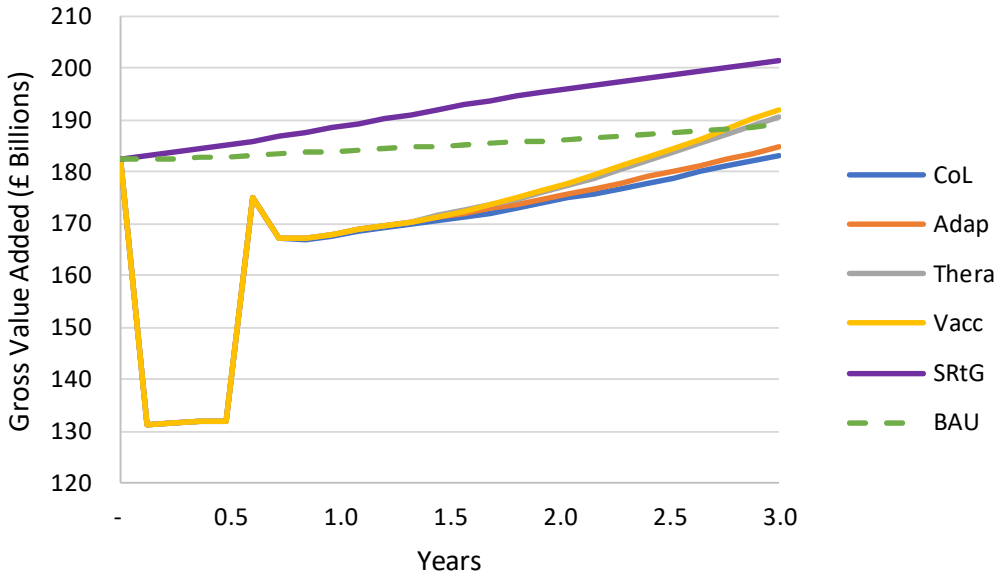
D.10 Figure D.1: Lockdown Scenarios - Gross Value Added

D.11 below illustrates the expected Gross Value Added (GVA) in each scenario when compared to the BAU scenario and the SRtG scenario. The expected GVA across all lockdown scenarios is lower than in SRtG. In the early stages of Lockdown, the effective GVA across all scenarios drops significantly due to the introduction of furloughing which stop employees from contributing to GVA. As the furlough scheme is concluded, GVA spikes back up and then drops once again as the job losses attributed to the end of furlough take effect.

D.12 In the early stages of the modelled period, GVA is largely the same for all lockdown scenarios. This is due to the same assumptions being used regarding the furloughing period and number of expected job losses (post furlough). However, GVA fails to reach the levels experienced in SRtG due to the capacity constraints and number of jobs assumed to be lost post furlough.

D.13 In time, GVA begins to diverge between the scenarios post furlough, with 'Vaccine' performing the best and 'Cycles of lockdown' performing the worst, as a result of the capacity constraints relating to safe workspace, and public transport.

Figure D.1: Lockdown Scenarios - Gross Value Added



Jobs filled

D.14 Figure D.2: Lockdown Scenarios – Total Number of Jobs filled

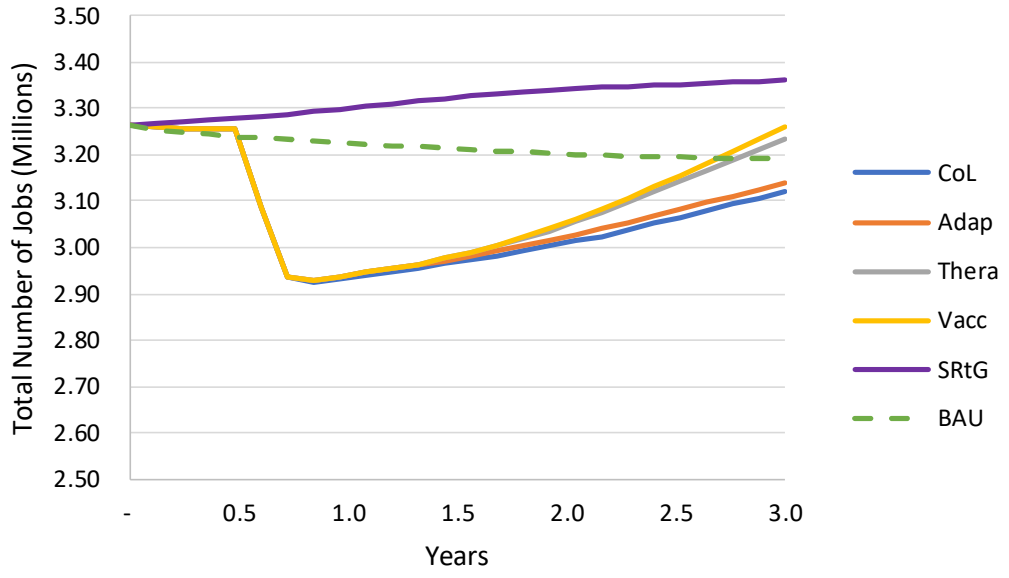
D.15 below illustrates the total number of employed (jobs filled) across the various scenarios. GVA in the model is generated by employment and a real value multiplier, so the patterns are very similar to those seen above. For the BAU the decrease in jobs filled does not directly result in a decrease in GVA due to the change in mix of jobs coupled with the multiplier effect.

D.16 From Figure D.2: Lockdown Scenarios – Total Number of Jobs filled

D.17 , it can be seen that during the initial stages of lockdown, while furlough is still active, employment levels remain stable for all four lockdown scenarios, however at a lower level than when compared to SRtG. Once the furlough period concludes, the total number of jobs filled is reduced because of the forced job losses. From this point onward, the scenarios begin to diverge, with 'Vaccine' regaining the highest amount of jobs and 'Cycles of lockdown' regaining the fewest number of jobs by the end of the three-year modelling period. The difference across the lockdown scenarios are a result of the capacity constraints relating to safe workspace, and public transport which all influence the number of accessible jobs available to individuals.

D.18 Interestingly 'Therapeutics' follows a pattern closer to 'Vaccine' than 'Adaptation'. The differences between these two scenarios are in the assumed safe levels of capacity on rail and bus transport and at workplaces, pointing to the value of efforts to increase these capacities. Despite the persistent capacity constraints on workplaces and transport in 'Therapeutics', the jobs recovery is almost as high as in 'Vaccine'. This is because working from home fills the gap, allowing jobs to remain in place despite the capacity limits.

Figure D.2: Lockdown Scenarios – Total Number of Jobs filled



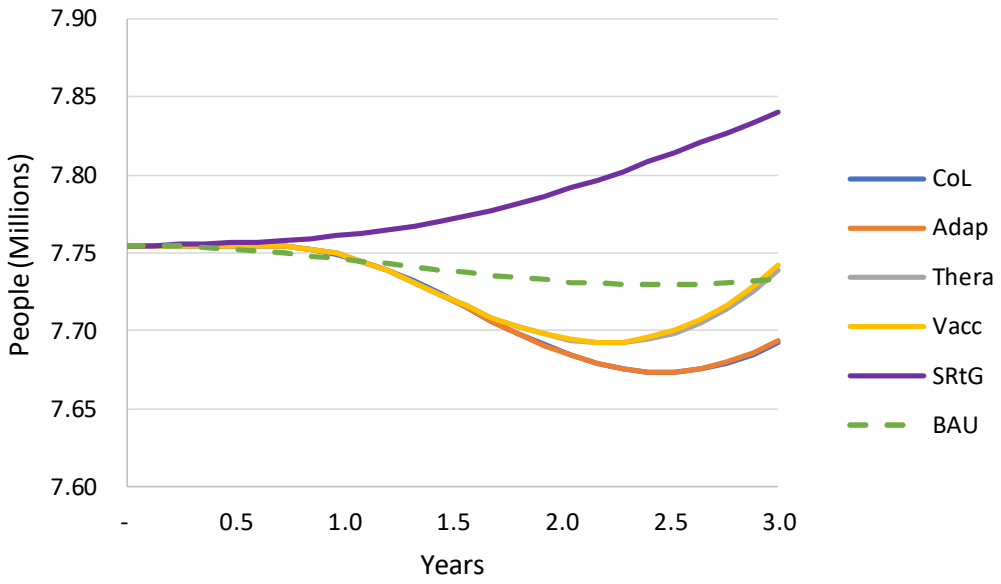
Population

D.19 As lockdown conditions impact the capacities and conditions within the TfSE area, making conditions more restrictive and less favourable, the attractiveness of the area decreases. This lower level of attractiveness leads to inward migration being reduced compared to what would be expected under normal conditions. This leads to lower levels of population growth, against background growth, across all four lockdown scenarios when compared to the SRtG scenario.

D.20 As conditions begin to improve in each scenario, the attractiveness of the region rises again, and inward migration leads to growth in population. Figure D.3: Lockdown Scenarios - Population

D.21 below illustrates the effect of lockdown scenarios on population. Once again, a pattern of similarity emerges when comparing 'Therapeutics'' population outputs to those of 'Adaptation' and 'Vaccine' respectively. This is illustrating that the ability to increase capacity levels from 'Adaptation' to 'Therapeutics' (coupled with increased levels of working from home) can be beneficial when attempting to mitigate the negative impacts of lockdown in situations where the total removal of capacity constraints is not possible.

Figure D.3: Lockdown Scenarios - Population

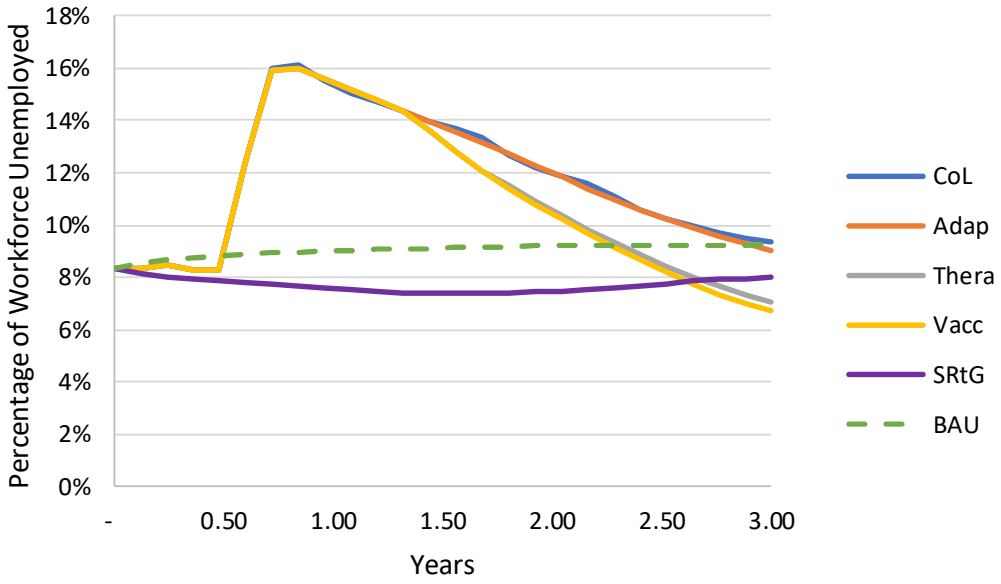


Unemployment rate

D.22 The unemployment rate follows an inverse pattern when compared with jobs filled (i.e. when jobs filled increases, the unemployment rate is reduced). In the early stages of modelling, the four lockdown scenarios follow a similar pattern. This similar pattern is primarily a result of the same assumptions being used during the furloughing period in the early part of the period and number of expected job losses (post furlough) for all four scenarios. The jobs lost, post furlough, lead to an increase in unemployment rate in all four lockdown scenarios.

D.23 After the peak in unemployment, all four scenarios see the rate falling in the longer term. The Therapeutics and Vaccine scenarios actually see slightly lower rates at the end of the three years than in the SRtG scenario, but it has to be remembered that this is in a much reduced economy. Even under the Vaccine scenario, the workforce is 50,000 people fewer than under SRtG, and the number of employed is 100,000 fewer.

Figure D.4: Lockdown Scenarios - Workforce Unemployment rate



Travel to work trips

D.24 Figure D.5: Lockdown Scenarios - Total Travel to Work trips

D.25 below illustrates the total number of travel to work trips for journeys which originate and stay within the TfSE area.

D.26 The initial drop in travel to work trips, which persists for almost half a year, is a result of the various lockdown measures (i.e. capacity constraints, working from home and furlough) being implemented. The subsequent rise in trips nearly half a year into the simulation is caused by the removal of the furlough scheme, which encourages those who have returned to work and who are not able to work from home to travel to their place of work. This rise in trips is followed by a reduction in travel to work trips due to the loss of jobs which kicks in after the furlough period[22].

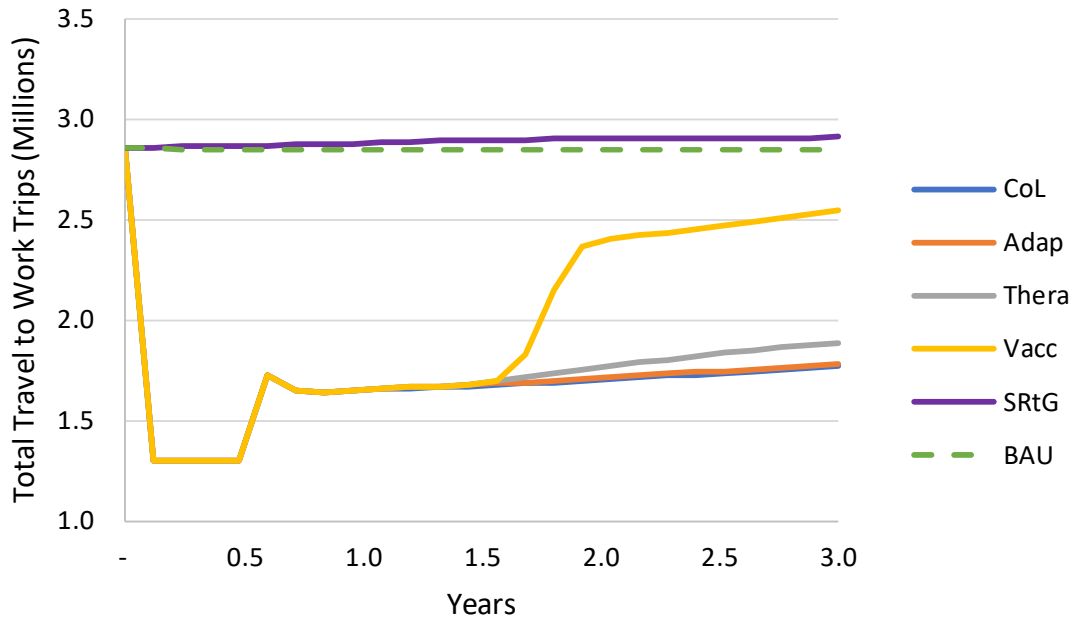
[22] The model puts the furloughed staff back in their posts and then makes them redundant. This causes the spike. In reality many of those jobs are being lost before furlough ends.

D.27 Following this, 'Cycles of Lockdown', 'Adaptation' and 'Therapeutics' follow similar paths due to multiple capacity constraints still being applied to the scenarios. 'Vaccine' on the other hand, sees a significant uplift in travel to work trips due to the removal of capacity constraints, allowing the transportation networks to return to pre-Covid capacity levels. The delay in uplift experienced under the 'Vaccine' scenario is due to the assumed timings of capacity restrictions being relaxed. These assumed timescales have been outlined in Chapter C. The total level of trips still remains lower than in the SRtG scenario, as a result of the lower employment levels and increased, long-lasting, working from home among the workforce.

D.28 It is worth noting that whereas 'Therapeutics' more closely resembled 'Vaccine' in the earlier metrics, for travel to work trips it remains significantly lower and lays closer to 'Cycles of Lockdown' and 'Adaptation'. This is due to the transport capacity constraints still applicable under 'Therapeutics', limiting the travel to work volumes, while working from home provides the remaining 'virtual' capacity.

D.29 This also explains why employed numbers and GVA eventually rise but travel to work trips do not, at least not to the same extent. Levels of working from home remain higher than in the starting position even in 'Vaccine'[23], and this means that travel to work trips do not rise as much as the numbers of employed people.

Figure D.5: Lockdown Scenarios - Total Travel to Work trips



Work from Home

D.30 As mentioned above, the 'Therapeutics' displays indications of rapid economic improvement, similar to what is experienced in 'Vaccine', despite the persistent capacity constraints on workplaces and transport. Presumably this is because the ability for employees to "Work from Home" takes up the strain, filling the gap left by the capacity loss. In Figure D.6: Lockdown Scenarios - Work From Home Volumes

[23] Because we assume employers will continue have a higher level of their workforce working from home to some degree, allowing them to use smaller premises and cut costs.

D.31 we illustrate the work from home volumes between scenarios to show the impacts of adding this capability.

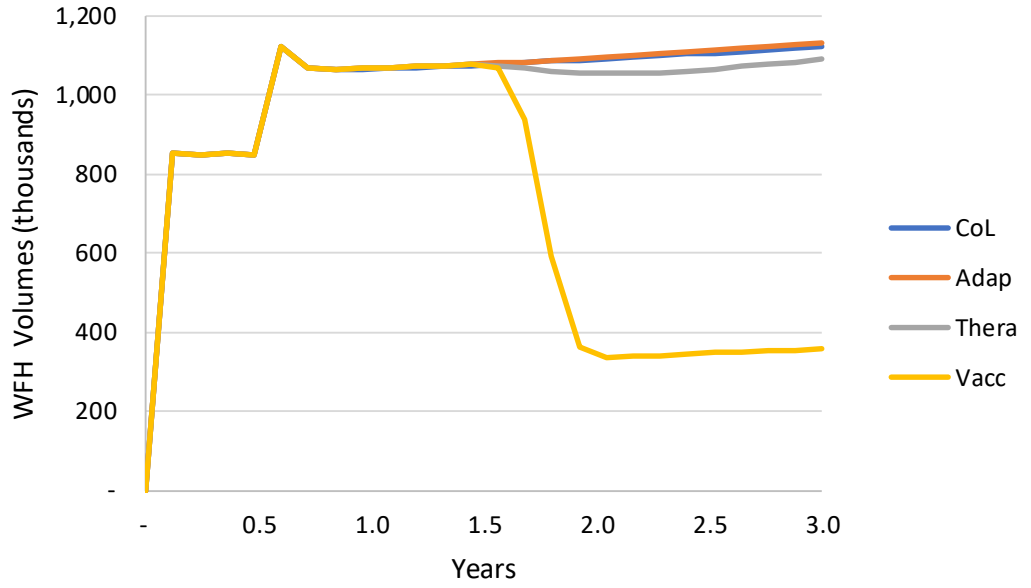
D.32 In the figure below, the initial rise in working from home volumes is a result of the introduction of this mechanism as well as the various lockdown measures (i.e. capacity constraints and furlough) being implemented. As in when investing travel to work trips, the subsequent rise in working from home volumes nearly half a year into the simulation is caused by the removal of the furlough scheme, which encourages those who had previously not been economically active to now work from home if they are in a position to do so. The peak is followed by a reduction in volumes due to loss of jobs following the furlough period.

D.33 From this point, the various Scenarios begin to diverge. 'Cycles of Lockdown' and 'Adaptation' follow similar patterns throughout the model period due to transport and workplace capacity constraints constantly being applied and therefore these volumes illustrate the maximum number of home working levels applicable under each Scenario. The slight difference between 'Cycles of Lockdown' and 'Adaptation' is due to the overall levels of employment achieved in these scenarios which affects the maximum amount of work from home as a result of business type.

D.34 Following the easing of capacity restrictions, 'Vaccine' volumes drop to levels of working from home where they stabilise to a new level, which is higher than the starting point because we assume employers will continue using home working to some degree. Investigating 'Therapuetics'' work from home volumes shows that after easing of capacity constraints home working volumes are no longer at maximum level (which is illustrated by 'CoL' and 'Adap'). As mentioned above, in 'Therapeutics', working from home is no longer a constraint and is now able to provide the remaining 'virtual' capacity. This explains the higher levels of economic outputs experienced under 'Therapeutics' without the increased level of travel to work trips seen in 'Vaccine'.

D.35 It should be noted that the work from home volumes presented for the four scenarios below are incremental to the original SRtG scenario home working assumption. Although under all scenarios levels of working from home increase, and it is assumed that these patterns do, to some extent, endure, it has not been possible to model any potential increase in trip rates during the day for other journey purposes and as a result of car availability increasing for, say, other household members also at home.

Figure D.6: Lockdown Scenarios - Work From Home Volumes



Travel to work mode shares

D.36 As can be seen above, the changing transport conditions throughout the scenarios lead to a change in travel patterns. As these conditions impact travel to work volumes, they also impact mode shares. To investigate changes in mode shares, we have tabulated the respective start and end points of each respective mode in each of the scenarios. The travel to work mode shares at the start and end point of the period that has been modelled are shown in Table D.1: Lockdown Scenarios - Start and End Mode Shares below.

Table D.1: Lockdown Scenarios - Start and End Mode Shares

Mode Shares	Starting mode shares				Ending mode shares			
	Car	Rail	Bus	Walk/cycle	Car	Rail	Bus	Walk/cycle
CoL	77.2%	4.1%	6.0%	12.7%	81.2%	1.2%	3.4%	14.2%
Adap	77.2%	4.1%	6.0%	12.7%	79.5%	2.0%	4.6%	13.9%
Thera	77.2%	4.1%	6.0%	12.7%	76.7%	4.1%	6.0%	13.2%
Vacc	77.2%	4.1%	6.0%	12.7%	74.7%	5.3%	7.4%	12.6%
SRtG	77.2%	4.1%	6.0%	12.7%	67.3%	9.4%	10.9%	12.5%
BAU	77.2%	4.1%	6.0%	12.7%	74.3%	4.7%	6.9%	14.1%

D.37 The table shows how, under SRtG conditions, the public transport mode shares are expected to increase, and the car mode share to fall. Table D.2: Lockdown Scenarios - Mode share comparison shows how the mode shares change in each case between the start and end points, and also how they change compared to the SRtG case.

Table D.2: Lockdown Scenarios - Mode share comparison

Mode Shares	Change from start				Change from SRtG			
	Car	Rail	Bus	Walk/cycle	Car	Rail	Bus	Walk/cycle
CoL	4.1%	-2.9%	-2.7%	1.5%	14.0%	-8.2%	-7.5%	1.7%
Adap	2.3%	-2.1%	-1.4%	1.2%	12.2%	-7.4%	-6.3%	1.4%

Thera	-0.4%	-0.1%	0.0%	0.5%	9.5%	-5.4%	-4.8%	0.7%
Vacc	-2.5%	1.2%	1.4%	0.0%	7.4%	-4.1%	-3.4%	0.1%
SRtG	-9.9%	5.3%	4.8%	-0.2%	-	-	-	-
BAU	-2.9%	0.6%	0.8%	1.5%	7.0%	-4.7%	-4.0%	1.7%

D.38 Table D.2: Lockdown Scenarios - Mode share comparison illustrates the SRtG scenario's interventions reduced car travel within the TfSE area by encouraging use of public transport. The lockdown scenarios have all negatively impacted public transport mode shares (rail and bus) and increased shares for walk/cycle. Even when the transport capacity restrictions have been lifted (in 'Vaccine'), the mode share for car remains higher than the levels experienced under the SRtG scenario. This happens because there are fewer travel to work trips overall (fewer jobs, more working from home) and road congestion is reduced. This makes car more attractive, relative to PT, resulting in a higher car mode share, even after the PT capacity restrictions have been lifted. The table also indicates how the mode shift effect becomes more pronounced as the capacity on public transport modes becomes more constrained (shifting from 'Vaccine' to 'Cycles of Lockdown').

