

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

Date of meeting: **21 March 2022**

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

Title of report: **Responses to consultations**

Purpose of report: **To agree the draft responses submitted in response to various consultations**

RECOMMENDATIONS:

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

- (1) National Infrastructure Commission – Second National Infrastructure Assessment: Baseline Report;**
 - (2) Surrey County Council – Surrey’s 2050 Place Ambition (Draft Version 2);**
 - (3) National Highways – A27 Arundel Bypass Statutory Consultation; and**
 - (4) House of Lords Built Environment Committee - Call for evidence on public transport in towns and cities**
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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:

- National Infrastructure Commission – Second National Infrastructure Assessment: Baseline Report
- Surrey County Council – Surrey’s 2050 Place Ambition (Draft Version 2)
- National Highways – A27 Arundel Bypass Statutory Consultation
- House of Lords Built Environment Committee - Call for evidence on public transport in towns and cities

2. National Infrastructure Commission – Second National Infrastructure Assessment: Baseline Report

2.1 In November 2021, the National Infrastructure Commission (NIC) published the baseline report from its forthcoming second National Infrastructure Assessment. The NIC produces a National Infrastructure Assessment every five years, providing an evaluation of the UK's infrastructure needs to 2050 and beyond. The baseline report evaluates the current state of the UK's economic infrastructure and identifies key challenges for the coming decades. The Second National Infrastructure Assessment is due to be published in 2023, with the baseline report representing the first significant milestone in that process.

2.2 The commission identified nine key challenges for this second assessment:

- all sectors will need to take the opportunities of new digital technologies
- the electricity system must decarbonise fast to meet the sixth Carbon Budget
- decarbonising heat will require major changes to the way people heat their homes
- new networks will be needed for hydrogen and carbon capture and storage
- good asset management will be crucial as the effects of climate change increase
- action is needed to improve surface water management as flood risk increases
- the waste sector must support the move to a circular economy
- improved urban mobility and reduced congestion can boost urban productivity
- a multimodal interurban transport strategy can support regional growth.

The NIC welcomed views on these key challenges and encouraged organisations to respond to the questions set out in the call for evidence.

2.3 This consultation closed on 4 February 2022 and the officer level response that was submitted is contained in Appendix 1. Reflecting TfSE's remit, the response provides answers to five of the seventeen questions that the NIC posed. Members of the Partnership Board are recommended to agree the response to this call for evidence.

3. Surrey County Council – Surrey's 2050 Place Ambition (Draft version 2)

3.1 In 2017, Surrey's local authorities agreed an Interim Local Strategic Statement to facilitate cooperation on key strategic planning issues. In 2019, this evolved into Surrey's 2050 Place Ambition which provides a framework to deliver a long-term ambition to support good growth across the county. Since 2019, however, local authorities have had to deal with the impact of the Covid-19 pandemic on their communities and economy, and the urgency in responding to climate change has been escalated. Whilst the overall ambition and strategic priorities remain largely the

same, some of the interventions needed to deliver these have changed.

3.2 This consultation closed on 4 March 2022 and the officer level response that was submitted is contained in Appendix 2. The response welcomes the implementation framework that is set out in the strategy and also encourages further consideration on a number of key issues. Members of the Partnership Board are recommended to agree the response to this consultation.

4. National Highways – A27 Arundel Bypass Statutory Consultation

4.1 In January 2022, National Highways launched a statutory eight-week public consultation on their proposed A27 Arundel Bypass scheme. The proposed route for this scheme consists of around 8km of new dual carriageway being created to the south of the existing A27, from Crossbush to Fontwell roundabout. In addition to this, around 6.6km of the existing A27 will be de-trunked.

4.2 This consultation closed on 8 March 2022 and the officer level response that was submitted is contained in Appendix 3. The response restates TfSE's support for an improvement scheme at Arundel and welcomes the fact that comments made by TfSE in the previous scheme consultation have been taken into account. In addition to this, the response reiterates that the budget for this scheme needs to be sufficient to deliver the scheme and also mitigate negative impacts on communities and the environment. Members of the Partnership Board are recommended to agree the response to this consultation.