Summary table

D.39 A summary table of the various scenarios relating to the main metrics: GVA, Jobs Filled, Unemployment and Total number of Travel to Work (TTW) trips at the end of the three-year modelled period is show in Table D.3 below. To assist in summarising the impacts, the Total number of Travel to Work (TTW) trips by different modes has also been provided in Table D.4 below.

Table D.3: Lockdown scenarios - Summary table

Scenario	GVA (£ Billion)	Jobs Filled (Million)	Population (Million)	Unemployed (%)	TTW trips (Million)
CoL	183.2	3.119	7.692	9.4%	1.767
Adap	184.9	3.140	7.694	9.0%	1.780
Thera	190.7	3.235	7.738	7.0%	1.886
Vacc	192.1	3.258	7.742	6.7%	2.541
SRtG	201.5	3.362	7.840	8.0%	2.908
BAU	189.1	3.192	7.733	9.3%	2.846

Table D.4: Lockdown scenarios - TTW trips by mode summary table (thousands)

Scenario	Car trips (Thousands)	Rail trips (Thousands)	Bus trips (Thousands)	Walk trips (Thousands)	TTW trips (Thousands)
CoL	1,435	21	60	250	1,767
Adap	1,415	36	82	247	1,780
Thera	1,448	77	114	249	1,886
Vacc	1,897	135	189	320	2,541
SRtG	1,955	274	316	362	2,908
BAU	2,113	134	196	402	2,846

D.40 As expected, the results of our lockdown scenario tests illustrate that the more restrictive the lockdown measures the larger the impact on economic variables such as GVA, jobs filled and

total number of travel to work trips at the end of the three-year model period. Due to the deterrence of inward migration, the total workforce unemployment figures suggest 'Therapeutics' and 'Vaccine' perform better than SRtG. This can be explained by the change in composition of and overall level of population. As we can see from the Table D.3, total jobs filled do not reach SRtG levels. Unemployment is a result of number of job seekers, divided by total workforce. Therefore, in 'Therapeutics' and 'Vaccine', even when a lower numbers of jobs are filled, they are proportionally filled by a higher percentage of the available workforce, leading to lower unemployment figures. It is also important to highlight that even under constrained conditions where mode shift to car from public transport is occurring, overall we are still observing a lower volume of car trips by the end of the three-year model period compared to both the SRtG scenario as can be seen in Table D.4.

E Intervention Results

Introduction

E.1 Analysis in the previous section showed how, as expected, each of the Covid-19 recovery scenarios has a negative impact on the region's economy, typically, compared to the SRtG scenario. In this section we look at the effect of various mitigating measures that could be employed.

E.2 The intervention tests were developed to of test the impacts of changing in transport and workplace conditions under Covid-19 Scenarios. Beyond reducing the negative effects of lockdown, the aim of these tests is to assist in and further develop an understanding of potential interventions which could be implemented in Covid-19 lockdown. For interventions outlined below which adjust transport and workplace capacities, we do not outline how this can be achieved in detail, the purpose of these interventions are to test their impact on the key variables explored in Section D.

Intervention development and assumptions

E.3 The primary restriction relating to Covid-19 lockdown scenarios is driven by the limited capacity of transport or places of work. Various intervention tests have been developed to assess the impacts of improvements relating to transport and workplace conditions.

E.4 All interventions have been assumed to take place after the furlough period has ended and resulting intervention impacts are compared at the end of the three-year modelling period. The interventions tested consist of the following:

- Intervention 1: Rail capacity halfway back to 100% from current levels (*see para E.8)
- Intervention 2: Bus capacity halfway back to 100% from current levels (*see para E.11)
- Intervention 3: Rail fares reduced by 20%
- Intervention 4: Bus fares reduced by 20%
- Intervention 5: Active mode (walking/cycling) Generalised Journey Times[24] reduced by 10%
- Intervention 6: Active mode (walking/cycling) Generalised Journey Times reduced by 20%
- Intervention 7: 20% uplift in Working from Home levels (based on business type and from current levels)
- Intervention 8: 50% uplift in Workplace capacity (from current levels)
- Intervention Bundle 1: Combination of Interventions 1, 2 and 8
- Intervention Bundle 2: Combination of Interventions 3, 4 and 6

[24] Tests reducing Generalised Journey Time (GJT) have been selected with the understanding that under Covid-19 conditions, enhancements to transport networks (e.g. widening of footpaths or cycle lanes) could lead to these modes becoming more attractive/accessible, thereby increasing the likelihood of use.

E.5 Seeing as the four Covid-19 Lockdown scenarios all share the same underlying assumptions and differ in terms of how and when capacity conditions would be expected to adjust across the model period, the intervention tests and their impacts have been tested on two of the four Covid-19 Lockdown scenarios to identify the impacts of the interventions.

E.6 'Adaptation' and 'Vaccine' have been selected for testing intervention impacts. 'Adaptation', due to being an appropriate "middle ground" scenario. As this scenario applies capacity constraints which are not the most extreme when compared to the other scenarios which apply constraints throughout the model period. 'Vaccine' has also been selected to investigate the impacts of interventions when applied to a scenario which alleviates all capacity constraints at the end of its modelled period.

E.7 As some of the intervention tests outlined above aim to test the results associated with changes to specific modes, a summary table of mode share impacts has been provided at the end of this section in Table E.12: Intervention impacts on modal split in 'Adaptation' scenario12.

Intervention Results

Intervention Test 1: Increasing rail capacity

E.8 This intervention tests the resulting impact of increasing rail capacity post furlough. In this test, rail capacity is increased to a level precisely between the scenarios assumed capacity at each respective point in the timeline (refer to Chapter 3), and 100% capacity, or as is the case for Scenario 4 ("Vaccine") until it reaches 100% capacity.

Table E.1: Intervention 1: Increasing rail capacity results

Intervention 1		GVA (Billions)	Jobs Filled (Millions)	Population (Millions)	TTW Trips (Millions)	Unemployed (* pp change)
Adap	No Intervention	185	3.3	7.7	1.8	9.0%
	Intervention 1	197	3.6	7.8	1.9	6.0%
	Percentage change	**6.3%**	**9.0%**	**1.4%**	**5.3%**	**-3.0%***
Vacc	No Intervention	192	3.5	7.7	2.5	6.7%
	Intervention 1	198	3.7	7.8	2.6	5.8%
	Percentage change	**3.1%**	**3.9%**	**0.8%**	**2.1%**	**-0.9%***

E.9 As would be expected, this intervention results in a positive impact across all metrics at the end of the three-year modelling period. Here the main economic metrics (GVA, Jobs filled, Population and Travel to Work Trips) receive a significant increase and due to this unemployment is also reduced on a percentage points level (see Table E.1 above).

E.10 'Vaccine' experiences less benefit when compared to 'Adaptation' due to 'Vaccine' already having relaxed its capacity constraints during the modelling period. This leads to a relatively short period where the benefits of the intervention can be realised. Thus, benefits experienced by Intervention 1 are driven by improving accessibility via increasing rail capacity, this increased accessibility makes economic conditions more favourable and results in more GVA, Jobs Filled, Population and Travel to Work Trips while also reducing Unemployment.

Intervention Test 2: Increasing bus capacity

E.11 This intervention tests the resulting impact of increasing bus capacity post furlough. In this test we increase bus capacity to a mid-point value between the capacity assumed available in the scenario at each respective point in the timeline (refer to Chapter 3), and 100% capacity, or until it reaches 100% capacity.

Table E.2: Intervention 2: Increasing bus capacity results

Intervention 2		GVA (Billions)	Jobs Filled (Millions)	Population (Millions)	TTW Trips (Millions)	Unemployed (* pp change)
Adap	No Intervention	185	3.3	7.7	1.8	9.0%
	Intervention 2	186	3.4	7.7	1.8	8.7%
	Percentage change	**0.7%**	**0.8%**	**0.1%**	**1.0%**	**-0.3%***
Vacc	No Intervention	192	3.5	7.7	2.5	6.7%
	Intervention 2	193	3.5	7.7	2.5	6.6%
	Percentage change	**0.2%**	**0.3%**	**0.0%**	**0.3%**	**-0.1%***

E.12 As in Intervention 1, Intervention 2 also increases the capacity on a constrained public transport mode network, however this time for buses instead of rail. This results in a positive impact across all metrics. Notably, the increase applied to bus capacity under Intervention 2 is lower than that the capacity increase of rail in Intervention 1 as a higher level of bus capacity was assumed in each scenario (The levels of bus and rail capacity assumed in the four scenarios can be seen in Chapter 3). This in turn reduces the impact of the Intervention (see Table E.2 above).

E.13 'Vaccine' again experiences lower levels of this interventions benefits when compared to 'Adaptation', due to completely relaxing its capacity constraints during the modelling period.

Intervention 3: Reducing rail fares

E.14 This intervention tests the resulting impact of reducing rail fares post furlough. In this test following the furlough period rail fares have been reduced by 20%.

Table E.3: Intervention 3: Reducing rail fares results

Intervention 3		GVA (Billions)	Jobs Filled (Millions)	Population (Millions)	TTW Trips (Millions)	Unemployed (* pp change)
Adap	No Intervention	185	3.3	7.7	1.8	9.0%
	Intervention 3	185	3.3	7.7	1.8	9.0%
	Percentage change	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%***
Vacc	No Intervention	192	3.5	7.7	2.5	6.7%
	Intervention 3	192	3.5	7.7	2.5	6.7%
	Percentage change	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%***

E.15 The impact experienced when reducing rail fares is relatively insignificant for both scenarios. This is due to the constraints experienced under our scenarios relating to the capacity levels of the transport networks and not price (see Table E.3 above).

Intervention 4: Reducing bus fares

E.16 This intervention tests the resulting impact of reducing bus fares post furlough. In this test following the furlough period bus fares have been reduced by 20%.

Table E.4: Intervention 4: Reducing bus fares results

Intervention 4		GVA (Billions)	Jobs Filled (Millions)	Population (Millions)	TTW Trips (Millions)	Unemployed (* pp change)
Adap	No Intervention	185	3.3	7.7	1.8	9.0%
	Intervention 4	185	3.3	7.7	1.8	9.0%
	Percentage change	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%***
Vacc	No Intervention	192	3.5	7.7	2.5	6.7%
	Intervention 4	192	3.5	7.7	2.5	6.7%
	Percentage change	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%***

E.17 Similar to Intervention 3, the impact experienced when reducing bus fares is insignificant for both scenarios. As highlighted above, the lack of impact is a result of the constraints on mode capacity. An attempt to increase affordability at an already capacity constrained network results in no additional benefit, as this reduced capacity is the main constraint inhibiting the generation of more trips (see Table E.4 above).

Intervention 5: Reducing active mode GJTs (10%)

E.18 This intervention tests the impact of reducing generalised journey times for active modes (walk and cycle) post furlough. In this test following the furlough period the generalised journey times for active modes within the TfSE area have been reduced by 10%.

Table E.5: Intervention 5: Reducing active mode GJTs (10%) results

Intervention 5		GVA (Billions)	Jobs Filled (Millions)	Population (Millions)	TTW Trips (Millions)	Unemployed (* pp change)
Adap	No Intervention	185	3.3	7.7	1.8	9.0%
	Intervention 5	185	3.3	7.7	1.8	9.0%
	Percentage change	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%***
Vacc	No Intervention	192	3.5	7.7	2.5	6.7%
	Intervention 5	192	3.5	7.7	2.5	6.7%
	Percentage change	**0.0%**	**0.0%**	**0.0%**	**0.2%**	**0.0%***

E.19 Reducing the Generalised Journey Times by 10% for active mode trips results in relatively minor impacts across the metrics explored for both scenarios. This is due to, under scenario conditions, active modes already being the preferred mode of choice when available (see Table E.5 above).

E.20 Therefore, the reduction in generalised journey time for active modes does not lead to a significantly greatly number of trips/accessibility. Although there is a low change in number travel to work trips, the mode shares of walk/cycle do increase by a further 0.5% for both Scenarios. It should be highlighted that there is a minor increase in 'Adaptation' travel to work trips, but the impact is too small to record in Table 5.5.

Intervention 6: Reducing active mode GJTs (20%)

E.21 This intervention tests the resulting impact of reducing generalised journey times for active modes (walk and cycle) post furlough. In this test following the furlough period the generalised journey times for active modes within the TfSE area have been reduced by 20%.

Table E.6: Intervention 6: Reducing active mode GJTs (20%) results

Intervention 6		GVA (Billions)	Jobs Filled (Millions)	Population (Millions)	TTW Trips (Millions)	Unemployed (* pp change)
Adap	No Intervention	185	3.3	7.7	1.8	9.0%
	Intervention 6	185	3.3	7.7	1.8	9.0%
	Percentage change	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%***
Vacc	No Intervention	192	3.5	7.7	2.5	6.7%
	Intervention 6	192	3.5	7.7	2.6	6.7%
	Percentage change	**0.0%**	**0.0%**	**0.0%**	**0.5%**	**0.0%***

E.22 Once again, reducing the Generalised Journey Times, this time by 20%, for active mode trips results in relatively minor impacts for both scenarios. As in the discussion regarding Intervention 5, the reason to the impact being marginal is due to the highly congested network in the model. The high level of congestion leads individuals that can already access work via active mode already opting to do so. The reduction in Generalised Journey Time for active modes therefore does not lead to a significantly greatly number of trips/accessibility or economic output, it does however lead to an increased walk/cycle mode share of around 1.2% for both Scenarios. It should be highlighted that there is a minor increase in 'Adaptation' travel to work trips, but the impact is almost negligible, due to transport network still being highly constrained, whereas 'Vaccine' does experience some uplift in travel to work trips (see Table E.6 above).

Intervention 7: Increasing ability to Work from Home

E.23 This intervention tests the impact of increasing the ability of employees to work from home post furlough. In this test following the furlough period the work from home capability has been increased by 20% across all business types. The maximum level of working from home capability is capped at 100% for industries were an uplift of 20% working from home capability would exceed the maximum number of employees.

Table E.7: Intervention 7: Increasing work from home level results

Intervention 7		GVA (Billions)	Jobs Filled (Millions)	Population (Millions)	TTW Trips (Millions)	Unemployed (* pp change)
Adap	No Intervention	185	3.3	7.7	1.8	9.0%
	Intervention 7	186	3.4	7.7	1.5	8.6%
	Percentage change	**0.8%**	**1.0%**	**0.2%**	**-18.2%**	**-0.5%***
Vacc	No Intervention	192	3.5	7.7	2.5	6.7%
	Intervention 7	193	3.6	7.7	2.5	6.6%
	Percentage change	**0.4%**	**0.5%**	**0.1%**	**0.3%**	**-0.1%***

E.24 Increased levels of working from home has positive impacts on GVA, Jobs Filled, Population and reduces the unemployment rate due to indirectly increasing the accessibility of the workforce. In 'Adaptation', this intervention reduces the number of trips expected due to the workforce and improves other metrics due to enabling the workforce to contribute economically whether they commute to work or not (see Table E.7 above).

E.25 In 'Vaccine', where capacity constraints are no longer applicable, sees less benefit, only a experiencing modest uplifts in GVA, Jobs Filled, Population and reduction in the unemployment rate. Conversely to 'Adaptation', when testing the intervention on the 'Vaccine' scenario, there is an increase in total travel to work trips experienced. This is due to any jobs created which would not be able to work from home needing to commute to their place of work.

E.26 The reason as to why 'Vaccine' isn't impacted as significantly as 'Adaptation' is due to the way the Work from Home function is applied in the model. The mechanism increases the number of people who can work from home, however the model does not adjust the likelihood of them doing so, as it won't model the behavioural response to home working ability. The modelling approach therefore does not make the trade-off between home working and travel to work dynamically. The assumed amount of working from home is instead an input derived from workshops held with delegates of the Transport Strategy Working Group (TSWG) and Transport Forum. The assumption to not increase home working in the 'Vaccine' scenario is a limitation of the modelling exercise, but should be identified as a sensitivity that could be run as part of further analysis. The uplift experienced in 'Vaccine' is a result of the short period where capacity constraints were applicable to the scenario and therefore benefited from increasing the employee's ability to Work from Home.

Intervention 8: Increasing workplace capacity

E.27 This intervention tests the resulting impact of increasing workplace capacity post furlough. In this test following the furlough period, workplace capacity has been assumed to increase, by a value of 50% greater than the scenarios originally assumed capacity. The workplace capacity has been capped at 100% for industries were an uplift of 50% or lower would exceed the maximum capacity achievable under normal conditions.

Table E.8: Intervention 8: Increasing workplace capacity results

Intervention 8		GVA (Billions)	Jobs Filled (Millions)	Population (Millions)	TTW Trips (Millions)	Unemployed (* pp change)
Adap	No Intervention	185	3.3	7.7	1.8	9.0%
	Intervention 8	184	3.3	7.7	2.4	9.2%
	Percentage change	**-0.3%**	**-0.3%**	**0.0%**	**35.9%**	**0.2%***
Vacc	No Intervention	192	3.5	7.7	2.5	6.7%
	Intervention 8	192	3.5	7.7	2.5	6.8%
	Percentage change	**-0.1%**	**-0.2%**	**0.0%**	**-0.1%**	**0.1%***

E.28 Intervention 8 increases workplace capacity which encourages more travel to work trips. Under constrained public transport network conditions, these additional trips are translated into car trips, the additional car trips lead to higher levels of congestion on the road network. Higher levels of congestion result in decreased accessibility within the TfSE transport network. Lower levels of accessibility, squeezes out those who are more sensitive to changes in costs and therefore reduces the number of total jobs filled, lowering GVA and increases the Unemployment rate. Impacts for 'Vaccine' are dampened slightly due to it only having constrained capacity for a relatively short period of time after furlough (see Table E.8 above).

Intervention Bundle 1: Increasing rail, bus and workplace capacity

E.29 This package of interventions tests the impacts of combining tests 1, 2 and 8 which increase rail bus and workplace capacity. As such, the transport capacities, on public modes, and

workplace capacities are less constrained post-furlough period under this Intervention Bundle test.

Table E.9: Intervention Bundle 1 Results

Intervention Bundle 1		GVA (Billions)	Jobs Filled (Millions)	Population (Millions)	TTW Trips (Millions)	Unemployed (* pp change)
Adap	No Intervention	185	3.3	7.7	1.8	9.0%
	Bundle 1	197	3.6	7.8	2.6	5.9%
	Percentage change	**6.4%**	**9.3%**	**1.4%**	**44.5%**	**-3.2%***
Vacc	No Intervention	192	3.5	7.7	2.5	6.7%
	Bundle 1	198	3.7	7.8	2.6	5.8%
	Percentage change	**3.1%**	**3.9%**	**0.8%**	**2.3%**	**-0.9%***

E.30 This Intervention Bundle relaxes capacity constraints associated with the lockdown scenarios. As capacity restriction is the one of the main inhibiting factors found within our lockdown scenarios, when easing the constraints applied to both the workplace capacity with transport capacity all economic variables react positively (see Table E.9 above).

E.31 It should be noted that by relaxing both the transport and workplace capacity constraints, the negative effects experienced in Intervention 8, where only workplace capacity was increased, are no longer experienced and similarly the benefits of improving transport capacity (Interventions 1 & 2), are further enhanced.

Intervention Bundle 2: Reducing cost (rail fares, bus fares and walk/cycle GJT)

E.32 This package of interventions tests the impacts of combining tests 3, 4 and 6. As such, the costs associated with non-car related transport have been decreased to investigate the resulting impacts under this Intervention Bundle test.

Table E.10: Intervention Bundle 2 Results

Intervention Bundle 2		GVA (Billions)	Jobs Filled (Millions)	Population (Millions)	TTW Trips (Millions)	Unemployed (* pp change)
Adap	No Intervention	185	3.3	7.7	1.8	9.0%
	Bundle 2	185	3.3	7.7	1.8	9.0%
	Percentage change	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%***
Vacc	No Intervention	192	3.5	7.7	2.5	6.7%
	Bundle 2	192	3.5	7.7	2.6	6.7%
	Percentage change	**0.0%**	**0.0%**	**0.0%**	**0.5%**	**0.0%***

E.33 In this Intervention Bundle test, it is clearly illustrated that by trying to improve accessibility by reducing the costs associated with transport where capacity constraints are the bottleneck, the benefits of reducing costs are not able to be realised. Seeing as this Intervention Bundle still doesn't resolve the capacity constraints experienced in the lockdown scenarios, the benefits realised arrive at results mirroring those experienced under Intervention 6 where active mode GJTs were reduced. When reviewing the outputs in greater detail, there were found to be slightly more trips when applying Bundle 2 than only Intervention 6, however the impacts were relatively minor (see Table E.10 above).

Summary table of Intervention tests

E.34 To assist with highlighting the results of the intervention tests, a summary table of the implied impacts has been produced. These are shown in Table E.11: Intervention test summary table. In this table, the impacts have been outlined on a percentage base. Green cells identify a positive change to corresponding variable at the end of the three-year model period, whereas red indicate an undesirable change to corresponding variable and no-colour indicates no significant change. Travel to Work trips have been greyed out as the desired outcome regarding this metric is dependent on the intention behind the intervention tested. For example, increasing the total number of travel to work trips could be desirable when these increased trips are due to increased public transport usage (Test 1 and 2), and not desirable when the increased travel to work trips are the result of increase car trips (Test 8).

E.35 Due to some minor difference in the results found when testing interventions on 'Adaptation' and 'Vaccine', which are due to 'Vaccine' not having any capacity restrictions at the end of its model period, the table below indicates the impacts recorded on 'Adaptation'. All impacts have been rounded to the nearest percentage change. In the table the change in unemployment metric is provided as "percentage point change".

E.36 To assist in the review of the summary tables, a short summary description of the Interventions tested has been provided below:

- Intervention 1: Capacity **halfway back** to 100% **rail** capacity from current levels
- Intervention 2: Capacity **halfway back** to 100% **bus** capacity from current levels
- Intervention 3: **Rail** fares reduced by **20%**
- Intervention 4: **Bus** fares reduced by **20%**
- Intervention 5: **Active mode** (walking/cycling) Generalised Journey Times reduced by **10%**
- Intervention 6: **Active mode** (walking/cycling) Generalised Journey Times reduced by **20%**
- Intervention 7: **20%** uplift in **Working from Home** levels (based on business type and from current levels)
- Intervention 8: **50%** uplift in **Workplace Capacity** (from current levels)
- Intervention Bundle 1: Combination of Interventions 1, 2 and 8
- Intervention Bundle 2: Combination of Interventions 3, 4 and 6

Table E.11: Intervention test summary table

	Intervention Test									
Metric	1	2	3	4	5	6	7	8	B1	B2
GVA	6%	1%	0%	0%	0%	0%	1%	0%	6%	0%
Jobs	9%	1%	0%	0%	0%	0%	1%	0%	9%	0%
Pop	1%	0%	0%	0%	0%	0%	0%	0%	1%	0%
TTW	5%	1%	0%	0%	0%	0%	-18%	36%	45%	0%
Unemp	-3%	0%	0%	0%	0%	0%	0%	0%	-3%	0%

E.37 From Table E.11: Intervention test summary table above we can clearly identify that Intervention Test 1 and Bundle 1 are the only two tests which positively impact all economic metrics compared to the "no intervention" baseline. The remaining tests either don't impact these metrics significantly to be recorded in the above table or only modestly affect GVA and Jobs Filled by 1% (as is the case in Intervention Test 2 and 7).

E.38 The economic impacts realised in Intervention Test 1 and Bundle 1 are very similar, however one large difference is in the total number of travel to work trips, where Bundle 1 experiences significantly greater trips in its test. The similarity in economic variables stems from the impacts of increasing available rail capacity on the network in Intervention 1, which highlights the significant importance of rail accessibility within the TfSE area.

E.39 Impacts relating to the mode splits as a result of the interventions tested have been summarised in Table E.12: Intervention impacts on modal split in 'Adaptation' scenario, for the 'Adaptation' Scenario, below. The values presented in the below table highlight the resulting modal split at the end of the three-year model period.

Table E.12: Intervention impacts on modal split in 'Adaptation' scenario

Intervention Test	Car	Rail	Bus	Walk/Cycle
No Intervention	79.5%	2.0%	4.6%	13.9%
Test 1	77.5%	4.8%	4.3%	13.3%
Test 2	76.9%	2.0%	8.0%	13.0%
Test 3	79.5%	2.0%	4.6%	13.9%
Test 4	79.5%	2.0%	4.6%	13.9%
Test 5	78.9%	2.0%	4.6%	14.5%
Test 6	78.3%	2.0%	4.6%	15.1%
Test 7	78.8%	2.4%	5.2%	13.6%
Test 8	80.5%	1.5%	3.8%	14.2%
Bundle 1	77.0%	3.8%	6.3%	12.9%
Bundle 2	78.3%	2.0%	4.6%	15.1%

E.40 When reviewing the impacts on mode splits, the results are as would be expected. **Tests 1 and 2**, which increase the capacity of rail and bus respectively, lead to an increased level of each respective mode share.

E.41 **Tests 3 and 4**, which reduce the fare of bus and rail respectively have no resulting impact on mode shift, due to the capacity constraints inhibiting any additional travel on these already congested transport modes.

E.42 Reducing the Generalised Journey Times of Walking/Cycling by 10% and 20% respectively in **Tests 5 and 6** increase the shares of active modes but has little direct impact on the economic metrics assessed.

E.43 Intervention **Test 7**, which levels of home working, reduces the total level of travel to work trips and leads to a reduction in car and active modes splits, thereby slightly increasing rail and bus mode shares.

E.44 Increasing the capacity of workplaces in **Test 8** results in more travel to work trips, which on an already capacity constrained public transport network would be dominated by an increase in car and walk/cycle trips, which is reflected in the mode shares presented.

E.45 **Intervention Bundle 1**, which adjusted rail, bus and workplace capacities, leads to an increase in public mode (rail and bus) shares.

E.46 Whereas **Intervention Bundle 2**, which focused on reducing rail and bus fares, while also reducing walk/cycle generalised journey times, had the same impact as test 6, which only improved walk/cycle generalised journey times, due to the reduction in fare having no impact on a capacity constrained public transport network.

F Concluding Remarks

General

F.1 The South East Economy and Land Use Model has been successfully modified to enable it to simulate the effects of Lockdown in relation to the economy and travel impacts. This enables the rehearsing of various Lockdown Scenarios to be undertaken. The new mechanisms incorporated allowed for a range of intervention testing to take place with the aim being to assist in the identification of potential measures which could be implemented when attempting to reduce the negative impacts associated with the various Lockdown scenarios.

F.2 There are many uncertainties regarding Covid-19 related impacts on travel behaviour, the assumptions and proxies used in the model, and as part of the various scenario testing performed, could be further refined as part of future studies, were more time and resources made available. These refinements include, but are limited to, the assumptions underpinning each scenario. For example, reflecting observed of forecast changes in working from home patterns, percentage of jobs remaining post-furlough, and the percentage of staff placed on furlough. Another area for potential future improvement relates to the application of hard lockdown and how this mechanism is implemented across the various scenarios.

Conclusions

F.3 The “furlough scheme” has been effective at “cushioning” some of the economic “blows” of the pandemic. The Chancellor of the Exchequer’s recent announcements about the continuation of financial support over the winter are positive and should help to protect the region’s economy. However, these modelling results show that when the “furlough scheme” ends (regardless of when) there will likely be a major economic response – driven by increased rates of unemployment. The region should be ready to adapt to this as necessary.

F.4 Until the end of the “furlough scheme”, there is not a significant divergence in socio-economic outcomes between the scenarios. Beyond the end of the scheme though, there is a marked divergence in outcomes. It appears that they key determinant of the economic impact is the assumed level of capacity restrictions on public transport and in the workplace – which are ultimately determined by the public health requirement for social distancing and consumer behaviour. Lower requirements for social distancing would mean lower capacity restrictions and, consequently, a more rapid economic recovery.

F.5 Determining how to vary public transport capacity will be challenging. Increasing capacity has measurable and significant benefits in most cases, but will likely be expensive as it will require more rolling stock and buses to be provided if social distancing has to be maintained, at a time when farebox revenues are down, which is potentially problematic. However, increasing this capacity has the potential to bring significant benefits. For example, restricted public transport will encourage higher car usage, which is environmentally damaging. By contrast, increasing the availability of public transport (particularly rail) has significantly positive impacts upon the region’s economy. Rail capacity has a particularly strong impact upon the region’s recovery.

F.6 Ultimately though, we must remember that there are many 'known unknowns' surrounding the future impacts of Covid-19. As evidenced by this modelling, very small changes in the trajectory of the pandemic, or very small changes in assumptions about how it will impact our society, lead to major differences in socio-economic outcomes. As such, more than anything, these results emphasise the importance of building resilience into future planning for the region. Remaining flexible and adaptable will ensure that the region sees the best possible outcomes for residents in this highly uncertain time.

F.7 The outputs from this report are a 'rehearsal' of scenarios lockdown and subsequent recovery scenarios rather than a 'forecast'. It provides a range of possible outcomes, rather than exact description of what will happen. Many of them show that the region's economy and associate metrics will be negatively impacted at a regional level for an extended period.

F.8 In some scenarios, the long-term prognosis for the area is good. This is particularly the case if a vaccination is found, where the economy will rebound, initially to higher GVA than would have been expected pre-Covid, due to higher availability of labour in the area.

Key findings and recommendations

F.9 We provide the following recommendations based on the result of this modelling:

1. GVA impacts over the next three could be between 5% and 9% lower than the preferred "Sustainable Route to Growth" scenario; population up to 2% less; unemployment up to 18% more; and the number of work trips made per day between 14 and 39% less - economic recovery will, therefore, take years rather than months.
2. The longer it takes for an effective treatment or the successful roll out of a vaccine the more severe the economic impacts, and the longer the pandemic lasts, the less likely recovery will be to previous "norms" and trajectories - the industrial sectors, their scale and location of operation, means of operation, and forecast growth will be different. Correspondingly, labour market catchments will shift, along with corresponding travel behaviours, and over time, further shift as people change jobs and home locations.
3. How, where and when these shifts occur at a regional scale are not fully understood and have consequences for not only transport, but also land use, economic development, and other areas of planning and commerce/business. Planning must be flexible and adaptable due to a) changing number, location and types of jobs and socio-demographics of the people; and b) the unpredictability of the economic outlook - retaining flexibility will help ensure resilience. Future Area Study work should consider not only the likely and forecast impacts of planned development from Local Plans on transport and travel, but also be attuned to how spatial patterns may change or how development could be accommodated more sustainably from a transport perspective. development on
4. Investment in digital technology has the potential to facilitate economic resilience and recovery as partially evidenced from increased levels of home working and remote access to services and amenities – "Digital as a Mode". Increased homeworking may reduce commuting trips, and longer distance trips, which cause particularly high levels of pollution.
5. Increased homeworking may also reduce trip-chaining (e.g. combining a commute trip with a school drop-off or grocery shop). However, these and other trips still need to be made and there could be an increase in trips made outside of the AM and PM peaks. Also, with a car more likely to be available at home most of the day, household members may make more trips by car (because they can now). Ultimately, though, increased homeworking is likely to be environmentally beneficial, and therefore, it is advocated that digital (to ultra-fast broadband) and mobile (to 5G) connectivity are improved to ensure the potential for this is maximised.

6. Although an increase in car mode share has been forecast, this has been offset by a reduction in total numbers of trips resulting from decreased work trips (i.e. higher levels of working from home and a lower number of jobs) at a region-wide level. This overall reduction in the total number of car trips is forecast to last at least three years, as per the modelling. It is unclear how this will change beyond this period, but we could well be planning in the medium to long term for lower levels of car traffic than previously envisaged. It is also possible that through changing travel patterns as a result of where people live and work and how they work, that demand for car travel spreads to outside the peaks and moves away from some of the most congested radial routes in the region.

7. With more dispersed patterns of travel temporally and spatially, it is harder to accommodate these travel patterns by frequent, fixed-route public transport. Existing fixed route transport may also be made less viable with fewer peak trips.

8. While passenger demand for public transport is suppressed due to capacity constraints and economic and behavioural responses, sustaining and increasing public transport (including shared mobility and on-demand service) capacity, accessibility, and connectivity is necessary as a direct response to ensure that people who are reliant on public transport and need to travel can. It is also important for managing congestion in our towns, cities and along our major corridors.

9. Again, investment will have direct and wider benefits for the economy, society and the environment. Support for public transport (e.g. additional funding for subsidies or direct payments to operators, promotional campaigns) are required for maintaining levels of service and growing demand as rapidly as possible. Further measures could include the use of new technologies such as integrated ticketing to encourage wider use of services across the area; bus priority measures; and mass rapid transit.

10. There could also be opportunities to reimagine how the demand for trips can be made sustainably, and how we make best use our existing networks and capacity. Considerations of how new technologies, and future mobility, are used to deliver these changes, will be paramount for ensuring that they provide improved quality of life for all of the region's residents, workers and visitors. On the rail network, this could include a range of options, not all concurrent, such as further "metroisation" of rail services to/from our region's largest Major Eocnomic Hubs and to/from London; to creating paths for more long- distance express services.

11. While in isolation active travel interventions do not directly lead to high positive impacts against the metrics analysed using a **regional model**, at a **local level**, such interventions are import and for public health and road safety, improving public realm, and managing town and city centre congestion in direct response to mitigating the adverse economic, social, and environmental impacts of Covid-19 and its impacts. In addition, such interventions support wider objectives not directly related to Covid-19.

Control Information

Prepared by

Steer
28-32 Upper Ground
London SE1 9PD
+44 20 7910 5000
www.steergroup.com

Prepared for

Transport for the South East
County Hall
St. Anne's Crescent
Lewes
East Sussex
BN7 1UE

Steer project/proposal number

23433708

Client contract/project number

Author/originator

SXJ

Reviewer/approver

SGB

Other contributors

JYS, LLC, JCO, RGG

Distribution

Client: TfSE

Steer: Project Team

Version control/issue number

V1 Internal Review
V2 First draft for Client
V3 Revised draft for Client
V7 Draft final for Client
V9 Draft final for Senior Officer Group

Date

28 September 2020
29 September 2020
06 November 2020
04 December 2020
11 January 2021

Agenda item 7

Report to:	**Shadow Partnership Board –Transport for the South East**
Date of meeting:	**28 January 2021**
By:	**Lead Officer, Transport for the South East**
Title of report:	**Lead Officer's Report**
Purpose of report:	**To update the Board on the recent activities of Transport for the South East**

RECOMMENDATION:

The members of the Shadow Partnership Board are recommended to note the activities of Transport for the South East between October - December 2020.

---

1. Introduction

1.1 Reflecting on 2020, we should be proud of what our partnership has achieved under such difficult circumstances. We finished consulting on and submitted to Government our transport strategy and proposal with full sign off and consent from all partners; our future mobility strategy commenced and is now nearing completion; we received confirmation of DfT funding and launched our outer orbital area study with work just beginning on a further two area studies; and we are reviewing the tender bids for our freight strategy.

1.2 In addition, transport minister, Baroness Vere headlined our annual conference (which was held virtually for the first time) and confirmed that she has instructed Department for Transport officials to have regard to Transport for the South East's transport strategy when developing government policy. Although disappointing the Secretary of State did not want to take forward our proposals for statutory status at this time, we can be confident that our case will only continue to strengthen as we develop our strategic investment plan and set out our priorities for the future.

1.3 2021 will be another busy year for the technical work programme as we create the building blocks of the strategic investment plan, so I am pleased that our grant conditions have allowed us to recruit two fixed term posts to support the extensive programme.

2. Engagement activity

2.1 A variety of stakeholder engagement activity has continued to take place and in November I participated in virtual panel discussions at Highways UK and a road pricing discussion as part of CIHT's webinar series.

2.2 More information on all of the engagement activity carried out over the past few months can be found in the Communications and Engagement Update, agenda item 11.

3. Joint STB work

3.1 A joint STB meeting took place in December 2020 where the main subject for discussion was funding for 2021/22 in light of the reduction from a three year, to a one year spending review. The DfT confirmed the process for each STB to submit their business plans and funding bids and outlined that we are likely to receive confirmation in early 2021.

Updates were also given from each of the working groups focusing on the different areas of joint working (for example rural mobility, future mobility and freight).

4. Conclusions and recommendations

4.1 Despite the challenges of this year, the technical programme has remained on track and with a strong bid for further DfT grant funding for 2021/22, TfSE will be able to bring the rest of the technical programme online to build the strategic investment plan.

4.2 The Shadow Partnership Board is recommended to note the activities undertaken by TfSE.

RUPERT CLUBB
Lead Officer
Transport for the South East

Contact Officer: Jasmin Barnicoat
Tel. No. 07749 436080
Email: jasmin.barnicoat@eastsussex.gov.uk

Agenda Item 8

Report to: **Shadow Partnership Board - Transport for the South East**

Date of meeting: **28 January 2021**

By: **Lead Officer, Transport for the South East**

Title of report: **Area Studies Progress Update**

Purpose of report: **To provide a progress update on the area studies programme.**

RECOMMENDATION:

The members of the Shadow Partnership Board are recommended to note the progress with work on the area studies.

---

1 Introduction

1.1 The purpose of this report is to provide a progress update on the five area studies.

2 Financial considerations

2.1 In May 2019 the Department for Transport (DfT) made a grant award of £500,000 to TfSE to take forward the technical work programme including the area studies. On 13 March 2020, the DfT approved a variation to the £500,000 grant, authorising TfSE to undertake additional preliminary tasks to ensure that a robust evidence base was in place for the area studies. The remaining funding available from the 2019/20 grant was sufficient to enable TfSE to proceed with commissioning one area study.

2.2 In August 2020 the DfT made a grant award of £1,225,000 to TfSE to take forward further elements of the technical work programme including the area studies. This provides sufficient funding to take forward two further area studies. Completion of the final two studies would be subject to a further funding award covering 2021/22.

3 Area studies background

3.1 The programme of area studies will identify where geographically, when in time, and under what conditions, specific scheme interventions and wider policy initiatives should be implemented across the South East to deliver our vision for 2050 that is set out in the transport strategy for the South East.

3.2 The specific geographic location and movement types within scope for each study was agreed at the Shadow Partnership Board meeting on 22 October 2020. Five area studies are to be carried out, two focusing on orbital movements and three focusing on radial movements across the TfSE geography. Maps showing the geographies of each study are included at Appendix 1.

3.3 At the meeting on 22 October 2020, Members of the Shadow Partnership Board also agreed the sequencing and programme for the area studies as shown in the table below;

Study	Funding position	Start date
Outer Orbital	2019/20 DfT grant	August 2020
Inner Orbital	2020/21 DfT grant	December 2020
South Central Radial	2020/21 DfT grant	December 2020
South West Radial	Subject to further funding in 2021/22	April 2021
South East Radial	Subject to further funding in 2021/22	April 2021

3.4 A programme showing the timescales for undertaking the studies and the Strategic Investment Plan is shown at Appendix 2. A diagram showing the stages and steps of work to be undertaken through the area studies is shown at Appendix 3.

4 Outer Orbital Area Study

4.1 The outer orbital area study commenced in August 2020 and work is progressing well. Stage B (evidence base development) which will set out the need for intervention and identify study specific aims and objectives is substantially complete. Work has also started on Stage C (option generation and assessment) to prepare a long list of potential interventions that will then be assessed against against those objectives.

4.2 Stakeholders have been engaged throughout with monthly outer orbital working group discussions providing the opportunity for detailed technical input and challenge from TfSE's constituent authorites and other key stakeholders as the work progresses. The outer orbital area study forum has also met twice to feed in wider stakeholder views at key points, including setting the objectives for the study. To date there has been a very good level of engagement from those attending these meetings.

4.3 The timescales for the outer orbital study have been extended to allow for some additional analysis of the evidence base to ensure that the need for intervention and investment is clearly articulated within the study objectives. This has had no impact to the overall area studies programme and lessons learned from this stage will be incorporated into subsequent area studies.

5 Inner Orbital and South Central Radial Area Studies

5.1 Mobilisation of the inner orbital study and south central radial study commenced in December 2020, and work is now underway on Stage B (evidence base development).

5.2 The stakeholder groups have been set up for these studies and each of the working groups have met once. The first area study forum meetings for these two are scheduled for early February 2021.

6 South West Radial and South East Radial Area Studies

6.1 Members of the Shadow Partnership Board will recall that the programme for delivering the studies is phased over two financial years. Commencement of the south west radial and south east radial studies is currently programmed to start in April 2021, subject to further funding being confirmed from DfT.

7 Conclusions and recommendations

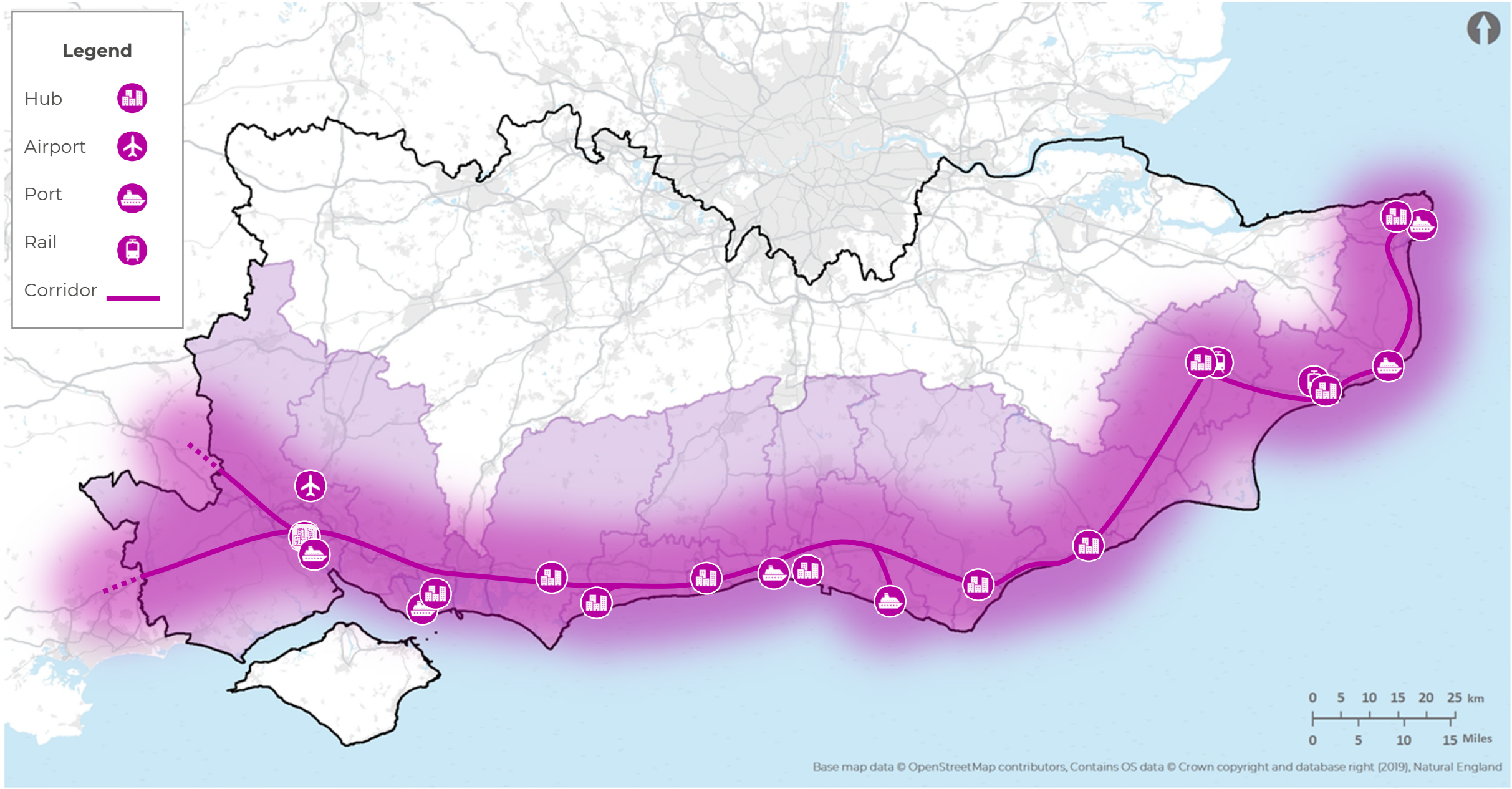
7.1 The Shadow Partnership Board is recommended to note the work undertaken to date and the progress made with the area study work programme. A further progress update on the area studies will be presented to the Shadow Partnership Board at the April 2021 meeting.