5. House of Lords Built Environment Committee - Call for evidence on public transport in towns and cities

5.1 In January 2022, the House of Lords Built Environment Committee launched an inquiry into public transport in towns and cities in England and is inviting written contributions. This inquiry will assess public transport travel trends in towns and cities. It will consider how public transport choices vary across different demographics and the impact of technology on how people travel. The Committee will consider future trends in public transport innovation and how public policy may be shaped in light of these trends. The Committee is interested in connectivity across modes and how to achieve better integration through data and innovation. The inquiry will investigate whether local authorities have enough funding and powers to provide high-quality public transport services.

5.3 This consultation closed on 11 March 2022 and the officer level response that was submitted is contained in Appendix 4. Members of the Partnership Board are recommended to agree the response to this consultation.

6. Conclusion and recommendations

6.1 The members of the Partnership Board are recommended to agree the draft responses to the consultations that are detailed in this report.

RUPERT CLUBB
Lead Officer
Transport for the South East

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

National Infrastructure Commission

Response from Transport for the South East to the call for evidence for the Second National Infrastructure Assessment: Baseline Report

1 Introduction

Transport for the South East

- 1.1 Transport for the South East (TfSE) is pleased to respond to the National Infrastructure Commission's Call for Evidence for its Second National Infrastructure Assessment Baseline Report.
- 1.2 TfSE is one of England's seven Sub-national Transport Bodies (STBs). As established in the enabling legislation, the role of STBs is to identify and prioritise larger scale transport 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 TfSE brings together 16 local transport authorities (LTAs), five local enterprise partnerships (LEPs), 46 district and borough authorities alongside a range of stakeholders from the worlds of transport, business and the environment.

Figure 1: Transport for the South East Area



- 1.4 This response is an officer response which will be presented for subsequent endorsement by the members of TfSE's Partnership Board on 21 March 2022. On the basis that this endorsement is forthcoming, TfSE is happy for the NIC to publish this response.

TfSE Transport Strategy

- 1.5 TfSE's **Transport Strategy** sets out a thirty-year framework to guide decisions about where, when and how money is invested in the South East's transport network. The strategy is clear that 'business as usual' is not a sustainable way forward. For this reason, TfSE has adopted a different

approach to traditional transport strategies – setting out a vision for the future we want and how transport investment can help us achieve it, rather than endlessly chasing forecast growth in demand for transport (particularly on our roads). This said, further investment in our transport infrastructure, including the South East’s railways, highways, public transport services, and active travel infrastructure is integral to the delivery of our strategy. This investment will secure even better outcomes if it is complemented by targeted regulation and pricing mechanisms that promote more sustainable travel outcomes.

- 1.6 The transport strategy, which is supported by an extensive **evidence base**, will inform the development of our **Strategic Investment Plan** (SIP). This SIP, which we will consult on in mid-2022, will state our priorities for the future direction of, and investment in, the transport networks that serve South East England.

This Response

- 1.7 Reflecting TfSE’s remit, this response addresses the following of the NIC’s questions:
- **Question 1:** Do the nine challenges identified by the Commission cover the most pressing issues that economic infrastructure will face over the next 30 years? If not, what other challenges should the Commission consider?
 - **Question 2:** What changes to funding policy help address the Commission’s nine challenges and what evidence is there to support this? Your response can cover any number of the Commission’s challenges.
 - **Question 5:** What are the main opportunities in terms of governance, policy, regulation and market mechanisms that may help solve any of the Commission’s nine challenges for the Next Assessment? What are the main barriers? Your response can cover any number of the Commission’s challenges.
 - **Question 16:** What evidence is there of the effectiveness in reducing congestion of different approaches to demand management used in cities around the world, including, but not limited to, congestion charging, and what are the different approaches used to build public consensus for such measures?
 - **Question 17:** What are the barriers to a decision making framework on interurban transport that reflects a balanced approach across different transport modes?

2 **Question 1:** Do the nine challenges identified by the Commission cover the most pressing issues that economic infrastructure will face over the next 30 years? If not, what other challenges should the Commission consider?