RUPERT CLUBB
Lead Officer
Transport for the South East

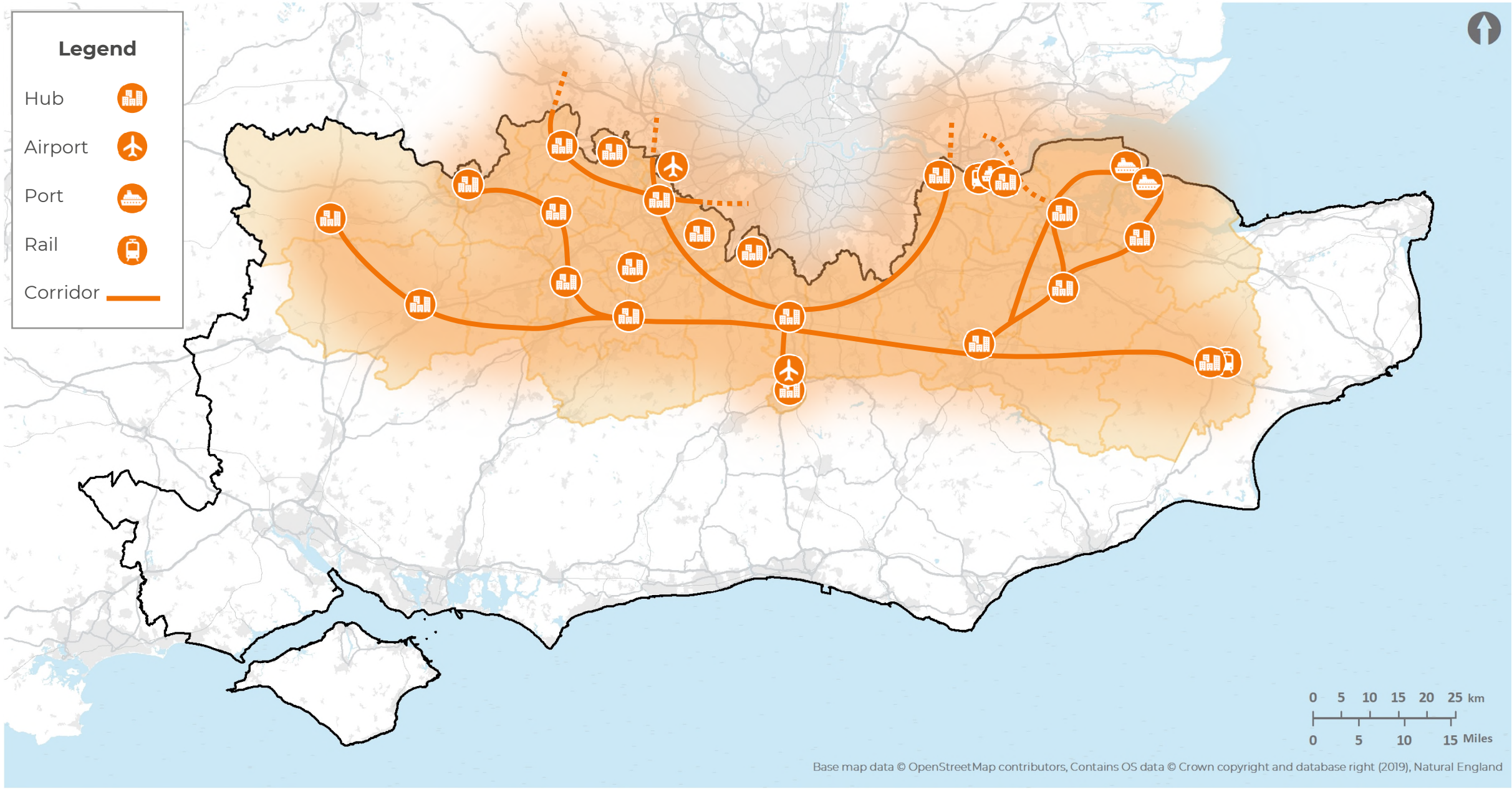
Contact Officer: Sarah Valentine
Tel. No. 07710 394355
Email: sarah.valentine@eastsussex.gov.uk

Appendix 1 - Area Studies Geographies

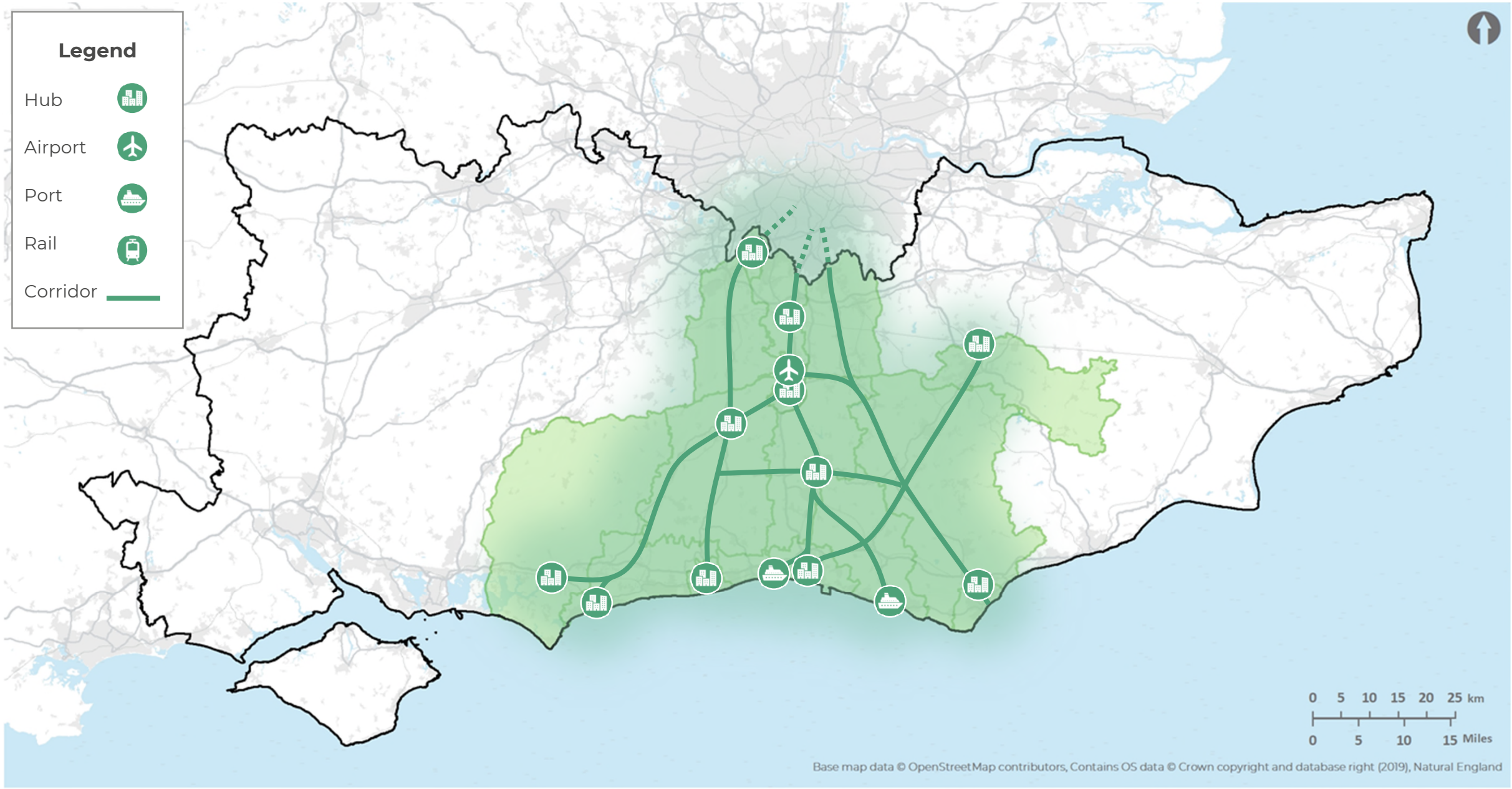
Outer Orbital Area | Major Economic Hubs and International Gateways



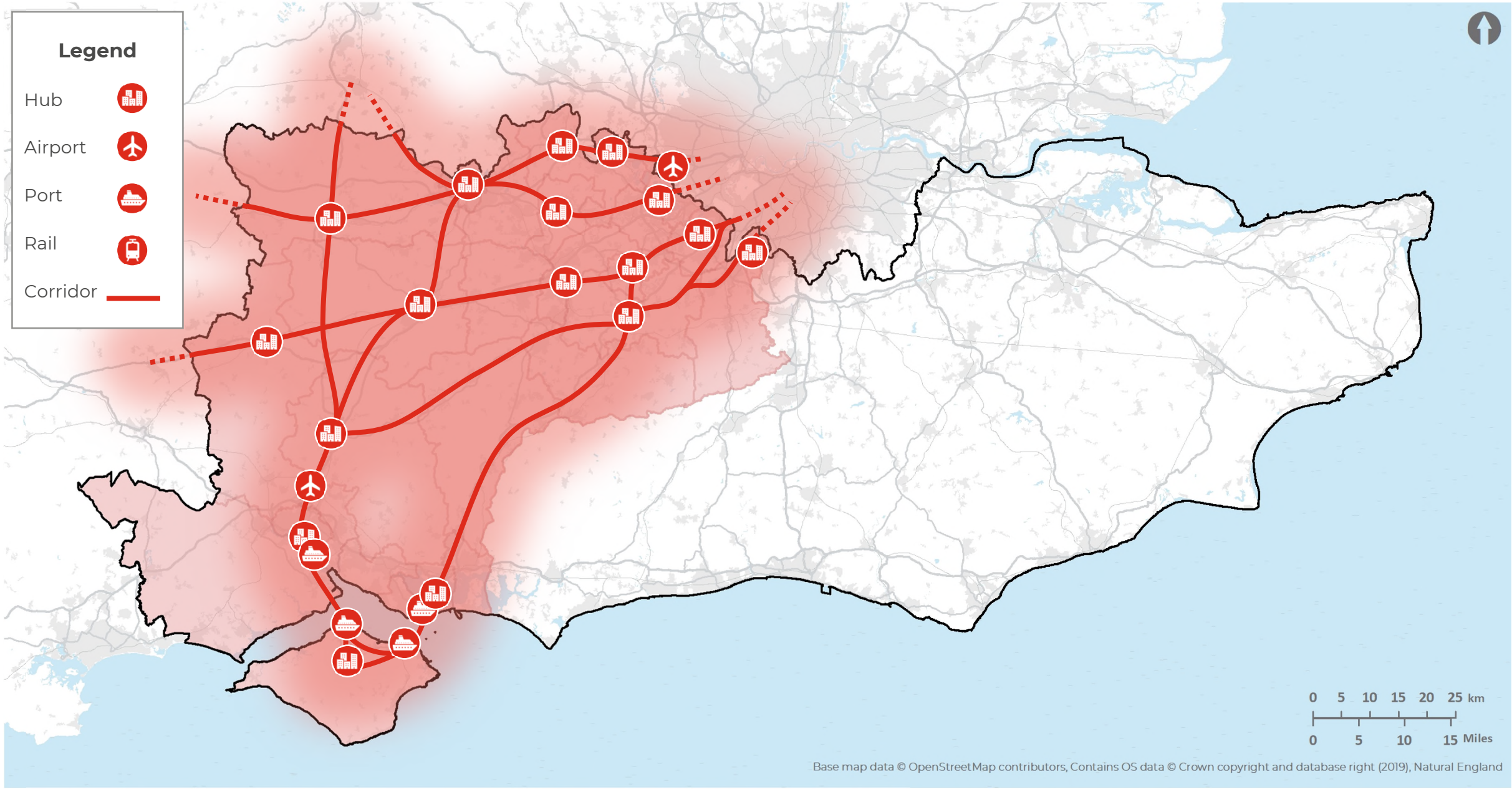
Inner Orbital Area | Major Economic Hubs and International Gateways



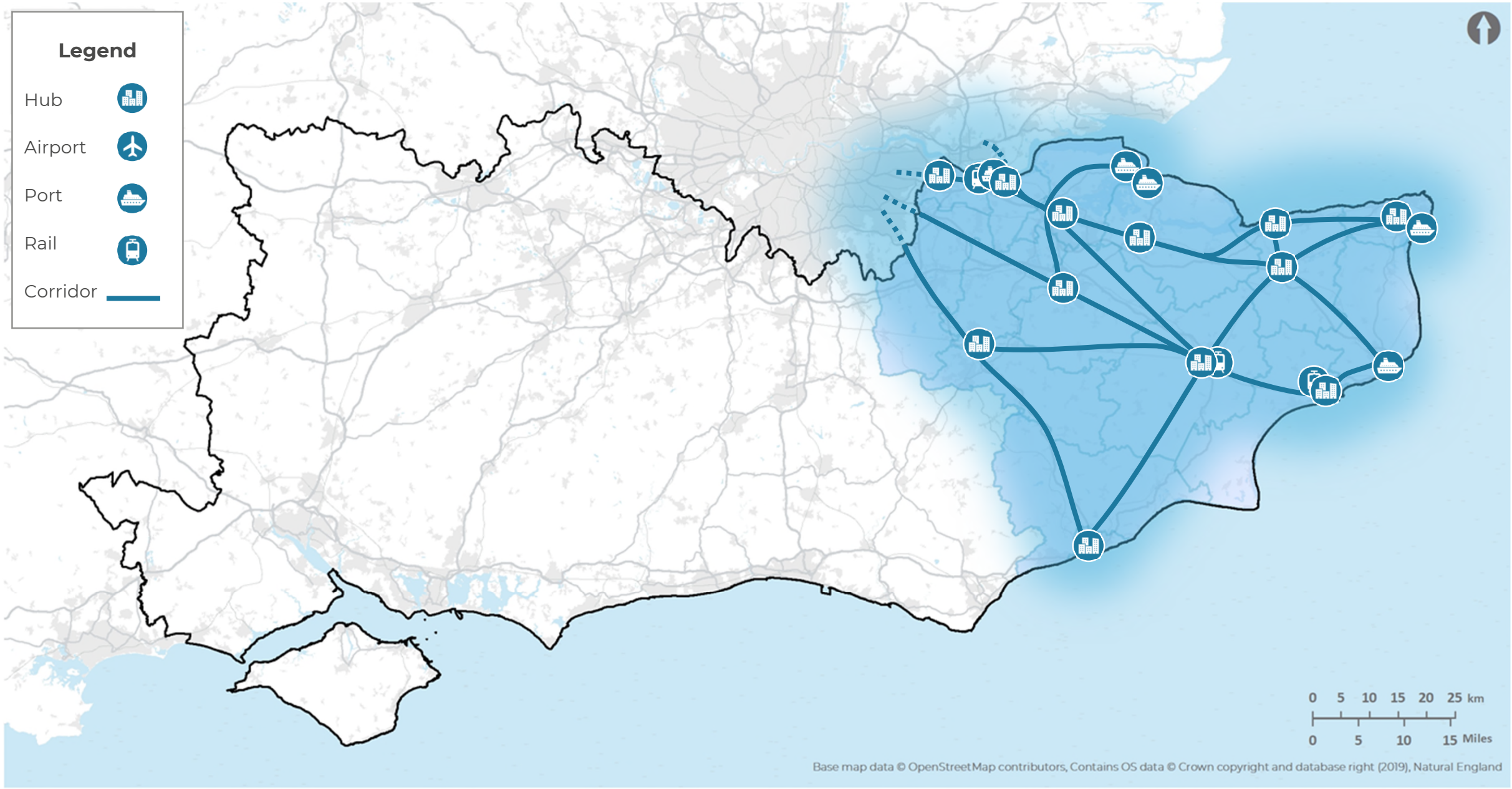
South Central Radial Area | Major Economic Hubs and International Gateways



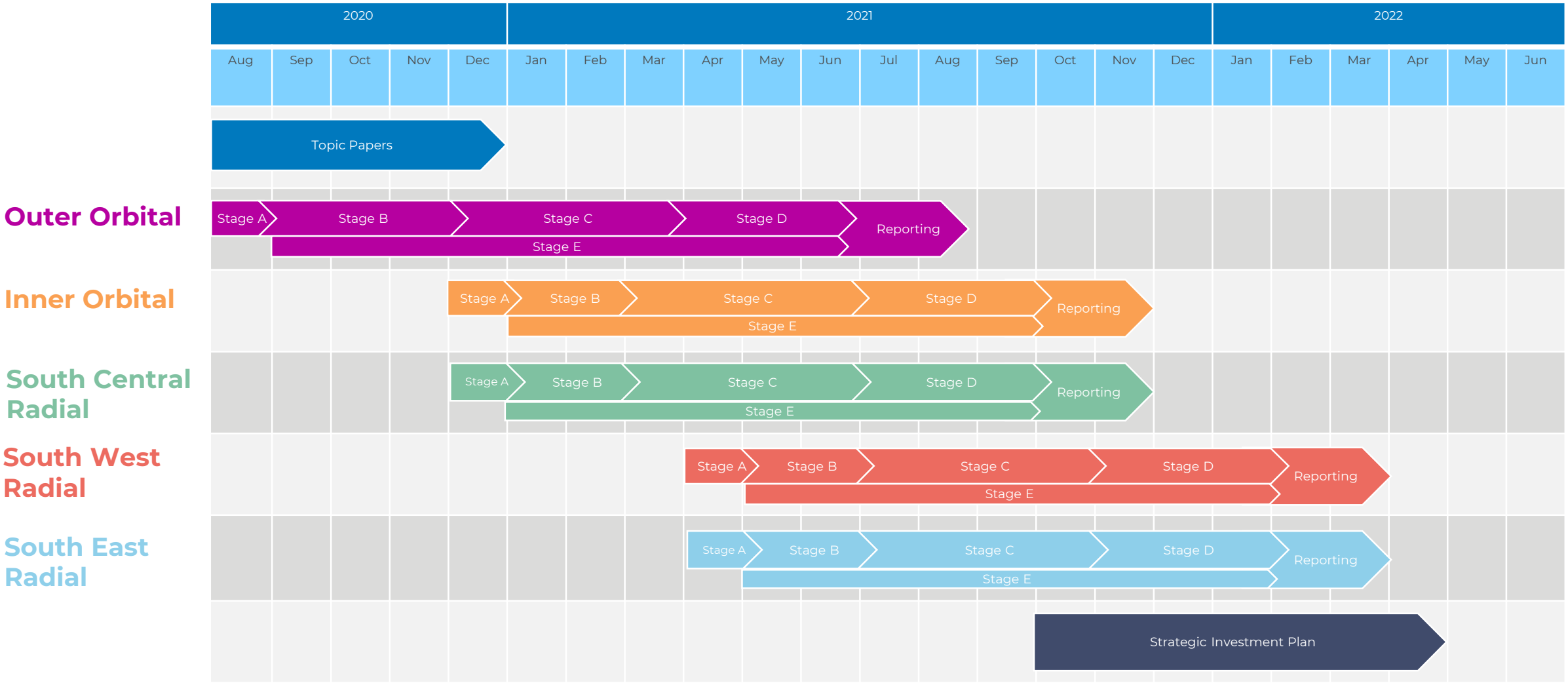
South West Radial Area | Major Economic Hubs and International Gateways



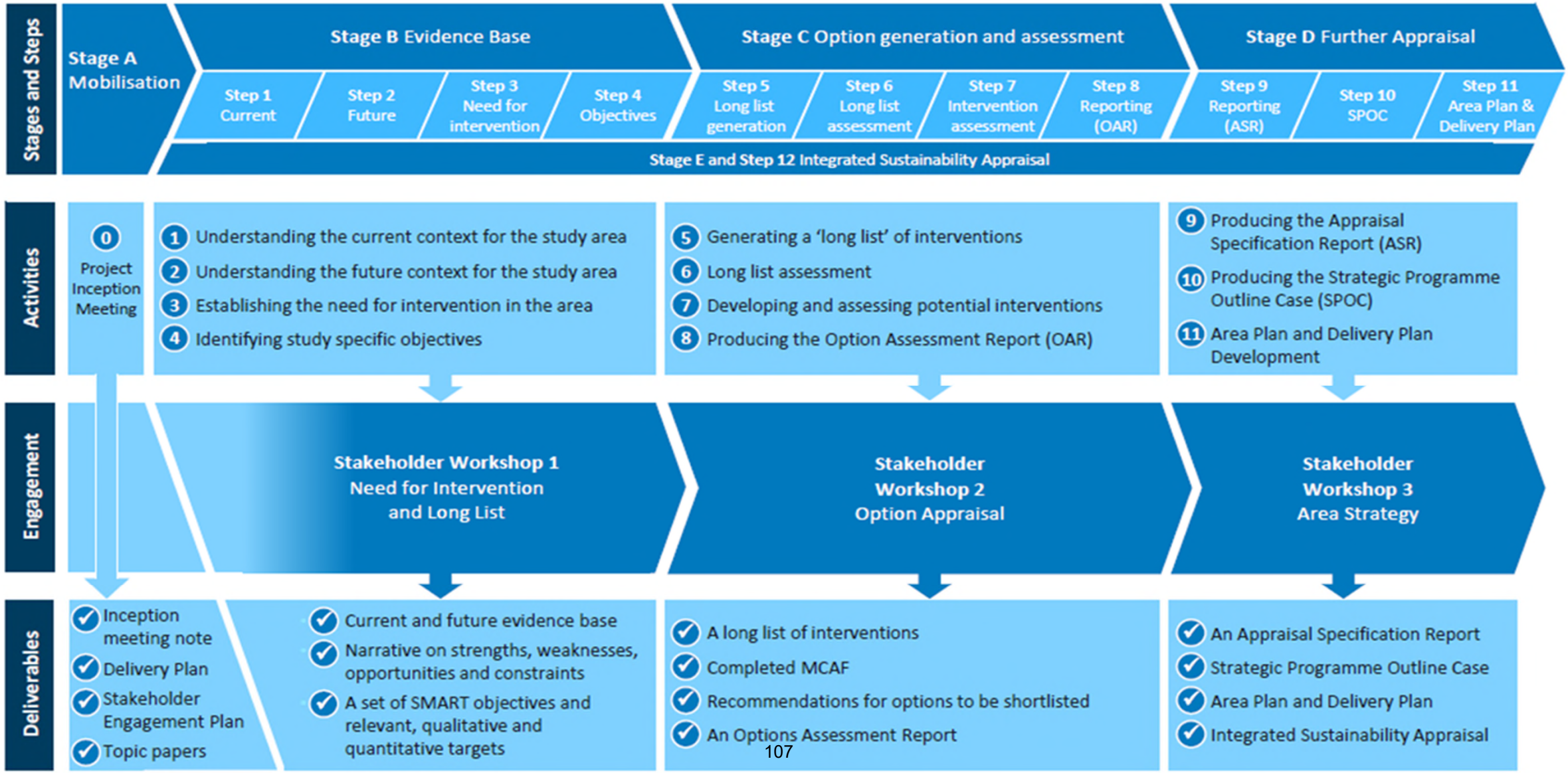
South East Radial Area | Major Economic Hubs and International Gateways



Appendix 2 - Area Studies Programme



Appendix 3 - Area Study Methodology



Report to:	**Shadow Partnership Board - Transport for the South East**
Date of meeting:	**28 January 2021**
By:	**Lead Officer, Transport for the South East**
Title of report:	**Technical Programme Progress Update**
Purpose of report:	**To provide a progress update on the future mobility strategy, the freight, logistics and gateways strategy and the conclusion of the carbon emissions assessment work.**

RECOMMENDATIONS:

The members of the Shadow Partnership Board are recommended to:

(1) note progress on the development of the future mobility strategy;

(2) note the progress on the process for securing a consultant to develop the freight, logistics and gateways strategy; and

(3) note the conclusion of the carbon emissions assessment work.

1. Introduction

1.1 The purpose of this report is to provide an update on various elements of the technical work programme. The report includes a progress update on the development of the future mobility strategy, as well as an update on the process to secure a consultant to develop the freight, logistics and gateways strategy. The report also notes the conclusion of the carbon emissions assessment work that was commissioned to understand the potential impact of the interventions identified as part of the area studies on carbon emissions and the trajectory to net-zero emissions. This allows for this work to be used in consideration of interventions for the five area studies as they progress.

2 Future mobility strategy

2.1 In October 2020 members of the Shadow Partnership Board received an update on progress to develop a future mobility strategy. WSP in partnership with Steer were awarded the contract to undertake the work in March 2020.

2.2 WSP and Steer commenced work on the four tasks in April 2020. The current status of these tasks is as follows:

- Core Task 1: high level strategy, policy and investment fit - completed
- Core Task 2: the potential that future mobility interventions could have in meeting future social, economic and movement needs – completed
- Core Task 3: future mobility strategy development – in progress
- Core Task 4: action plan development – in progress

2.3 The development and implementation of the future mobility strategy and action plan is being overseen by a Future Mobility Steering group, formed of key stakeholders with a professional interest in the future mobility area, including local authorities, business, public transport, freight, energy and telecoms. The steering group convened most recently on the 19 November 2020 to discuss the emerging high priority interventions sifted through the Multi-Criteria Assessment Framework (MCAF),

which was developed as part of the development of the transport strategy. The steering group also had the opportunity to discuss those interventions that should be expedited to realise the vision and objectives from the transport strategy. Their views are now being taken into account in the drafting of the future mobility strategy.

2.4 The Transport Strategy Working Group receive regular progress updates on the development of the strategy. The future mobility strategy and action plan is due to be completed in early 2021, and the outputs from the work will identify future mobility interventions that can be considered as part of the area studies assessment process, and which can help to deliver the transport strategy.

2.5 A further update on the progress of the future mobility strategy will be presented to the Shadow Partnership Board at the April 2021 meeting.

3 Freight, logistics and gateways strategy

3.1 In October 2020, the members of the Shadow Partnership Board considered a report providing a progress update on the procurement process to develop a freight, logistics and gateways strategy. The report updated members following the confirmation of the 2020/21 grant from DfT, with an estimated cost of the development of the freight, logistics and gateways strategy of £125,000. The report also advised that the TfSE secretariat had begun compiling the procurement documentation.

3.2 The Request for Quote (RFQ) for the freight, logistics and gateways strategy was issued to potential providers on 20 November 2020 in accordance with the procurement rules operated by East Sussex County Council (ESCC) as the accountable body for TfSE. The closing date for tender submissions was the 11 December 2020. A tender evaluation panel consisting of members of the TfSE Transport Strategy Working Group was convened to assess the bids on 8 January 2021.

3.3 A preferred provider has been identified and notified. A statutory 10 day standstill period is now in place, following which an inception meeting will be held and work will commence. A further verbal update on the outcome of the tender process will be provided at the Board Meeting.

3.4 A report will be brought before the next Board meeting in April 2021, to update members on progress with the development of the freight, logistics and gateways strategy.

4 Carbon emissions assessment work

4.1 At the Shadow Partnership Board in October 2020, members were provided with details of the additional work required to enable the potential impact of schemes and interventions identified in the area studies on carbon emissions to be assessed.

4.2 Steer were instructed to undertake the work as an extension to their existing transport strategy commission. This work included the following tasks:

- updating the existing South East Economic and Land Use Model (SEELUM) to enable the impact of the use of different fuel types, energy sources and fuel efficiency levels and potential changes in fleet mix to be assessed;
- creating an interface for transferring highways data from SEELUM into the Carbon Emissions Factors Toolkit that has been developed jointly by DEFRA and the DfT;
- calculating future emissions for rail travel which are not undertaken in the Emissions Factor Toolkit;

- testing the current future demand scenarios that were developed to inform the 2050 vision for the transport strategy;
- developing and testing new scenarios that would enable net zero emissions to be achieved by 2050.

4.3 Following receipt of the report, a meeting took place with DfT to discuss the technical detail of the work, and its findings. Following comments received from DfT, a final draft of the report was shared with the Transport Strategy Working Group, and they have been updated on the outputs and recommendations made in the report.

4.4 The results of this work and the enhanced version of the SEELUM model that has now been developed will be used in the development of the area studies to determine the impact of the range of schemes, policies and interventions identified on carbon emissions and the trajectory to net zero.

5 Financial considerations

5.1 In May 2019, the DfT made a grant award of £500,000 to TfSE to take forward the technical work programme, including the development of the future mobility strategy. The value of the tender submitted by WSP and Steer was £97,000.

5.2 On 13 March 2020, the DfT approved a variation to the £500,000 grant, authorising TfSE to undertake additional preliminary tasks to ensure that a robust evidence base was in place for the area studies, which included the carbon emissions assessment work. The value of the carbon assessment work was £70,000.

5.3 In August 2020, the 2020/21 grant award of £1.225m from the DfT was confirmed. This has enabled the TfSE secretariat to proceed with the procurement process to secure a provider to develop the freight, logistics and gateways strategy.

6 Conclusions and recommendations

6.1 The Shadow Partnership Board is recommended to note the progress being made on developing the future mobility strategy, with the strategy and action plan due to be completed in early 2021. The procurement process to develop the freight, logistics and gateways strategy has taken place and a preferred supplier has been identified, with work due to commence on its development shortly. The report on the work to assess the carbon emissions impacts of future transport interventions identified as part of the area studies has been received and approved following a technical meeting with the DfT. This will now be used in the development of the area studies. A futher update on this work will be presented to the Shadow Partnership Board at the meeting in April 2021.

RUPERT CLUBB
Lead Officer
Transport for the South East

Contact Officer: Rob Dickin
Tel. No. 07840 649245
Email: rob.dickin@eastsussex.gov.uk

Agenda Item 10

Report to:	**Shadow Partnership Board –Transport for the South East**
Date of meeting:	**28 January 2021**
By:	**Lead Officer, Transport for the South East**
Title of report:	**Update on the Major Road Network and Large Local Major priority schemes 2020-2025**
Purpose of report:	**To provide an update on the Major Road Network and Large Local Major scheme programmes.**

RECOMMENDATION:

The members of the Shadow Partnership Board are recommended to note the Department for Transport's position statement regarding the Major Road Network and Large Local Major programmes.

1. Introduction

1.1 This report provides an update on the development of the Major Road Network (MRN) and Large Local Major (LLM) scheme programmes.

2. Major Road Network and Large Local Major Schemes

2.1 At a meeting on 14 June 2019, the Shadow Partnership Board agreed the list of priority MRN schemes and a group of "emerging priority" LLM schemes that should be submitted to the DfT. Following further work in relation to the LLM schemes, the Shadow Partnership Board then agreed the list of priority LLM schemes that should be submitted to the DfT at their meeting on 19 September 2019.

2.2 Since the submission of the MRN and LLM priority schemes, the DfT have been assessing the business case information for the schemes that have been submitted across the country. Two of the pre-Strategic Outline Business Case (SOBC) stage LLM schemes and one MRN scheme have subsequently been approved to proceed to SOBC development.

2.3 Although there have not been any further approvals given to TfSE MRN and LLM schemes as yet, good progress is being made with the development of a number of our schemes. Significant work has been ongoing between the DfT, TfSE and scheme promoters to progress the MRN and LLM scheme business cases, and to respond to the queries and clarifications received from DfT. The timescales for this work are led by the individual scheme programmes and the development work being undertaken by the promoting authorities.

2.4 In the 2018 budget, HM Treasury confirmed the creation of the new National Roads Fund. This hypothecated English Vehicle Excise Duty to roads spending,

amounting to £28.8 billion between 2020/21 and 2024/25. Of this, the Government expected to spend £25.3 billion on the Strategic Road Network (SRN) through Road Investment Strategy 2, which would leave £3.5 billion to be spent on the MRN and LLM schemes. These figures were to be finalised as part of a future spending review.

2.5 On December 16 2020, an email was received from DfT officials regarding the implications for the MRN/LLM programme following the November 2020 spending review announcement. This was in response to concerns that had been raised in the trade press that there was no reference to the MRN funding in the spending review announcement. The text of this email is provided below:

> *"There has been some discussion recently about the implications for the Major Road Network/ Large Local Major (MRN/LLM) programme of the recent Spending Review (SR). I thought I would set out the position as it currently stands.*
>
> *The Department's position is that the Government remains committed to the Major Road Network and continues to support MRN and Large Local Major schemes. As evidence of this three LLM schemes were announced as part of the SR (Gt Yarmouth Third Crossing, Lake Lothing (Lowestoft), and North Hykeham Relief Road.) When the MRN/LLM programme was launched, it was in the expectation that a funding settlement extending to, and including 2024/25 would be agreed in a forthcoming Spending Review and that the amount of funding available would be £3.5BN over that period. Given all that has happened over the last year the November 2020 Spending Review has resulted in a one year settlement for 2021/22. Although a multi-year settlement may be possible at a future spending review, it means the process for approving MRN and LLM projects will need to adapt. As such, we are continuing to work with local authority promoters to take forward schemes prioritised for the programme based on the individual project timetables (which we would like to see updates if possible). Approval of government funding will be dealt with on a case by case basis. You should ignore the end 2024/25 date as this is no longer relevant at the moment."*

2.6 Whilst it is clear that the Government remains committed to the MRN and LLM programmes, the Government commitment to funding the £3.5bn programme of investment over the next five years from a ring fenced National Roads Fund is uncertain. As a consequence, it is understood funding for the MRN will have to become part of a competitive bidding process through future spending reviews. There is a risk that this could reduce the amount of funding available and compromise the scale of the ongoing MRN and LLM programmes.

2.7 In light of this it is increasingly important that promoting authorities continue to work closely with DfT colleagues in developing their business cases and schemes, and ensure that the DfT are kept up to date with scheme programmes and expected timescales for delivery. This will assist DfT officials in managing the wider MRN and LLM programmes and provide them with the evidence that will be needed to bid for the required funding in advance of future spending reviews.

2.8 Following the email regarding the implications of the Spending Review, and questions raised by some scheme promoters, the DfT also clarified the position with regard to development funding. This funding is for schemes that have been given approval at strategic outline business case (SOBC) stage to assist them in developing their outline business cases (OBC).

2.9 Further email clarification was received from the DfT on 13 January 2021 confirming that development funding will still be available. The text of this email is provided below:

> *"We still plan to provide development funding to schemes once SOBCs have been approved i.e. helping to fund OBC development. So, no change in our approach. The only change is that we may need HM Treasury approval before making offers if they extend beyond 21/22. We haven't yet received our internal budgets for 21/22 so I don't have a firm timetable for sorting out development funding but I would expect offers to be made in May/June as in previous years."*

3. Conclusions

3.1 The recent spending review has been a one year, rather than a multi year settlement, which means that the process for approving MRN and LLM projects will need to adapt. The Government remain committed to the MRN/LLM programme, and development funding will still be available for those schemes developing their outline business cases, however it is understood that funding for the MRN and LLM schemes will have to become part of a competitive process as part of spending reviews. Therefore, it is extremely important that promoting authorities continue to work closely with DfT colleagues in developing their business cases and schemes, and ensure that DfT are kept up to date with scheme programmes and expected timescales for delivery to ensure the information needed to support the level of funding required for the MRN and LLM programmes is available to DfT officials.

3.2 The Shadow Partnership Board is recommended to note the DfT's position statement of the MRN and LLM programmes.

RUPERT CLUBB
Lead Officer
Transport for the South East

Contact Officer: Sarah Valentine
Tel No: 07701 394355
Email: sarah.valentine@eastsussex.gov.uk

Agenda Item 11

Report to:	**Shadow Partnership Board – Transport for the South East**
Date of meeting:	**28 January 2021**
By:	**Lead Officer, Transport for the South East**
Title of report:	**Communications and Stakeholder Engagement update**
Purpose of report:	**To update the board on communications and stakeholder engagement activity**

RECOMMENDATION:

The members of the Shadow Partnership Board are recommended to note the engagement and communication activity that has been undertaken in the past three months.

---

1. Introduction

1.1 Communications and engagement activity since the last Board meeting has continued to be carried out in an entirely virtual format. Content has focused on the commencement of the area studies work programme, Government's response to our request for statutory status and our responses to technical consultations. We have continued to build relationships with current and new stakeholders.

1.2 Interest in Transport for the South East continues to grow at pace, with over 2,230 individuals from 858 organisations now registered on our database and receiving regular communication from us. Social media engagement continues, with a focus on events and news stories; press coverage has been limited owing to the media's focus on the pandemic and related issues. We continue to receive increasing numbers of speaker invitations to both national and local events covering a vast array of transport related topics.

1.3 We have continued to focus on building relationships with Ministers and raising awareness of TfSE with MPs.

1.4 This paper provides an update on recent activity, as well as updating Shadow Partnership Board members on the communications and engagement that is planned for the next few months. The communications and engagement team continue to ensure that TfSE is able to continue to engage with stakeholders and partner organisations in an effective manner during the Covid-19 situation.

2. Recent communications and engagement activity

Supporting the transport strategy and technical programme

2.1 In the period since the last Partnership Board meeting in October 2020, the first stakeholder meetings for the outer orbital area study have taken place. Stakeholder plans for the next two area studies (inner orbital and south central radial) have been developed and the membership of the associated forums and working groups agreed.

2.2 The full TfSE meeting schedule for 2021 has been created and calendar appointments sent to relevant stakeholders. It is recognised that there are a large number of meetings scheduled for 2021 and many stakeholders will attend multiple TfSE events. We are very grateful for the continued commitment of our key partners and stakeholders.

2.3 Following the letters from the Secretary of State regarding our proposal for statutory status and the Transport Minister regarding our transport strategy, a range of communications was issued to key audiences. The new landscape is now reflected on our website and our narrative and key messages have been updated accordingly.

2.4 In the new year we will be working closely with our technical colleagues and team of appointed consultants to develop stakeholder and communication plans for the freight, logistics and gateways strategy.

3. Broadening our engagement

3.1 We continue to facilitate discussions for a freight-related project with Kent University, HMRC and the Cabinet Office. We have also facilitated further conversations between the university, consultants and private sector partners regarding transport movements and Covid-19.

3.2 The universities stakeholder group met on 16 November 2020, with six universities and several Board members attending. The next meeting of this group is scheduled for 22 February 2021.

3.3 The private sector stakeholder group met in October 2020 and continue to be actively engaged with and supportive of the work of TfSE. The group will meet again in February 2021.

3.4 TfSE officers have presented at several online events and seminars including:

- Sussex Climate Emergency Group
- South Coast Alliance for Transport and the Environment (SCATE) annual conference
- Kent and Sussex Connect roundtable on extending high-speed rail services

- DfT Analytical Steering Group on TfSE Carbon Assessment
- NCE Future of Transport event
- CIHT Road pricing discussion

3.5 A targeted engagement exercise with district and borough colleagues was undertaken in October and November, with TfSE attendance at all but one county-wide leaders and chief executives meetings as well as several planning and planning policy group meetings. We have been able to establish and build good relationships with many local authority officers over the past few months and will further strengthen our work programme with districts and boroughs as the 'Project View' project develops.

3.6 Following feedback received during the transport strategy consultation, and further conversations with senior officers, a town and parish council interest group has been established. This group is led and administered by Cllr Andrea Turrell of Bolney Parish Council in West Sussex. Cllr Turrell represents the group's collective views on the Transport Forum. There are currently 25 local councillors in the group from across the TfSE geography.

4. Political engagement

4.1 All constituency MPs and key minsters received targeted communication regarding the Secretary of State's response to the publication of the transport strategy and our proposal to government.

4.2 The Chair and relevant board members led a series of successful virtual briefings in October with good MP interest and attendance.

4.3 We will be asking MPs for their input into the area studies comms as part of our comms and engagement programme. Bespoke communications will be produced to provide the necessary background information.

5. Events

5.1 We joined England's six other STBs to put on a full-day programme at Highways UK (online) event in November, focusing on issues including decarbonisation, future mobility, data, rural mobility challenges and barriers to delivery. It was a welcome opportunity to showcase the breadth and depth of work being carried out by STBs and to engage with a sector audience.

5.2 We are beginning to look at the events programme for 2021 and it is likely that this will start with a stakeholder session focussed on our future mobility work.

6. Media, social media and digital communications

6.1 The new Transport for the South East website is now live. It is designed to better showcase the work of Transport for the South East, focusing on our technical programme, and offers a much-improved user experience.

6.2 A ‘year in review’ comms campaign took place in December to highlight the significant strides TfSE has made during this incredibly challenging year. A month-by-month breakdown of our achievements was sent to all stakeholders in our Christmas newsletter and the content was also used as the top story on our website over the festive period and shared via our social media channels.

6.3 Media coverage has been relatively limited, though our response to the Government’s announcement on the ban of new petrol and diesel vehicles was picked up by the trade press and on social media. News of the Secretary of State’s decision on statutory status was also picked up in the trade press.

7. Conclusion and recommendations

7.1 We will continue to keep the Communications and Engagement Strategy 2020/21 under review in light of the Covid-19 situation. We continue to ensure our engagement is appropriate to the situation.

7.2 The Shadow Partnership Board are recommended to note and agree the engagement and communication activity that has been undertaken in the past 3 months.

RUPERT CLUBB
Lead Officer
Transport for the South East

Contact Officers: Russell Spink / Lucy Dixon-Thompson / Jasmin Barnicoat
Tel. No. 07565 012037 / 07702 632455 / 07749 436080
Email: russell.spink@eastsussex.gov.uk / lucy.dixon-thompson@eastsussex.gov.uk / jasmin.barnicoat@eastsussex.gov.uk

Agenda Item 12

Report to: **Shadow Partnership Board –Transport for the South East**

Date of meeting: **28 January 2021**

By: **Lead Officer, Transport for the South East**

Title of report: **Preparing for the Strategic Investment Plan**

Purpose of report: **To set out the proposed timescale for the preparation of the Strategic Investment Plan**

RECOMMENDATIONS:

The members of the Shadow Partnership Board are recommended to:

(1) Agree the proposed approach and timescales for the development of the Strategic Investment Plan;

(2) Agree to develop the tools necessary to deliver the Strategic Investment Plan; and

(3) Note the forthcoming work on the future direction of TfSE.

---

1. Overview

1.1 The purpose of this report is to present the proposed approach and timescales for the development of the Strategic Investment Plan (SIP). In addition, members of the Shadow Partnership Board are asked to consider the tools required to deliver the SIP.

2. Working towards a Strategic Investment Plan

2.1 The SIP will set out, for the first time, a prioritised investment programme for the south east which we want to deliver with Government and national bodies like Network Rail and Highways England. It will form the final element of the transport strategy and will bring together the outputs from all five area studies and the thematic studies.

2.2 The development of the SIP is subject to securing grant funding from the Department for Transport (DfT), as well as the completion of the two remaining area studies. All three pieces of work have been included in our bid for funding in 2021/22 and we are hopeful that we will be successful in securing the funding to commence the two further area studies in April 2021, with the SIP commencing from late summer 2021.

2.3 The current technical programme route map outlines that the SIP will be completed in April 2022. However, this does not include the opportunity for a public consultation exercise on the SIP with limited opportunity for constituent authorities and other Board members to take it through their own relevant approval processes.

2.4 As such, we are proposing that we amend the route map to factor in these additional exercises, as the final SIP will benefit from the wider engagement with local authority partners and our wider group of stakeholders. This will be in addition

to the opportunity that all partners and stakeholders will have had to engage with the development of the priority schemes through the extensive engagement process that is taking place as part of the area studies.

2.5 The revised route map (included as Appendix 1) sets out that we are still aiming to have a draft SIP prepared by April 2022. However, following sign off from the Shadow Partnership Board on the draft document we will enter into a twelve week public consultation exercise, which will run from early May 2022 (after the purdah period for local elections which will affect some of our constituent authorities) until early August 2022. A revised version of the SIP, incorporating feedback from the consultation exercise will be returned to the Board in October 2022, and following Board approval constituent authorities will have the opportunity to take the final document through their own relevant approval processes. The final SIP will be signed off by the Shadow Partnership Board for submission to Government in January 2023.

2.6 Although the revised approach to developing the SIP does delay the sign off until January 2023, the final document will have been subject to a public consultation exercise and will have the sign off from constituent authorities. Given the importance of the document in setting the investment priorities for the region, this additional engagement exercise is considered to be necessary to demonstrate to Government that it has the support of our key partners and wider stakeholders.

3 Delivering a strategic investment plan

3.1 At the Shadow Partnership Board on 16 July 2020, the Board agreed that the proposal to Government should be submitted to the Department for Transport (DfT), alongside the final version of the transport strategy. The proposal and strategy were submitted to the Secretary of State for Transport on 21 July 2020 with the aim of coinciding with the expected devolution white paper.

3.2 TfSE received a response from the Secretary of State regarding the submission of the proposal to Government in October 2020 which stated that he was not minded to create any further statutory bodies at the current time. The letter welcomed the work that TfSE has been leading and praised the current partnership arrangements.

3.3 It was apparent that it was a challenging ask of Government, not least with the delays to the devolution white paper, Covid-19 and the preparations for the end of the transition period. The letter is clear that the Secretary of State supports STBs and the work we do to maintain and lead our partnership. As we draw the SIP to a conclusion, we will need to set out the tools required to ensure the Board ambition can be met. It is evident that some powers will be needed to implement the transport strategy and the evidence base coming from the area studies will clearly demonstrate what they are and why they will be needed. Given the right tools, TfSE can be a powerful advocate for Government and can help them deliver their ambitions.

3.4 In view of this, the Shadow Partnership Board will want to consider whether the submission of the SIP to Government in early 2023 offers a good opportunity to reconsider the powers and responsibilities that TfSE will need to deliver the SIP.

3.5 TfSE would utilise the consultation period on the SIP to re-consult on the proposed powers, which would offer an opportunity for constituent authorities and partners to provide their views.

3.6 It is proposed that the Member Sub-Group should guide this work and a meeting will be arranged in spring 2021 to plan for the work.

4 Future role and function of TfSE

4.1 To date, TfSE has been focused on the development of the transport strategy and associated work programme. As work progresses towards the development of the SIP, it is timely to consider the evolution of TfSE as an organisation and the role that it will adopt as the SIP is implemented.

4.2 There are many options available to TfSE, such as continuing to produce key strategies and studies on pertinent topics, developing the business cases for the schemes identified in the SIP as well as the prioritisation of strategic schemes. There is also the opportunity for TfSE to become involved in implementing some of the initiatives identified in the thematic studies on future mobility and freight. A full analysis of the options should be developed and considered by the Board. This will also help to identify the powers and responsibilities needed as part of the proposal to Government.

4.3 It is proposed to commission some externally provided independent advice to work with the Senior Officer Group and the Board to develop the thinking around the future role and responsibilities of TfSE. This work would report to the Board in July 2020 and will set out a clear route map for the development of TfSE following the publication of the SIP. This would be funded from the amount currently allocated in our budget to the development of a statutory body.

4.4 As part of the governance structures for shadow status, all 16 constituent authorities have signed an intra authority agreement (IAA). Given that the shadow arrangements will be in place for longer than originally anticipated, it is proposed that the Member sub-group should review the IAA to ensure that it is fit for purpose and report back to the Board in July 2021.

5 Conclusions and Recommendations

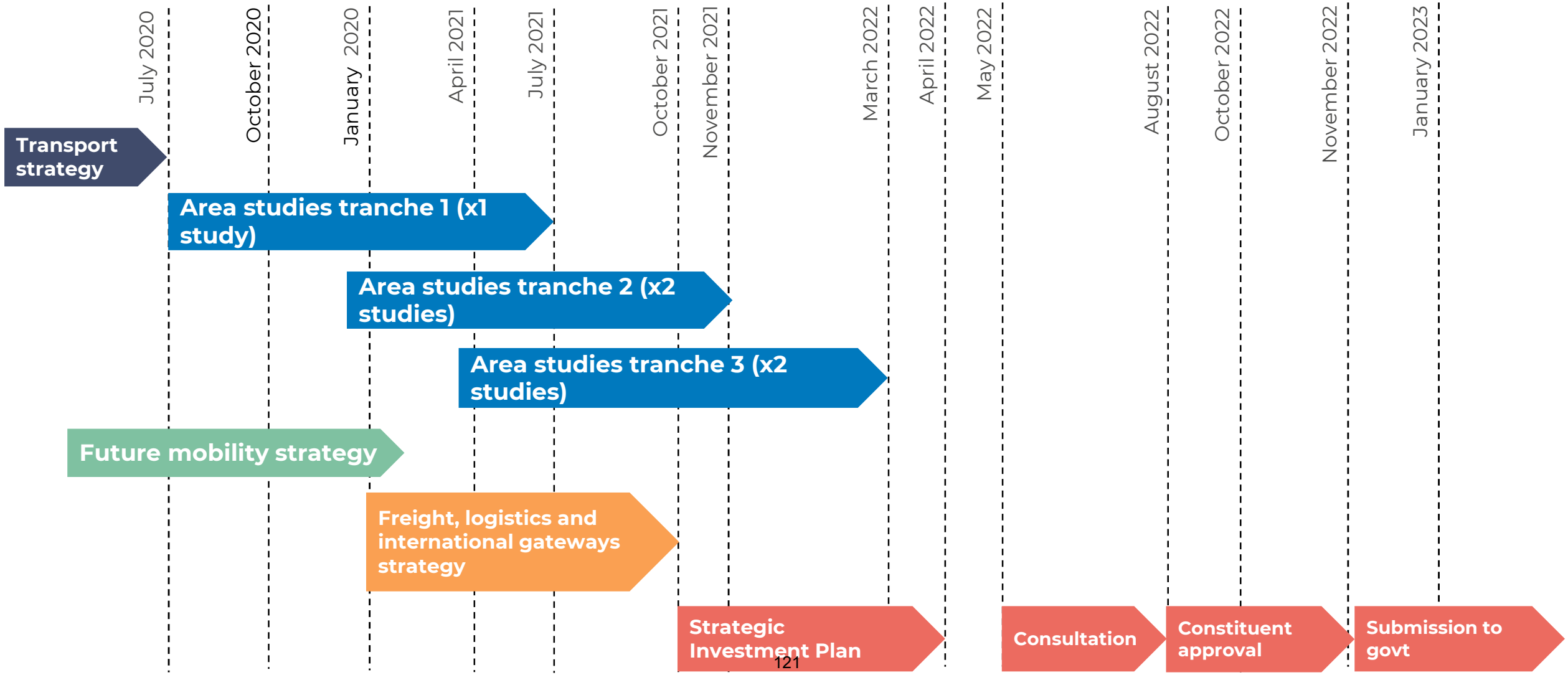
5.1 The Shadow Partnership Board are recommended to agree the revised timetable for the completion of the SIP, incorporating a public consultation period and the opportunity for constituent authorities and other Board members to sign off the document through their own relevant structures.