2.1 Of the nine challenges identified by the Commission, TfSE considers the following four as most pertinent to our remit and welcome the NIC's focus on these:

- “all sectors will need to take the opportunities of new digital technologies”
- “good asset management will be crucial as the effects of climate change increase”
- “improved urban mobility and reduced congestion can boost urban productivity”
- “a multimodal interurban transport strategy can support regional growth”

2.2 The other five challenges largely fall outside TfSE's remit and as a consequence are not a focus of this response.

2.3 With reference to our Transport Strategy:

- We see **digital technologies** as complementary to further investment in transport networks. For some, digital connectivity will support and facilitate working from home some or all of the time, which provides an alternative to commuting. Digital technologies are also integral to making the best use of our transport systems, for instance through hosting MaaS applications and to support how the network is managed and maintained.
- Good **asset management** is also important to maintain a reliable and resilient network and reap the benefits of the sunk cost in our existing networks. As well as sunk capital costs, our transport networks have sunk carbon and making best use of our existing networks must be an integral part of the pathway to net zero. This requires good asset management, integral to which is sufficient budgets to avoid the build-up of maintenance backlogs.
- **Managing congestion** both in **urban area and on interurban links** has direct economic benefits to network users and with the right investment in the right places can have further productivity benefits through promoting static and dynamic agglomeration, including influencing where development happens and to what scale. TfSE's Transport Strategy offers a multi-modal interurban transport strategy with objectives that include supporting regional growth as well as the move to a net zero economy.

2.4 In addition to the nine challenges in the Call for Evidence, we believe that there is a further challenge that the NIC should consider. As set out in our Transport Strategy, the South East accounts for 12% of the country's greenhouse gas emissions and around a third of total emissions are associated with the transport sector. If the country is to meet its commitment to be carbon neutral by 2050, it will be essential for the transport sector to decarbonise. The increasing take-up of zero emission vehicles will make an important contribution to this, but for this to happen to scale and rate required (which is greater than the current rate) there needs to be the appropriate infrastructure to support:

- charging of electric vehicles at home, places of work, public car parks, etc;
- charging of commercial electric vehicles at depots and for opportunity charging (e.g. for buses at bus stations, or route termini)
- production, distribution and fuelling facilities for alternative no-carbon fuels such as hydrogen.

2.5 In the case of charging infrastructure for electric vehicles, this is likely to require development and adaptation of national, regional and local grids, the creation of additional connections to the

grid (for example to bus depots) and the charging infrastructure itself. Infrastructure will be needed to produce and distribute alternative no-carbon fuels in a way analogous to the way existing network of oil refineries, distribution depots and petrol filling stations support the production, distribution and sale of fossil fuels. Coordinated national action will be needed.

2.6 Further electrification of the public transport network will be needed. While much of the South East's rail network is electrified, there are sections of the network reliant on diesel traction. The Government's recent initiative to accelerate the introduction of zero emission buses through the Zero Emissions Bus Regulation Area (ZEBRA) scheme must be the first step in a sustained plan to decarbonise the bus fleet.

2.7 In addition to the nine challenges, TfSE therefore proposes an additional challenge which is:

- **Decarbonise transport networks** through providing charging networks for private and commercial electric vehicles, infrastructure for alternative no-carbon fuels (e.g. hydrogen) and decarbonising public transport networks through further electrification.

3 **Question 2:** What changes to funding policy help address the Commission's nine challenges and what evidence is there to support this? Your response can cover any number of the Commission's challenges.

3.1 Central to addressing the NIC's challenges that fall in TfSE's ambit will be **multi-year funding certainty**. Currently National Highways and Network Rail (and in the future, Great British Railways) benefit from five-year funding settlements. With the City Region Sustainable Transport Settlement (CRSTS), this approach is being extended to the eight mayoral combined authorities. (There is no mayoral combined authority in the TfSE geography.) These multi-year settlements allow multi-year programmes to be developed and implemented and avoid the recurrent resourcing issues that result from stop-start patterns of infrastructure investment.

3.2 Previously, alongside other STBs, TfSE has called on Government to give each region a multi-year funding allocation. Clarity on the level of funding available would ensure that the investment pipelines that flow from our transport strategy is affordable. Prioritisation of pipeline schemes is extremely challenging without a clear view on funding levels available, and clear criteria against which to prioritise. Greater funding 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/consents required.

3.3 The approach adopted for CRSTS incorporates the Integrated Transport Block and Highway Maintenance Block within the Settlement along with some elements of competition funding (e.g. Transforming Cities Fund). This adds to the flexibility that the mayoral combined authorities have about on what, where and when their funding is spent.