5.2 Members are also asked to agree that consideration should be given to the tools required to deliver the SIP. To support this work, members are asked to note that work will be undertaken in early 2021 to consider how TfSE should develop as an organisation beyond the publication of the SIP.

RUPERT CLUBB
Lead Officer
Transport for the South East

Contact Officer: Rachel Ford
Tel. No. 07763 579818
Email: rachel.ford@eastsussex.gov.uk

Routemap to the Strategic Investment Plan



Agenda Item 13

Report to: **Shadow Partnership Board –Transport for the South East**

Date of meeting: **28 January 2021**

By: **Lead Officer, Transport for the South East**

Title of report: **Financial Update and Budget for 2020/21**

Purpose of report: **To update on the budget position for Transport for the South East**

RECOMMENDATIONS:

The members of the Shadow Partnership Board are recommended to:

(1) Note the current financial position for 2020/21 to the end of September 2020, including the forecasts for end of year spend;

(2) Note the position on funding discussions with the Department for Transport for 2021/22;

(3) Agree the local contributions for 2021/22;

(4) Note the update on recruitment for two fixed term posts; and

(5) Note that work will be commencing on the business plan and annual report for 2021/22.

---

1. Overview

1.1 The purpose of this report is to update the Shadow Partnership Board on the revenue budget for Transport for the South East (TfSE).

1.2 The paper provides an update on the financial position for 2020/21 to the end of December 2020, including forecasts for the projected spend at the end of the financial year.

1.3 The paper also provides an update on the discussions with the Department for Transport on grant funding for 2021/22.

2. 2020/21 budget update

2.1 Following receipt of the DfT grant funding totalling £1.225m, members of the Shadow Partnership Board agreed the budget for 2020/21 at the October 2020 meeting. The budget set out plans to deliver an ambitious technical programme, including commencing three area studies, delivering the future mobility strategy and undertaking the procurement exercise for a freight, logistics and gateways strategy. The budget also included staffing costs and support costs, including communications and engagement activities and back office functions.

2.2 Appendix 1 sets out the spend position to the end of December 2020 against the agreed budget.

2.3 The technical programme costs, which amount to just under £360,000, have included the final work on the transport strategy, the future mobility strategy and the outer orbital area study and the additional work on the SEELUM model (including the carbon assessment work stream).

The inner orbital and south central area studies commenced in December 2020 and the spend associated with this will be reflected from end of January 2020.

2.4 We are currently forecasting that approximately £700,000 will be spent from the technical programme by the end of March 2021. However, it is important to note that a number of significant workstreams, including the area studies and freight strategy, will continue into 2021/22 and therefore the funding that will be carried forward is already committed to activities.

2.5 Staffing costs remain slightly higher than the initial budget, which reflects the inflationary pay rise applied to all staff. The costs associated with the additional two members of staff (DfT funded) have been confirmed following the recruitment process. The amount budgeted for these staff is to cover the full two-year costs associated with the two posts and therefore the underspend from this financial year will need to be carried forward and ring fenced to cover their costs until the end of January 2023.

3 Grant funding bid for 2021/22

3.1 In September 2020 TfSE submitted a bid to the Treasury for consideration in the Comprehensive Spending Review (CSR) scheduled for autumn 2020. The bid set out the funding that we were seeking over three years to deliver and implement the technical programme. The bid also included funding to support our core operational costs beyond those covered by the constituent authority contributions. The Government announced in October 2020 that the planned three-year revenue spending review would be changed to a one-year spending round in light of the ongoing Covid-19 pandemic.

3.2 Following this announcement, discussions have been held with the DfT to consider the potential implications for TfSE grant funding for 2021/22. As a result, TfSE has submitted a revised one-year bid to the DfT to cover our requirements for the next financial year. This is based upon our original CSR submission, but has been slightly decreased to reflect the changing circumstances.

3.3 A decision on grant funding for 2021/22 is awaited and a verbal update will be provided at the meeting. We will revisit our submission for a multi-year settlement in advance of the full three-year Spending Round, which is likely to be announced later in 2021.

4. Local Contributions for 2020/21

4.1 Constituent authorities have made an important financial contribution to TfSE, which has funded a small staffing complement and supported operational costs, including communications and engagement activities. This is welcomed, particularly in recognition of the challenging times faced by local authorities.

4.2 It is evident that DfT wish to see local contributions continuing to form part of TfSE's approach to funding and welcome the local contributions made to date.

4.3 Currently constituent authorities have paid a contribution for 2020/21 financial year of £58k for county authorities and £30k for individual unitary authorities. It is proposed to continue this into the 2021/22 financial year and for the amounts to stay the same.

4.4 The amount levied in total will amount to £498,000, which will be lower than core salary costs for the financial year. As such, the budget proposal which will be put to Board members in April 2021 (following confirmation of the DfT grant) may need to draw on reserves to cover core staff costs and operational costs.

5 Staffing Update

5.1 As part of the DfT grant allocation for 2020/21, provision was made to recruit two fixed term posts for a period of two years. These posts will support the delivery of the technical programme. The recruitment process has now concluded.

5.2 Elan Morgan joined the team as Support Officer in November 2020 and Tiffany Lynch joined the team in January 2021 as Strategy Manager. An updated organogram is attached as Appendix 2.

6 Business Plan and Annual Report

6.1 In line with previous years, we intend to publish both a retrospective annual report and a forward-looking business plan at the start of the new financial year. Final drafts of both documents will be provided for Shadow Partnership Board approval at the next meeting in April. The documents are being designed in 'digital first' format; they will be hosted on the TfSE website and shared proactively with stakeholders as part of our communications and engagement activity.

6.2 The **Annual Report 2020-21** provides clarity around Transport for the South East's structure, role, vision and purpose alongside a summary of our achievements in 2020-21, as well as information on our governance, finances and the team. We will measure our success against the objectives set out in last year's Business Plan 2020-21.

6.3 The **Business Plan 2021-22** will be a shorter, more focused document setting out our work programme for the coming year and clear objectives against which we will measure our success. While uncertainty over our funding position for next year means we cannot yet confirm the scope and scale of our technical work programme, we are clear on the priority areas for Transport for the South East for 2021-22. These are:

- Completing our area studies and thematic studies programme
- Developing a Strategic Investment Plan for the South East
- Making the case for roads investment (MRN/LLM, RIS2 and shaping RIS3)
- Planning a better railway (Outcome of Williams Review, joint work programme with Network Rail)
- Strengthening our relationships (widening our reach with stakeholders – universities, planning authorities, private sector innovators and financers)
- Enhancing our governance (potential new governance structures and future operating models)

7 Conclusions and Recommendations

7.1 The Shadow Partnership Board are recommended to note the financial position to the end of December 2020/21 and the end of year projections.

7.2 Members are asked to note the current position on grant funding for 2021/22 and the staffing update.

7.3 Members are asked to agree the local contributions for 2021/22 and note that work will be commencing on the business plan and annual report for 2021/22.

RUPERT CLUBB
Lead Officer
Transport for the South East

Contact Officer: Rachel Ford
Tel. No. 07763 579818
Email: rachel.ford@eastsussex.gov.uk

Appendix 1

TfSE Budget Update – Q3

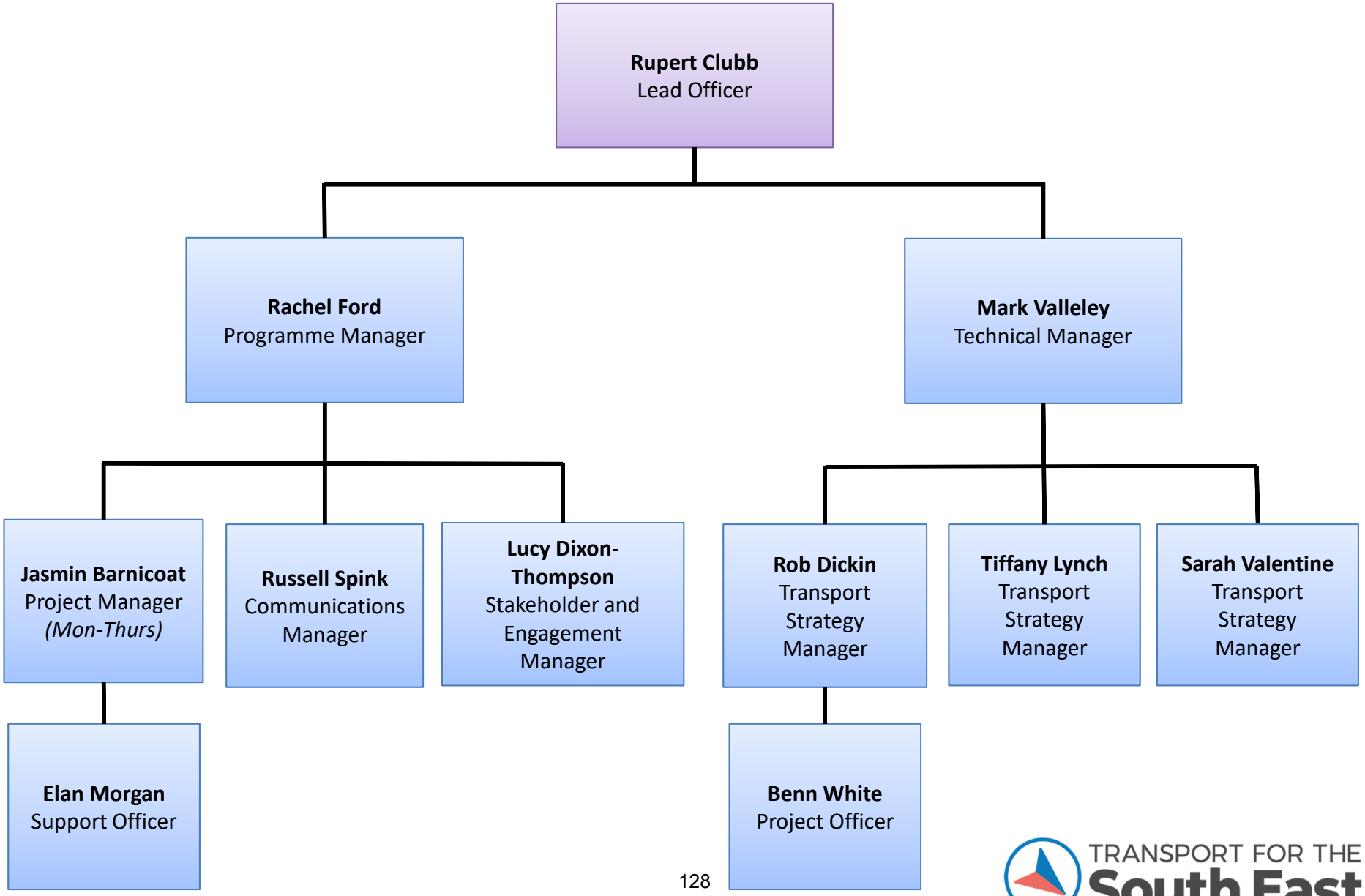
INCOME	Budget	YTD	Forecast	Notes
Local Contributions	382,000	382,000	382,000	Two LAs paid in previous year
DfT Grant	1,225,000	1,225,000	1,225,000	
Reserves	263,887	263,887	263,887	
Carry forward	226,399	226,399	226,399	
Committed funding	557,725	557,725	557,725	
TOTAL INCOME	**2,655,011**	**2,655,011**	**2,655,011**	
EXPENDITURE				
Staffing				
Core Policy Team	530,000	378,494*	535,000	Includes initial costs associated with additional team resource as would be attributable to staff member. Will be separated out by Q4.
Additional team resource	240,000		23,000	Variance to be ringfenced to cover costs for two year FTC
Technical Programme				
Transport Strategy	53,000	53,812	53,812	
Covid-19 Scenarios	30,000	27,625	27,625	

SEELUM & Carbon Assessment	70,000	61,938	70,000	
Area Studies - Tranche 1 (Outer Orbital)	350,000	75,056	242,040	Variance committed for next year
Area Studies - Tranche 2 (2 studies)	700,000	11,322	65,037	Variance committed for next year
Future Mobility Strategy	110,000	81,504	110,000	
Freight scoping work	23,175	23,175	23,175	
Freight and Logistics Strategy	125,000		25,000	TBC following procurement Variance committed for next year
Data & Modelling development	15,000	1,053	15,000	
SIP Brief	15,000		15,000	
Project view	12,000	12,000	12,000	
Other strategy costs	40,000	11,960	40,000	
Sub national Transport Body Proposal	40,000	3,758	40,000	To support organisational development work
Operational Expenses	**15,000**	**4,959**	**15,000**	
Communications/ Engagement				
Events	20,000	4,500	7,000	
Advertising and publicity	10,000	4,930	10,000	
Website	5,000	5,990	5,990	

Stakeholder Database	6,000		6,000	
Media Subscriptions	2,500	1,042	1,500	
Reserves	243,336		462,304	£217,215 ringfenced for additional team resource
TOTAL EXPENDITURE	**2,655,011**	**761,118**	**1,342,179**	
Committed Technical Programme Expenditure for 21-22			**839,762**	
SURPLUS	**0**		**10,766**	

TfSE Staff Structure

Appendix 2



TRANSPORT FOR THE South East

Agenda item 14

Report to: **Shadow Partnership Board –Transport for the South East**

Date of meeting: **28 January 2021**

By: **Interim Chair of the Transport Forum**

Title of report: **Transport Forum Update**

Purpose of report: **To summarise the Transport Forum meeting of 12 January 2021 and inform the Board of the Transport Forum's recommendations.**

RECOMMENDATIONS:

The members of the Shadow Partnership Board are recommended to:

(1) Note the recent meeting of the Transport Forum;

(2) Note and consider the comments from the Forum on rural mobility; and

(3) Note and consider the topics to be discussed at future Forum meetings.

---

1. Introduction

1.1 The purpose of this report is to update the Shadow Partnership Board on the most recent meeting of the Transport Forum and the Forum's future work plan.

1.2 Due to the current situation with Covid-19 the meeting took place virtually and was attended by more than 60 members of the Forum.

2. Feedback from Transport Forum Meeting on 12 January 2021

Outcome of rural mobility session

2.1 A brief summary was given of the previous meeting's rural mobility workshop and outcomes including the presentations given by Rob Dickin, TfSE and Renee VanBaar, Midlands Connect, and the two questions that were asked in the forum break out rooms.

2.2 The forum were informed that the team will keep in mind the possibility of a rural mobility strategy for the South East if funding becomes available and if this is something the constituent authorities want TfSE to take forward. However, in the meantime, TfSE have joined the rural mobility joint STB working group (which includes all the other STBs) to ensure TfSE are part of a larger collaborative group on this issue. The idea is to not replicate work being carried out elsewhere by other STBs, but to be in a position to apply the outcomes of this work to our own area. This group is also drafting the joint STB response to the DfT's call for evidence on the future of rural mobility.

2.3 The forum discussed the issue of rural public transport in more detail as they felt strongly that it needs to be considered separately and comprehensively. Concerns were raised that the appropriate stakeholders had not been engaged, certain schemes will not be identified and not enough focus will be given to the subject in the studies that are underway.

2.4 Rupert Clubb confirmed that many of the issues raised during the meeting are best addressed by the local transport authorities and the wider rural connectivity issues will be addressed via the future mobility strategy and the area studies. The 2021/22 funding request has already been submitted, so the earliest TfSE could consider including it in the work programme would be 2022/23. Waiting until next year to undertake any specific study will ensure any work will benefit from the rural studies being undertaken by other STBs and will also have the benefit of the DfT's future of rural mobility strategy which will have been published within that timeframe.

2.5 Lucy Dixon-Thompson also advised that representatives from a wide range of sectors are included in the Transport Forum, but to contact her if anyone has concerns that a sector is not represented.

Summary of Forum comments

2.6 The forum are keen to ensure that rural mobility issues are addressed through the work TfSE is conducting.

2.7 The forum would like to be kept informed on the outcome of the joint STB work on rural mobility and how this can be applied to the South East.

2.8 The forum would like the option of a rural mobility strategy to be considered as part of a future programme of work.

Carbon assessment work outcome

2.9 Mark Valleley updated the forum on the status of the carbon assessment work. Mark explained why the work was commissioned and how the work was carried out. Mark confirmed that SEELUM has successfully been adapted to interface with the DfT's Emissions Factor Toolkit and enable impact of future interventions on carbon emissions to be calculated as part of the area studies.

2.10 Mark posed the question of 'what role is there for STBs in carbon assessment and carbon budgeting?' which will be explored at a future forum meeting.

Summary of Forum comments

2.11 The forum are keen to understand this work further, especially the impact TfSE could have with carbon budgeting. This has been added to the forum work programme.

Challenges and opportunities with the future energy supply in relation to transport

2.12 Three presenters were invited to give their perspectives on the challenges and opportunities with the future energy supply in relation to transport. Jason Raymond from Premier Energy gave a presentation from the perspective of utilities and energy providers; Tom Callow from BP Pulse talked about the challenges and opportunities in relation to the roll out of electric vehicle infrastructure; and Martin Harris from Brighton & Hove Bus Company talked about the impact on transport operators to upgrade their fleet and what opportunities there are.

2.13 The forum moved into breakout rooms to discuss the following three questions;

- What interventions would enable the rapid increase in adoption of zero carbon emissions options such as electric and hydrogen for personal vehicles and/or mass transit?
- What barriers and/or preconceptions with alternative fuels do you think need to be addressed and overcome?

- What role is there for TfSE and/or local authorities in facilitating the adoption of zero emission fuels?

2.14 The top themes that emerged were;

- Importance of behaviour change.
- A policy role for TfSE and clear plan from Government.
- Importance of evaluating and assessing the current trials to understand what should be taken forward.
- Range anxiety.
- Different types of charging infrastructure are available. TfSE could have a role in co-ordinating this and prioritising where infrastructure should be located.
- A lot of unknowns around electric vehicles, more knowledge and education are needed to overcome this barrier.
- The need for tax and fiscal incentives.

2.15 A full summary of the responses can be found in Appendix 1.

Summary of Forum comments

2.16 The forum found the presentations insightful and enjoyed the discussion that followed. They feel it would be beneficial to explore some of the themes and issues raised in more detail at future meetings.

Updates

2.17 Sarah Valentine updated the forum on the area studies work programme. Sarah also explained that the DfT have confirmed that with the recent decision to only have a one year funding settlement instead of three years, they remain committed to the Major Road Network and Large Local Major scheme programmes, although the processes for assessing and approving the schemes will be changing slightly.

2.18 Rob Dickin updated the forum on the future mobility strategy and how the packages of interventions identified will feed into the area studies and the strategic investment plan.

2.19 Rob also explained that three bids were received for the freight strategy and evaluated by Transport Strategy Working Group members and the TfSE team. An approved bidder has been determined but cannot be announced until the bidders have been notified. Rob also outlined the TfSE submissions to recent consultations.

Summary of Forum comments

2.20 Forum members were content with the progress that has been made with the thematic strategies and area studies.

3. Future Transport Forum Engagement

3.1 The next meeting of the Transport Forum will be held on Thursday 18 March 2021. This meeting will be used to view the outcomes of the future mobility strategy.

3.2 Some subjects to be discussed at other meetings in 2021 are; the link between transport and planning policy; and carbon budgeting.

4. Conclusions and recommendations

4.1 It is recommended that the Board note the successful virtual meeting of the Transport Forum and the important communication link this provides TfSE with its key stakeholders. It is also recommended that the Board note the future programme of the Transport Forum.

4.2 It is recommended that the Board note and consider the comments raised by Forum members, particularly with regard to the issues of rural mobility.

GEOFF FRENCH
Interim Chair of the Transport Forum
Transport for the South East

Contact Officer: Jasmin Barnicoat
Tel. No. 07749 436080
Email: jasmin.barnicoat@eastsussex.gov.uk

Q1	What interventions would enable the rapid increase in adoption of zero carbon emissions options such as electric and hydrogen for personal vehicles and/or mass transit.	
Responses	**Incentives** • Rental sector – Incentives for example younger people and people living in crowded places to rent a low carbon emission vehicle. • Compel people to make the switch – incentivising. • Low emission vehicles users could use the bus and taxi lanes. • The need for **fiscal incentives** to support adoption of low/zero emission vehicles – e.g. continuation of government subsidy scheme for purchase of electric cars and home charging equipment. • Affordable vehicles. • Buy in system. • Trade in your petrol vehicle for a discount off a new zero carbon vehicle. • Taxation – relief on zero carbon or excess on fossil fuel. Tax on miles driven (first 2k miles for 'free' with charges varying on high mileage). Taxation on business mileage – workplace focused measures – company cars. • Reduce cost of rail & bus travel & increase cost of car travel (fuel duty freezes). • Differential charging rates per mile when using roads. • Fuel escalator – ICE costs reducing, to facilitate • Strategic responses – carrot and stick measures – parking charges, access to town centres etc. Integrated strategy. • Circular economy – sharing economy. **Ownership models** • Rather than people buying a vehicle outright, people can pay a monthly fee for a vehicle • MaaS – needs the infrastructure & modes to be in place – could increase uptake once e-bikes/charging points in place	**Behaviour change** • Behavioural change – need to encourage people to consider alternative modes. • Behaviour change on short journeys. • Influencing and changing behaviour. • Impact of Covid on travel patterns – need to be ready to make the most of opportunities to convert people to active travel and public transport solutions. **Leadership** • More of an integrated and thought leadership approach to this. e.g. new development, limiting parking - public buy-in on this. • Leading by example – political & civic leaders using new models for example • Is there a role for tfse to look into what options are there with power sources and what the logical way forward. TfSE to lead the way? • central government policy is important. • The need for regulation/laws to force change e.g. the recent announcement on banning the sale of petrol and diesel vehicles in 2030. • Need Government to set out stall and what they are planning to do as part of decarbonisation plan for fleet management. Need certainty for fledgling supply chain. • Identify where we want to be as a country to understand how to get there. • Move away from competition-based funding awards – focus on developing supply chain. • More local trials, clear the challenges, but need to evaluate and assess what does and doesn't work. • More sharing of trials and outcomes already underway.

Infrastructure

- Commercial / public partnership options (i.e. free charging bays at supermarkets, incentives).
- The need for effective forward planning to ensure the infrastructure and energy needs of zero emission vehicles are put in place.
- Charging, vehicle to Grid options will unlock the potential.
- The technology to allow users to charge vehicles at home. This is where the majority of users would choose to charge their vehicles.
- Infrastructure, charging and how it should be implemented.
- The need for infrastructure to support the shift e.g. widespread roll out of electric vehicle charging points.

Planning

- Better sharing of space – travel corridors for buses (faster, more efficient journeys).
- Planning system – NPPF requirement of provision of zero carbon infrastructure – integration & multi modal approach to improving transport services (including e-bike charging & hire facilities).
- New houses are being pushed to cater for home charging.
- Planning – SPD. Urban design frameworks important.
- Standards – electrical regulations, street furniture.
- Reducing the number of vehicles on the road means that fewer new roads need to be built.

Emissions and fuel type

- Electric – are they the panacea? Other issues associated with them? Govt holding too much faith in electric. Need to be deeper.
- Research of other battery technologies.
- H&S issues over Hydrogen. Lots of people want to move to hydrogen, but no clear pathway. Ad-hoc, disparate funding.
- Hydrogen is the future?
- Need to target interventions at challenges more significant (but politically contentious) sources of emissions.
- Clarity on emissions – what do we mean by zero emission.
- Making sure that interventions are low/zero emissions. The interventions should be split into two categories. Personal transit and mass transit. Needs to be remember at the start so we don't come up with an idea that applies to everyone.
- Ensure that autonomous vehicles use alternative fuels.
- E-bikes, e-scooters are attractive forms of mobility – should be promoting. Charging points for e-bikes for longer journeys.
- Planning for a range of solutions – don't put all the eggs in the electric basket. Need to pan for hydrogen powered vehicles as well as electric.
- Plan now as not one size fits all.

Q2	What barriers and/or preconceptions with alternative fuels do you think need to be addressed and overcome?
Responses	

Technology

- Electric cars – Why don't we have a standard battery connection which we can swap over when one battery is dead.
- Trust in technology.
- Limited choice of vehicles at the moment. Maybe more incentives for people.
- Performance (of vehicle) – don't underestimate.
- Operator making investment now will expect to see vehicle operate for 12+ years. Current vehicles in HGV sector have done more than any other to move to low carbon.
- Container port monitors fleets – above average on EU6. Not sure if there is a solution to HGV fleet.

Financial

- Cost can also be an issue – Petrol/hybrid vehicles to seem cheaper at the moment, instead of choosing a full electric vehicle.
- Cost of vehicles – not everyone can afford low/zero emissions vehicles which cost more than petrol/diesel.
- Also, cost of the fuel is a bit of an unknown.
- Cost of new infrastructure to support low/zero emission vehicles – electric charging points and hydrogen fuel distribution network – who pays?
- Cost – of acquiring an EV – and retention of 2nd hand value (affordability).
- Cost factors
- Infrastructure for rail – won't be cheap.
- Technology moving at a pace. Costs of putting in infrastructure upgrades and availability of electricity.

Range

- A combination of the maximum range you can have and how quickly you can replenish your fuel supply.
- anxiety over range. Most journeys are short.

Behaviour change

- Schools / youth / education – involve young people to drive behaviour change (pressure parents).
- Always an aversion to change. Difficult to battle this.
- Lack of confidence amongst members of the public and businesses about zero emissions vehicles affecting purchasing decisions.
- Confidence in reliability / behaviour change.
- Car clubs - shared mobility.
- Use of buses – breaking down preconceptions and increase confidence in usage – electronic display screens help to encourage interest / use & reinforce reliability message.
- Inertia – people not will to change
- EAST – easy, accessible, social and timely – Public health mnemonic – useful principle to gauge.
- Barriers for public transport and how that can be overcome.
- Alternative fuels as a sustainable, environmentally friendly lifestyle. Package into a positive attitude.

Fuel and energy

- Compressed natural gas vehicles? Only real alternative at the moment as hydrogen not where we need it to be. Hydrogen is intensive to make at the moment.
- Storage of energy – an issue.
- Additional demand on electrical networks. Need additional space for infrastructure.
- You have to be able to get hold of the alternative fuels. Supply chains need to be in place for this to happen.
- Brown vs green hydrogen – important to differentiate between production methods
- Bio-fuels as a halfway solution as a transition to zero-emissions in the longer term for rail/HGV's.

Knowledge / understanding

- Education factors.
- Education – people need time to adjust – myth busters!
- Many people have little understanding of their own mileage / need (e.g. taxis).
- Perceptions about reliability. Not a lot of data out there at the moment when choosing a vehicle with alternative fuels.
- Differential between petrol/diesel vs EV. Education campaign around air quality issue.
- Hydrogen has an image problem – flammable.
- Need for education and awareness – using an electric vehicle means doing things differently but education and awareness raising needed so these differences are not perceived as difficulties that inhibit uptake.

Policy

- Incentives for operators to move to alternative fuels. Use of red routes, or bus routes.
- Government policy – no new ICE by 2030 – Interventions are important.
- Two tier authority structures do not help the discussion around planning and transport.
- Climate justice issue – avoid the 2 tier approach.
- Shared mobility hubs.
- Try to put as much on rail as possible but most trains class 66 – what is rail sector doing to reduce emissions.

Infrastructure

- Rural areas – public and active transport solutions are difficult. Need infrastructure to support this. EVs would still lead to congestion, but would help with AQ.
- Availability & accessibility of charging infrastructure (reduced mobility needs to be addressed).
- Off street charging – equality issue.

Q3	What role is there for TfSE and/or local authorities in facilitating the adoption of zero emission fuels?	
Responses	**Leadership** • Thought leadership. • Most LAs have declared climate change emergencies so they need to enable zero carbo emissions before 2050 (2030-40) and lead the way • Planning – applications should be judged according to initiatives (zero carbon). • Central government – strategic and long-term thinking. • We need a central legislation from government to support the need for people to change to zero emission vehicles. • Need to have TfSE really understand where we will be in 10 years. • Have structured plan over period of time (around 12 years) to get to Carbon net zero (even hydrogen has emissions) • Need to have clear targets that are revisited often. • Developing strategy to assist with planning for zero emissions vehicles to ensure there is capacity to deal with demand in terms of energy needs and charging facilities, • Setting an example – switching to low/zero emissions vehicles for in house vehicle fleets. • Adapt new vehicle use (when renewing fleets). • Push message upwards and outwards to local and national MPs. • Behaviour change and needing to give good examples of where it is working, both abroad and in the UK. • Sharing good practice. **Financial** • Charging costs in different locations – which battery technology will win through. Trickle charging ok in home locations – range of different chargers for different needs. • Local grants or loan schemes to help residents and businesses adapt. • Make annual budgets ever more dependent on zero emission adaptation or implementation • Fear which technology to go for, so calling which tech to back. Guarantee that vehicle won't drop off a value cliff in long term.	**Partnership / collaboration** • Partner with innovative organisations (commercial or community based). • Collaboration – using TfSE connections to identify possible collective working / cost sharing / risks. Powerful narrative to take to Government. • Facilitating partnership working between Public and private sector bodies to achieve desired outcomes. • Opportunities for access to people with more independent view about options and what solutions are out there (move away from sales pitch). • Could TfSE build a relationship with vehicle manufacturers to offer a test drive on vehicles. • engaging with energy providers on future demand, undertaking education and awareness raising to accelerate the shift to low/zero emission vehicles. • Facilitate better alignment between spatial planning and transport planning - Need to have discussions about transport infrastructure before committing to building large housing developments **Schemes / infrastructure** • Local planning authorities could provide for large charging facilities in their local areas. • TfSE could help prioritise where interventions could have the most impact. • E-bikes – role for shorter/medium journeys. E-bike hire. End to end journey. • Promote active travel, healthier lifestyle. • Micro mobility – FTZ – promote for shorter journeys. • Support development of knowledge base in local area. What should we be investing in – don't just need sales pitch (don't need stranded assets). • Need to understand where the demand will be – role for TfSE to coordinate and regulate. Where to invest. • A code or practice for installing kerb side charging units. Maybe a role for TfSE? • Research alternative fuels. • Zero carbon sustainability appraisal for all new developments, policies and infrastructure • Role of TfSE for developing a behaviour change approach.

Agenda Item 15

Report to:	**Shadow Partnership Board - Transport for the South East**
Date of meeting:	**28 January 2021**
By:	**Lead Officer, Transport for the South East**
Title of report:	**Responses to consultations**
Purpose of report:	**To agree the draft responses submitted to various consultations**

RECOMMENDATIONS:

The members of the Shadow Partnership Board are recommended to endorse the draft responses to the following consultations:

(1) The Devolution All-Party Parliamentary Group - Inquiry into the role that central government has in making a success of devolution in England;

(2) The Transport Select Committee – Inquiry into Major transport infrastructure projects: appraisal and delivery; and

(3) Constituent Authority Local Transport Plan Consultations – West Sussex County Council, Surrey County Council and Portsmouth City Council

1. Introduction

1.1 Transport for the South East (TfSE) has prepared responses to a number of recent consultations. This paper provides an overview of the responses to the following consultations:

- The Devolution All-Party Parliamentary Group - Inquiry into the role that central government has in making a success of devolution in England.
- The Transport Committee's Inquiry into Major transport infrastructure projects: Appraisal and delivery.
- Constituent authority Local Transport Plan consultations - West Sussex County Council, Surrey County Council and Portsmouth City Council.

2. The Devolution All-Party Parliamentary Group (APPG) – Inquiry into the role that central government has in making a success of devolution in England

2.1 The Devolution APPG is an open group for discussion on the need for a UK-wide devolution settlement. It was established to give parliamentarians and sector

stakeholders an opportunity to assess the effectiveness of devolution in non-metropolitan England. It provides a cross-party parliamentary space for an open discussion on the need for a UK-wide devolution settlement.

2.2 The Devolution APPG has launched an open call for evidence for an inquiry into the role that central government has in making a success of devolution in England. The inquiry will consider how central and local government can work together more effectively, and how reforms in Whitehall could strengthen the principle of devolution and improve outcomes for local communities and businesses. Submissions to the call for evidence will be used to inform a full report that will be published in early 2021.

2.3 A copy of the draft TfSE response to the consultation is contained in Appendix 1. The draft response provides evidence on how TfSE offers a credible vehicle for devolution in the South East. This consultation closed on 8 January 2021 and the draft officer level response contained in Appendix 1 was submitted in advance of the deadline. Members of the Shadow Partnership Board are recommended to agree the draft response.

3. The Transport Select Committee's Inquiry into Major transport infrastructure projects: Appraisal and delivery

3.1 The Transport Select Committee announced a new inquiry into the appraisal and delivery of UK major transport infrastructure projects to better understand what lessons can be learned and applied.

3.2 The inquiry will consider transport infrastructure strategy and priorities; the appraisal and funding of transport infrastructure; oversight, accountability and governance of transport infrastructure projects; factors influencing the cost and capacity and skills required to deliver the infrastructure plans.

3.3 A joint STB response was produced by Transport for the South East on behalf of all STBs across England. A copy of the response to the consultation is contained in Appendix 2. The response provides evidence on the key role that STBs have in supporting the appraisal and delivery of major transport projects and was submitted as an officer level response. This consultation closed on the 15 January 2021 and the consultation response set out in Appendix 2 was submitted in advance of the deadline. Members of the Shadow Partnership Board are recommended to agree the draft response.

4. Constituent Authority Local Transport Plan Consultations - West Sussex County Council, Surrey County Council and Portsmouth City Council

4.1 Several Local Transport Authorities from across the TfSE area are currently in the process of revising their Local Transport Plans (LTP). The LTP is a statutory document required of each local transport authority. The LTP sets out the long-term strategy, policies and schemes to address the transport challenges and deliver transport improvements across each local authority.

4.2 To date, three local transport authorities have undertaken preliminary consultations on their proposed approach to the development of their revised LTPs. Transport for the South East has submitted letters of support to West Sussex County Council, Surrey County Council and Portsmouth City Council. In preparation for further LTP consultations, TfSE have requested local transport authorities to provide critical milestones for all upcoming LTP consultations.

4.3 Copies of the TfSE responses to these consultations are contained in Appendices 3, 4 and 5. Members of the Shadow Partnership Board are recommended to agree these draft responses.

5. Conclusion and recommendations

5.1 The members of the Shadow Partnership Board are recommended to endorse the responses to the consultations on the The Devolution APPG's inquiry into the role that central government has in making a success of devolution in England, The Transport Select Committee inquiry into the appraisal and delivery of major transport infrastructure projects and the local transport plan consultations of West Sussex County Council, Surrey County Council and Portsmouth City Council.

RUPERT CLUBB
Lead Officer
Transport for the South East

Contact Officer: Benn White
Tel. No. 07714 847288
Email: benn.white@eastsussex.gov.uk

Emailed to: devolutionappg@connectpa.co.uk

8 January 2021

Dear Sir/Madam,

Transport for the South East response to the Devolution All Party Parliamentary Group call for evidence

I am writing to you as lead officer for Transport for the South East (TfSE) to provide a response to the call for evidence regarding the role that central government has in making a success of devolution in England.

TfSE is a sub-national transport body (STB) bringing together leaders from across the local government, business and transport sectors to speak with one voice on our region's strategic transport needs. Since its inception in 2017, TfSE has quickly emerged as a powerful and effective partnership for our region and our ambition is to become a statutory body with devolved powers over key strategic transport issues.

Our principal decision-making body, the Shadow Partnership Board, brings together representatives from our 16 constituent local transport authorities, five Local Enterprise Partnerships, district and borough authorities, protected landscapes, Highways England, Network Rail and Transport for London. Together, our partnership represents more than 7 million people and 350,000 businesses in the South East and benefits from invaluable expertise and insight from those responsible for our region's strategic transport networks.

The South East often finds itself on the periphery of discussions about devolution, not least because it is so often linked in with London. Our proximity to the capital and the polycentric nature of our region's main economic centres is, in some respects, a risk to growth within the region. The South East also has some of the most deprived communities in England. As the APPG points out, the UK's prosperity depends on local factors including housing, skills provision, the ability to fund services, land use and transport connections as well as the availability of public goods and services. All of this is facilitated by transport and communication links. If we are to build back better and provide opportunities for all then we must look again at what devolution can offer.

As such, we believe TfSE offers a credible vehicle for devolution in the South East. Our partnership has clear democratic accountability, strong stakeholder support and engagement, a track record of delivery in partnership with local and national partners, a thirty-year transport strategy in place and a strategic investment plan imminent.

Alongside our aspiration to become a statutory body, we would encourage government to consider a devolved approach to infrastructure investment funding, enabling partnerships such as ours to deliver the kinds of transformational integrated investment programmes needed to support sustainable economic recovery and growth and meet our carbon commitments.

--

TfSE offers a credible vehicle for devolution of strategic transport in the South East. We have effective accountability as our board consists of democratically elected leaders and/or lead members from all the partner authorities and business leaders with a direct line of accountability to the people and organisations they represent. This robust governance structure provides the right blend of leadership, accountability, expertise and oversight of TfSE's programme.

TfSE is a partnership first and foremost. Our small secretariat works closely with, and draws additional support from, senior officers from our constituent authorities, LEPs and other partners. Together, they drive forward our technical programme and provide advice and support to our Partnership Board.

The board is also supported by our independent Transport Forum, which brings together a wide group of stakeholders including user groups, transport owners and operators, business groups, environmental groups and delivery partners. They not only contribute to the work of TfSE but provide a useful oversight function to ensure our work is scrutinised and evidence is robust. We believe this adds to the already strong democratic accountability which exists.

In addition, our transport strategy and proposal to government were not only subject to public consultation but were also taken through each of our constituent authorities' governance processes to provide opportunity to comment and confirm their support for TfSE's vision and goals. Their support was clear, unequivocal and unanimous.

We offer an effective mechanism for Government to engage with local authorities and LEPs and TfSE has already, in shadow form, added considerable value in bringing together partners and stakeholders to work with Government on key strategic issues. We secured positive outcomes for the region in the Roads Investment Strategy 2 and Major Road Network, influenced discussions on the future of rail franchising and provided collective views on schemes such as southern and western rail access to Heathrow.

We submitted our transport strategy to the Government in July 2020 and Baroness Vere has responded to confirm that the DfT are supportive of the strategy and TfSE as an organisation. Most importantly, she has stated that DfT officials are to ensure they have regard to our strategy when developing new policies. This was another step forward in the positive relationship we have been building with the Department for Transport over the past three years.

Alongside our transport strategy we also submitted a proposal to Government for statutory status. In response, the Secretary of State has advised that he is not minded to grant statutory status to any more STBs at this time (so Transport for the North remains the only statutory STB). Although disappointing, we knew this was going to be challenging for Government at this time, not least with the delays to the devolution white paper, Covid-19 and the end of the Brexit transition period.

The Secretary of State was clear that he supports STBs in general and the work TfSE does specifically to maintain and lead our partnership. So, while now may not be the time for Government to provide the tools needed to implement the transport strategy, we are confident that the evidence base which will come from the development of our strategic investment plan will clearly demonstrate why we need these powers. This will enable our partnership to be an even more powerful advocate for Government and help deliver its ambitions across a broad range of policy areas.

We believe Government should be flexible about its approach to devolution. For those locations, including the South East, that have either not been central to discussions around devolution or are not suited to current approaches around mayoral combined authorities, other ways to devolve should be considered.

STBs are an example of how powers over certain policy areas – particularly those, like transport, where strategic objectives can be best met by planning and delivery at geographic scale - can be devolved whilst remaining accountable.

It is important to see the merits of each individual STB and what they can offer. TfSE has always been clear that we only seek those powers and functions which are necessary to deliver our transport strategy and achieve our partnership's shared vision for the South East. Our requirements differ from those of other STBs and reflect the unique geographic, economic, political, social and environmental characteristics of our region and the strategic objectives of TfSE and our partners.

Central government funding approaches should adapt to help us meet the carbon challenge. A devolved regional investment pot would enable public and private sector partners, via STBs or other suitable devolved structures, to better plan and deliver the kinds of schemes which can enable genuinely transformational change and meet our carbon commitments. Speaking with one voice and with the benefit of regional scale and insight, TfSE provides a clear, prioritised view of the region's strategic transport investment needs.

Funding control would enable more efficient and effective operational delivery and better coordination of schemes and initiatives which cross local authority boundaries. We would be able to develop solutions working with partners and the market, which offer the most benefit delivered on a regional scale (for example, integrated travel solutions combined with smart ticketing will operate more effectively at a regional scale and can best be facilitated by a regional body than by individual organisations).

This regional coordination is imperative for effective decarbonisation of transport in the UK. STBs have a big part to play in this agenda and TfSE has already seized the opportunity to bring together our region's local authorities, universities and the private sector to discuss and identify what can be done to speed up decarbonisation in the South East. It is widely recognised that such efforts are most effective at the regional level (as argued by Professor Greg Marsden's recent working paper).

In conclusion, many of the big challenges we face – not just in transport but across a wide range of policy areas – extend beyond administrative and political boundaries. We want Transport for the South East to become a genuinely empowered STB for our region with responsibilities and devolved

powers to effectively join up transport policy, regulation and investment and provide clear, strategic investment priorities which will improve connectivity into and across the region, boost the economy and improve the lives of millions.

This is an officer response. The TfSE Shadow Partnership Board meets on 28 January 2021 and will consider the draft response and a further iteration of this response may therefore follow.

Yours sincerely,

Rupert Clubb
Lead Officer, Transport for the South East

0300 3309474
tfse@eastsussex.gov.uk
transportforthesoutheast.org.uk
Transport for the South East, County Hall,
St. Anne's Crescent, Lewes, BN7 1UE

Transport Committee Inquiry

Major transport infrastructure projects: appraisal and delivery

Sub-national Transport Body joint submission

1. Introduction

1.1 This is the joint submission from the Seven Sub-national Transport Bodies (STBs)[1] in response to the Transport Committee's call for evidence in relation to their inquiry into the appraisal and delivery of major transport infrastructure projects.

1.2 The role of STBs as set out in the enabling legislation[2] is to identify and prioritise larger scale transport investment schemes in their areas to facilitate sustainable economic growth. They bring a strength of partnership among their membership to speak to government with one voice.

1.3 STBs are working with their partners to develop consistent, clear, long term outcomes contained within agreed and evidence led transport strategies looking out over a 20-30 year period. They therefore have a role in the identification and delivery of major transport infrastructure projects, which has prompted this response to the call for evidence.

1.4 In view of the timescales for the submission of evidence this response has been prepared by senior officials in the STBs.

1.5 **STBs have a key role to play in the appraisal and delivery of major transport projects and stand ready to assist Government in delivering the NIS in the following ways**.

- **To date, STBs have worked quickly and effectively**, **adding value by supporting the decision makers in Whitehall and Westminster**. Using the strength of their partnership, STBs set a clear **strategic direction** for improved connectivity within their regions, as well as inter-regional journeys. As democratically accountable regional bodies, STBs provide a unified voice to the Government by setting objectives and aligning activity across their regions. STBs are supported locally and their important role has been recognised by Ministers[3]. The NIS is silent on the role of STBs. There is a clear opportunity for STB's to take a greater role, given their wealth of knowledge and collaborative approaches at regional level, to assist Government in delivering more effective and efficient delivery of NIS ambitions.

[1] Outside London the seven STBs covering England are: Transport for the North, Midlands Connect, England's Economic Heartland, Transport East, Western Gateway, Peninsula Transport and Transport for the South East.
[2] The Local Transport Act 2008 (as amended)
[3] https://www.youtube.com/watch?v=lk8JbVYYuj0

- **STB are focused on place based outcomes rather than siloed infrastructure funding streams**. STB's transport strategies incorporate both local and national policy outcomes allowing our local partnerships to more effectively prioritise, manage and deliver a portfolio of infrastructure relevant to a place. STBs therefore have the ability to land complex policy and funding models into a place. By working with STBs, Government can operate within the silos that exist and yet still be assured that at a regional level STBs will take a place based approach to connectivity. However, **a regional funding allocation** would enable more effective prioritisation and ensure the investment pipelines that flow from the STB's transport strategies are affordable.

- **STBs place based approach enables infrastructure investment to 'level up' areas.** By the end of 2021, each of the seven STBs in England will have a transport strategy/plan in place. Developed using robust evidence bases, in partnership with planning authorities, and through public consultation, these provide a focal point for prioritising infrastructure investment across English regions, ensuring transport fully supports delivery of outcomes such as 'levelling up' in coordination with other regional sectors. **A more integrated approach to transport and land use planning** is needed to deliver more sustainable transport and land use patterns that will enable the Government to meet its decarbonisation 2050 net-zero targets

- **Delivering decarbonisation of transport infrastructure**. STBs are currently promoting decarbonisation through the development of carbon assessment tools, identifying regional level decarbonisation pathways, and developing holistic appraisal frameworks that assess carbon impacts. The Decarbon8 report[4] on the role of STBs in carbon governance concludes that that sub-national areas are the optimally sized geographic and administrative region to co-ordinate transport carbon-reduction strategies. The establishment of **regional funding allocations** aligned to STB strategies could include a DfT-compliant scheme approval mechanism that systematically embeds carbon appraisal into all stages of scheme development.

- **Accelerating the delivery of major transport infrastructure**. STBs can support government in bringing forward good ideas more quickly. Locally driven ideas in STB transport strategies will have the benefit of widespread partner support and momentum, and could be accelerated through sub-national investment pipelines, accelerating business cases for the next generation of projects to deliver our outcomes. This can only be achieved **with longer term STB funding certainty** that has recently been given to metro mayors.

[4] https://decarbon8.org.uk/sntbs-carbon-governance/

2. Transport infrastructure strategy and priorities

2.1 *The Government's transport infrastructure priorities, including those set out in the National Infrastructure Strategy;*

2.1.1 We welcome the publication of the National Infrastructure Strategy and will have a key role to play in assisting the Government with its delivery. The NIS prompts the need for **shifts of emphasis** to the Government's transport infrastructure priorities and in particular the way in which they are developed, appraised and delivered.

2.1.2 This call for evidence seeks further information about the changes that will be needed in response to the NIS objectives on recovery and rebuilding the economy, levelling up the whole of the UK and accelerating and improving delivery in subsequent sections. However, there are a number of areas that we feel should be strengthened within the NIS:

- **There is no reference to the Major Road Network in the NIS**. The NIS sets out a number of transport and digital connectivity infrastructure priorities. Whilst these are welcomed, there is no specific mention of future investment on the Major Road Network in either the NIS or the Spending Review that preceded it. STBs have played a key role in the identification and prioritisation of the interventions on this these economically important road links. The Government commitment to funding the £3.5bn programme of investment over the next five years from a ringfenced National Roads Fund is uncertain. As a consequence, it is understood funding for the MRN will have to become part of a competitive bidding process through the Spending Review, which could reduce the amount of funding available for it and compromise the delivery of the programme.

- **Multi-year funding certainty needs to be extended to other funding streams.** Currently Highways England and Network Rail benefit from five year funding settlements and the NIS reconfirms the intention to allocate £4.2bn in five year funding settlements to eight metro mayors. This multi-year avoids the resourcing issues resulting from the stop-start pattern of infrastructure investment identified in the NIS. The Government should give each region an indicative funding allocation. Clarity on the level of funding available ensures that the investment pipelines that flow from the STB's transport strategies are affordable. Prioritisation of pipeline schemes is extremely challenging without a clear view on funding levels available, and a clear criteria against which to prioritise. Greater clarity would also ensure scheme promoters have confidence that the funding needed to deliver their proposal will be there when they need it, allowing them to allocate the resources needed to develop the proposal and secure any permissions required. In addition, other transport funding streams including the Integrated Transport Block, which delivers local transport improvements, should be given equivalent longer term funding certainty.

- **The need for a more integrated approach to infrastructure investment is needed to deliver the aims of the NIS** . At a national level transport infrastructure priorities tend to be identified on a network or modal basis with separate nationally significant infrastructure priorities identified for road and rail. This siloed approach to investment tends to lead to the development of specific schemes aimed at solving a particular problem to improving network performance. Arguably the focus of the NIS on facilitating the economic recovery from Covid-19 and 'levelling up' in particular areas, requires a more integrated, place based, programme approach to infrastructure investment that looks across different transport modes and different types of economic infrastructure. This is needed ensure that the right interventions are identified that will maximise the benefits of infrastructure investment in a particular area.

- **The need for better integration and co-ordination between Government departments (particularly MHCLG, Treasury and DfT), to unblock and accelerating infrastructure delivery.** Currently, funding arrangements for infrastructure are separated across Government Departments which makes the planning and delivery of major transport infrastructure more difficult. Being able to access funding that is less segregated would allow for more joined up planning and the delivery of schemes, without the risk of delay or termination of one aspect of the scheme.

2.2 The contribution transport infrastructure can make to the Government's 'levelling-up' agenda and the economic growth of the UK's towns, cities and regions outside London;

2.2.1 **The Government needs to be clearer about what levelling up means in practice.** A number of commentators have identified the need for a clearer articulation of the disadvantages that the government is seeking to address (i.e. income, productivity, employment, health, educational attainment, and well-being). The what, where and importantly , who should be the targets of 'levelling up', need to be identified to enable the right packages of interventions to be formulated[5]. Also, there is a need for a clear set of evaluation criteria against which progress can be assessed to help inform future decisions on the priorities for investment.

2.2.2 **Levelling up will require a place and programme based approach** A key function of transport investment is the introduction of transport interventions, such as upgrades to existing road and rail lines, to stimulate growth by improving connectivity between people, businesses and places to generate 'agglomeration' benefits. To achieve this the social, spatial, environmental, technological and economic context of the place where the need for transport infrastructure investment has been identified needs to be considered. Moving forward agglomeration benefits are likely to be as much about 'digital agglomeration' as they are physical connectivity and the approach to developing solutions needs to evolve to reflect this change.

[5] http://www.frontier-economics.com/uk/en/news-and-articles/articles/article-i7182-levelling-up-getting-it-done/

2.2.3 The evidence led transport strategies that are being produced by the STBs adopt this perspective, enabling them to identify the infrastructure required to deliver an agreed strategic ambition. These transport strategies will deliver programmes of investment rather than individual projects, with the impact of a programme being more than the sum of its parts. There is also the potential to link these programmes with other economic and social infrastructure investment programmes and 'level up' through a holistic place based approach.

2.3 To what extent the coronavirus pandemic and its longer-term implications affects the necessity and cost-effectiveness of current and future major transport infrastructure projects;

2.3.1 **The coronavirus pandemic has been disruptive but also presents opportunities.** The coronavirus pandemic has had a profound impact upon every facet of our lives. It has reshaped the way we work, travel, and play, and has transformed the world in ways that would have been unimaginable merely 12 months ago.

2.3.2 **STBs are working to understand the longer term impacts of the coronavirus pandemic.** A number of STBs are taking an increasingly agile approach to strategic planning and appraisal for transport infrastructure projects. The experience of Covid-19 has reiterated the need to treat uncertainty as an opportunity, and approach it with the ambition and confidence. This makes it even more important to build tools that allow for more effective assessment of what these trend changes may mean. Both Transport for the North[6] and Transport for the South East[7] are using a scenario planning approach to expose and explore future uncertainty to generate a rich diversity of insights, including broader assessment of the interactions between social, economic and environmental aspects which affect how we will travel in the future.

2.3.3 **Many of the changes that were occurring before the coronavirus pandemic have been accelerated**. This includes increases in use of active travel, a step change in levels of remote working, and an acceleration in uptake of online shopping and, to some extent, greater use of electric bikes and scooters. However, we may need to adapt to (and take steps to mitigate) unforeseen changes such as short term increase in car use and low confidence in using public transport.

2.3.4 The agility developed through STB scenario tools provides the basis for further interrogation of evolving and new trends, based on evidence as it develops, with the aim of supporting an ambition to 'build back better'. But this approach can also provide opportunity to shape longer term agendas (e.g climate change), rather than simply reacting to change.

2.3.5 **Implications of these findings for major transport infrastructure projects:**

[6] https://transportforthenorth.com/future-travel-scenarios/

[7] TfSE draft report, due to be ratified by the Shadow Partnership Board in January 2021. https://transportforthesoutheast.org.uk/meetings/

- Planning for major transport infrastructure must be flexible and adaptable due to the changing number, location and types of jobs and socio-demographics of the people; and also, the unpredictability of the economic outlook - retaining flexibility will help ensure resilience.

- Investment in digital technology has the potential to facilitate economic resilience and recovery as partially evidenced from increased levels of home working and remote access to services and amenities – "Digital as a Mode".

2.3.6 **It is too early to say what the implications for major transport investment.** The pandemic has had a dramatic impact on transport, the economy and on peoples' lives. There are still many 'known unknowns' about Covid-19 and its potential impacts. The recovery from the pandemic will likely take years, rather than months, and when the recovery does occur, the volume of users using different transport modes (and therefore, the form of the transport network) will likely differ markedly from current patterns. In view of this it would be wrong to either pause or stop or the development of major transport infrastructure proposals until the longer-term impacts become clearer. Planning must remain flexible and adaptable to ensure the best possible longer-term outcomes in this highly uncertain time.

2.4 How major transport projects can be delivered while ensuring the Government meets its decarbonisation 2050 net-zero targets;

2.4.1 **Changes to the way major transport projects are developed will be needed to decarbonise them.** How the country and our region decarbonise transport over the coming years is likely to be our single greatest challenge. We look forward to the publication of DfT's Transport Decarbonisation Plan in the Spring and welcome more ambitious policy commitments in the Ten Point Plan for a Green Industrial Revolution including the commitment to accelerate the shift to zero emission vehicles by ending the sale of new petrol and diesel cars and vans in 2030, 10 years earlier than planned.

2.4.2 **As STBs we would like to see a radical change to how infrastructure is appraised.** Firstly, we believe that carbon appraisal should be embedded as a core requirement from the very earliest stages of scheme development. Secondly, we would like to see that a holistic view is taken where carbon is treated like a finite commodity and similar approach is adopted to the way we appraise a scheme's affordability and value for money. By appraising regional programmes holistically we are able to look across the board at how those programmes will help to decarbonise society and what contribution each scheme makes. In this way we can determine whether we can 'afford' the carbon output of each individual scheme within an overall budget allocation.

2.4.3 **Changes to the way transport projects are procured will be needed to help decarbonise them.** These include the following:

- Securing the development and rollout of procurement processes that embody carbon reduction principles such as PAS 2080[8]. This approach ensures carbon is consistently and transparently quantified at key points in infrastructure delivery It looks at the whole supply chain, aiming to reduce carbon and reduce cost through more intelligent design, construction and use.
- Considering the use of new tender evaluation approaches such as that used by the Dutch Government, which enables both a tenderer's commitment to carbon reduction and the carbon impact of their tender submission to be assessed[9].
- Incorporating decarbonisation requirements into procurement processes such as the specification of materials and processes to be used including levels of use of recycled material and sources of energy to be used whilst also taking account of cost and buildability.
- Assessing suppliers' proposals against baseline carbon model supplied by the client with improvement against model being scored.
- Encouraging contractors to adopt carbon reducing behaviour by assessing commitment to carbon reduction in their mission statements and by encouraging innovation
- Investing in the training needed to equip those involved in the procurement of large scale infrastructure to enable them to adopt these new approaches.
- Greater certainty on sustained long term funding would support longer term planning, early contractor engagement and a programme level approach to reducing embedded carbon emissions (and costs).

3. Appraisal and funding of transport infrastructure

3.1 The effectiveness of the Government's decision-making and appraisal processes for transport infrastructure projects and any changes required to the 'Green Book';

3.1.1 **We welcome the recent review of the Green Book by HMT and the clarity this has provided.** We also welcome the approach taken by the Green Book and sitting below it DfT's Transport Analysis Guidance (TAG), which provides more detailed methodologies that are applicable to the appraisal of transport infrastructure. However, there appears to be some general misunderstanding about the role of the Green Book and TAG in decision making and the interaction between the Economic Case and the other 4 parts of the 5-part business case, the Strategic Case in particular. We therefore welcome the recent review of the Green Book by HMT and the clarity this has provided and the opportunity for greater consistency and commonality in the approach to appraisal across Government departments it provides.

[8] https://www.carbontrust.com/what-we-do/assurance-and-certification/pas-2080-carbon-management-in-infrastructure

[9] https://www.oecd.org/governance/procurement/toolbox/search/green-public-procurement-netherlands.pdf

3.1.2 With regards the development of business cases however, greater guidance and the proportionality of the analysis required for specific schemes, particularly at earlier stages of their development would be welcomed. The costs and resource required to develop Strategic Outline Business Cases is a frequent barrier to scheme conception and development. Ensuring business cases are based on good quality evidence and are adequately assured is crucial and STBs are well placed to provide that function along with prioritising programmes of schemes at a regional level.

3.1.3 **There are a number of gaps and areas of methodology that would benefit from a review.** These including the following:

- **Additionality and displacement**. The base assumption in the Green Book is of zero net additionality. It is more plausible to conceive as places competing with each other to improve the quality of their offer and a virtuous cycle of improvement that benefits the country as a whole. The methodology also neglects the potential benefits of increasing the number of attractive locations and the higher costs that are likely to be incurred by continuing to focus growth in London, as land and amenities become stretched. Whilst the increased focus on local impacts addresses this to a degree more could be done.
- **Discounting.** The Green Book mandates a discount rate to be applied to benefits and costs initially of 3.5%. This is based on the assumption of a long run GDP growth rate of 2%, which is no longer consistent with long term OBR forecasts. There is a likelihood that this may distort the analysis of schemes that deliver benefits a long way into the future.
- **Fiscal Multiplier and Construction Impacts**. The Green Book prohibits the calculation of any benefits that are the second order impact of public investment and the benefits brought about from employment generated by infrastructure investment. In the case of mega projects these impacts can be significant, for example HS2 will employ up to 20,000 workers over a 20 year period. Whilst the methodological basis for excluding these impacts is debatable in normal times, given the massive economic shock that has occurred it appears hard to argue the economy is in equilibrium and in a state of full employment at present.
- **Distributional Impacts.** The Green Book allows for distributional impacts to be accounted for in a qualitative manner. We would welcome an openness to also quantify these impacts in transport business cases in line with an established methodology developed by the Department of Work and Pensions.

3.1.4 In addition to these components of the Green Book, there are a number of gaps in the DfT's TAG that can risk the full impacts of schemes failing to be captured. These concern the lack of a methodology to appraisal programs of investment that include sectors beyond transport, the changes to economic geography transport can generate (frequently called land use change) and the wider impacts of improved provision for freight.

4. Transport infrastructure capacity and skills

4.1 The extent to which there is enough capacity and the right skills within the UK to deliver the Government's transport infrastructure plans, and options to help address shortages in transport infrastructure skills.

4.1.1 **STBs can help develop capacity and capability.** England's Economic Heartland is working with the Department for Transport to trial a regional centre of excellence: one that will host specialist skills and knowledge upon which their partner organisations including their local transport authorities will be able to draw on as they develop their proposals to the point of delivery. Midlands Connect are developing similar proposals specifically around business case development and a regional decarbonisation pathway.

Sent via email

ltp@westsussex.gov.uk

17 December 2020

To whom it may concern

Transport for the South East (TfSE) response to West Sussex Transport Plan review consultation

I am writing to you in connection with the review of the West Sussex Transport Plan which you have commenced.

TfSE is a sub-national transport body which represents sixteen local transport authorities in the South East of England. These are Brighton and Hove, East Sussex, Hampshire, Kent, Medway, Surrey, West Sussex, the Isle of Wight, Portsmouth and Southampton, and the six Berkshire unitary authorities. These authorities are represented on the Shadow Partnership Board along with representatives from the region's five Local Enterprise Partnerships, district and borough authorities, protected landscapes, Highways England, Network Rail and Transport for London.

TfSE provides a mechanism for its constituent authorities to speak with one voice on the transport interventions needed to support sustainable economic growth across its geography. High-quality transport infrastructure is critical to making the South East more competitive, contributing to national prosperity and improving the lives of our residents.

TfSE welcomes the opportunity to comment on the West Sussex Transport Plan review. As you will be aware TfSE published a thirty-year transport strategy for the South East in July this year, which sets out an ambitious vision for our area in 2050. As one of our constituent authorities, West Sussex County Council has been fully involved in the development of our strategy and we very much value the contribution that has been made to the development of the strategy as well as the ongoing support for the wider work of TfSE.

Our transport strategy seeks to deliver sustainable economic growth that achieves the right balance between the economic, social and environmental pillars of sustainable development. This means that any intervention in the area's transport networks to address connectivity challenges must ensure that the environment is protected and where possible enhanced and that opportunities to improve the health, wellbeing and quality of life for everyone are realised.

Transport is the single biggest contributor to greenhouse gas emissions in the south East and across the UK. This needs to change, so our transport strategy includes a commitment to meet the Government's target of achieving net zero carbon emissions by 2050. To achieve this and our wider 2050 vision, we need to make better use of the infrastructure we already have – reducing the need to travel through

0300 3309474
tfse@eastsussex.gov.uk
transportforthesoutheast.org.uk
Transport for the South East, County Hall,
St. Anne's Crescent, Lewes, BN7 1UE

increased investment in digital and other technology and providing alternative ways for people to go about their business through increased investment in public transport and active travel. However, there will still be a need for targeted investment on our congested road and rail networks to relieve pinch points.

Whilst we appreciate that your review is at an early stage, we are pleased to see that the issues and potential interventions listed within your survey questions align well with the strategic goals, priorities and objectives set out in our transport strategy.

As you will also be aware, TfSE is currently undertaking a programme of Area Studies which will seek to identify the schemes and initiatives that will be required to deliver the 2050 vision set out in our transport strategy. Through this work we are again engaging with colleagues in our constituent authorities, including West Sussex County Council which is represented on the working groups and involved in the technical work for the studies that affect your area.

We look forward to working together with you as you undertake your review, and we would be happy to discuss any opportunities for further collaboration and sharing of data to our mutual benefit. This will help ensure that our studies and your emerging transport plan align in their thinking and outputs.

This is an officer response. The TfSE Shadow Partnership Board next meets on 28 January 2021 when it will consider this response. A further iteration of it may follow after that meeting.

Yours sincerely,

Rupert Clubb
Lead Officer
Transport for the South East

Sent via email

surreytransportplan@surreycc.gov.uk

18 December 2020

To whom it may concern

Transport for the South East (TfSE) response to Surrey County Council's LTP4 feedback survey

I am writing to you in connection with the Surrey County Council's LTP4 feedback survey, following the stakeholder workshop that was held on 7 December 2020.

TfSE is a sub-national transport body which represents sixteen local transport authorities in the South East of England. These are Brighton and Hove, East Sussex, Hampshire, Kent, Medway, Surrey, West Sussex, the Isle of Wight, Portsmouth and Southampton, and the six Berkshire unitary authorities. These authorities are represented on the Shadow Partnership Board along with representatives from the region's five Local Enterprise Partnerships, district and borough authorities, protected landscapes, Highways England, Network Rail and Transport for London.

TfSE provides a mechanism for its constituent authorities to speak with one voice on the transport interventions needed to support sustainable economic growth across its geography. High-quality transport infrastructure is critical to making the South East more competitive, contributing to national prosperity and improving the lives of our residents.

TfSE welcomes the opportunity to comment on the development of the Surrey CC LTP4. As you will be aware TfSE published a thirty-year transport strategy for the South East in July this year, which sets out an ambitious vision for our area in 2050. As one of our constituent authorities, Surrey County Council has been fully involved in the development of our strategy and we very much value the contribution that has been made to the development of the strategy as well as the ongoing support for the wider work of TfSE.

Our transport strategy seeks to deliver sustainable economic growth that achieves the right balance between the economic, social and environmental pillars of sustainable development. This means that any intervention in the area's transport networks to address connectivity challenges must ensure that the environment is protected and where possible enhanced and that opportunities to improve the health, wellbeing and quality of life for everyone are realised.

Transport is the single biggest contributor to greenhouse gas emissions in the south East and across the UK. This needs to change, so our transport strategy includes a commitment to meet the Government's target of achieving net zero carbon emissions by 2050. To achieve this and our wider 2050 vision, we need to make better use of the infrastructure we already have – reducing the need to travel through increased investment in digital and other technology and providing alternative ways

0300 3309474
tfse@eastsussex.gov.uk
transportforthesoutheast.org.uk
Transport for the South East, County Hall,
St. Anne's Crescent, Lewes, BN7 1UE

for people to go about their business through increased investment in public transport and active travel. However, there will still be a need for targeted investment on our congested road and rail networks to relieve pinch points.

We are pleased to see that the draft vision statement that has been developed for your LTP4 aligns strongly with the 2050 vision, strategic goals, priorities and objectives set out in our transport strategy.

As you will also be aware, TfSE is currently undertaking a programme of Area Studies which will seek to identify the schemes and initiatives that will be required to deliver the 2050 vision set out in our transport strategy. Through this work we are again engaging with colleagues in our constituent authorities, including Surrey County Council which is represented on the working groups and involved in the technical work for the studies that affect your area.

We look forward to working together with you as you undertake development of your LTP4, and we would be happy to discuss any opportunities for further collaboration and sharing of data to our mutual benefit. This will help ensure that our studies and your emerging transport plan align in their thinking and outputs.

This is an officer response. The TfSE Shadow Partnership Board next meets on 28 January 2021 when it will consider this response. A further iteration of it may follow after that meeting.

Yours sincerely,

Rupert Clubb
Lead Officer
Transport for the South East

Sent via email

transportplan@portsmouthcc.gov.uk

18 December 2020

To whom it may concern

Transport for the South East (TfSE) response to Portsmouth City Council's draft Transport Strategy consultation

I am writing to you in connection with the Portsmouth City Council's draft Transport Strategy consultation and the stakeholder workshop that was held on 1 December 2020.

TfSE is a sub-national transport body which represents sixteen local transport authorities in the South East of England. These are Brighton and Hove, East Sussex, Hampshire, Kent, Medway, Surrey, West Sussex, the Isle of Wight, Portsmouth and Southampton, and the six Berkshire unitary authorities. These authorities are represented on the Shadow Partnership Board along with representatives from the region's five Local Enterprise Partnerships, district and borough authorities, protected landscapes, Highways England, Network Rail and Transport for London.

TfSE provides a mechanism for its constituent authorities to speak with one voice on the transport interventions needed to support sustainable economic growth across its geography. High-quality transport infrastructure is critical to making the South East more competitive, contributing to national prosperity and improving the lives of our residents.

TfSE welcomes the opportunity to comment on the development of Portsmouth City Council's draft Transport Strategy. As you will be aware TfSE published a thirty-year transport strategy for the South East in July this year, which sets out an ambitious vision for our area in 2050. As one of our constituent authorities, Portsmouth City Council has been fully involved in the development of our strategy and we very much value the contribution that has been made to the development of the strategy as well as the ongoing support for the wider work of TfSE.

Our transport strategy seeks to deliver sustainable economic growth that achieves the right balance between the economic, social and environmental pillars of sustainable development. This means that any intervention in the area's transport networks to address connectivity challenges must ensure that the environment is protected and where possible enhanced and that opportunities to improve the health, wellbeing and quality of life for everyone are realised.

Transport is the single biggest contributor to greenhouse gas emissions in the south East and across the UK. This needs to change, so our transport strategy includes a commitment to meet the Government's target of achieving net zero carbon emissions by 2050. To achieve this and our wider 2050 vision, we need to make better use of the infrastructure we already have – reducing the need to travel through

0300 3309474
tfse@eastsussex.gov.uk
transportforthesoutheast.org.uk
Transport for the South East, County Hall,
St. Anne's Crescent, Lewes, BN7 1UE

increased investment in digital and other technology and providing alternative ways for people to go about their business through increased investment in public transport and active travel. However, there will still be a need for targeted investment on our congested road and rail networks to relieve pinch points.

We are pleased to see that the vision and strategic objectives that have been developed for your transport plan align strongly with the 2050 vision, strategic goals, priorities and objectives set out in our transport strategy.

As you will also be aware, TfSE is currently undertaking a programme of Area Studies which will seek to identify the schemes and initiatives that will be required to deliver the 2050 vision set out in our transport strategy. Through this work we are again engaging with colleagues in our constituent authorities, including Portsmouth City Council which is represented on the working groups and involved in the technical work for the studies that affect your area.

We look forward to working together with you as you undertake development of your transport plan, and we would be happy to discuss any opportunities for further collaboration and sharing of data to our mutual benefit. This will help ensure that our studies and your transport plan align in their thinking and outputs.

This is an officer response. The TfSE Shadow Partnership Board next meets on 28 January 2021 when it will consider this response. A further iteration of it may follow after that meeting.

Yours sincerely,

Rupert Clubb
Lead Officer
Transport for the South East