3.4 The next step is to develop comparable multi-year settlements for other areas beyond the mayoral combined authorities. TfSE, along with the other STBs, is well placed to lead the regional-scale prioritisation that will be needed to support such a settlement and then administer the settlement over its life. This would include undertaking assurance for schemes that are not retained by the Department for Transport, as well as leading on monitoring and evaluation of the implemented programme.

- 3.5 Associated with CRSTS is a Government “ask” that the mayoral combined authorities contribute 15-20% of the overall Settlement using locally secured funds that are additional to the Treasury contribution. Looking ahead, there are potential roles for Land Value Capture, Work Place Parking Levies and road user charging schemes. We return to road user charging in response to Question 16, but here note that if Government adopts a similar requirement for regional settlements, TfSE is well-placed to coordinate a regional contribution such that constituent members are pursuing complementary approaches to securing local contributions.
- 3.6 There is also a greater need to integrate the programmes of National Highways and Network Rail with the regional transport strategy. Currently, there is a **siloed approach** to investment which tends to lead to the development of specific schemes aimed at solving a particular problem to improving network performance. Central to our Transport Strategy is a more integrated, place-based 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. Our proposal is that as it develops its RIS3 programme, National Highways is obligated to give explicit consideration of how its programme will support and facilitate the delivery of our Transport Strategy (and those of other STBs), as well as set out this consideration in its reporting. Network Rail should do similar as it develops its programme for the next Control Period.
- 3.7 Looking further ahead, there is an opportunity for better integration and co-ordination between Government departments (particularly DLUHC, Treasury and DfT), to unlock and accelerating infrastructure delivery. Currently, funding arrangements for infrastructure are separated across departments which makes the planning and delivery of integrated cross-sectoral programmes to tackle major issues such as the need for levelling-up 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.
- 3.8 TfSE see the potential for a **national road user charging scheme** (following a wider review of transport taxation) as a way to help realise the objectives of its Transport Strategy, as well as provide a circular source of funding for reinvestment into transport networks. We return to this in our response to Question 16.

4 **Question 5:** What are the main opportunities in terms of governance, policy, regulation and market mechanisms that may help solve any of the Commission’s nine challenges for the Next Assessment? What are the main barriers? Your response can cover any number of the Commission’s challenges.

- 4.1 TfSE, along with the other STBs, was established to develop an integrated Transport Strategy for our region and to identify and prioritise the interventions needed to deliver it. Completed in July 2020, the transport sets out an ambitious yet deliverable strategy that will support the further economic growth and regeneration across the South East, while also supporting and facilitating the shift to a net zero economy. The challenge is not to develop the transport strategy for the South East – this has been done. What now needs to happen is take the collaborative processes that TfSE has developed with its members and partners to produce the strategy and build on these to support delivery.

- 4.2 Central to delivery is funding and we have covered this in response to Question 2. Through building its own capacity and capability, as well as the capacity and capability of its members authorities, TfSE can help accelerate the development and delivery of the schemes and interventions that make up its programme. This will need:
- Governance structures which encourage collaboration in investment decision making and scheme delivery across multiple local authority areas. Local authorities being empowered to implement local demand management measures.
 - Local transport authorities being given greater scope to specify public transport provision in their local area, in collaboration with transport providers.
 - Local transport authorities having due regard to TfSE's Transport Strategy when producing their local transport plans.
 - The creation of a regional centre of excellence with the capability and capacity to support scheme development and delivery across the South East.

5 **Question 16:** What evidence is there of the effectiveness in reducing congestion of different approaches to demand management used in cities around the world, including, but not limited to, congestion charging, and what are the different approaches used to build public consensus for such measures?

- 5.1 As part of its focus on levelling-up, TfSE welcomes the NIC's intention to examine how the development of mass transit systems can support productivity in cities and city regions, as well as to consider the role of congestion charging and other demand management measures.
- 5.2 Before addressing Question 16 directly, with regard to levelling-up we note that:
- The reasons why places are 'left behind' are deep rooted and vary from place to place. As part of its Transport Strategy evidence base, TfSE has analysed a wide range of socio-economic and transport connectivity indicators to understand how transport contributes to the success of the economy across all areas in the South East. This analysis has identified some areas where poor transport connectivity appears to be a material barrier to success. This is particularly the case for coastal communities in Kent, East Sussex, West Sussex, and Hampshire, which have poor connections to the rest of the UK and also have poor deprivation indicators. There are, however, other areas of the South East – such as Dartford and Slough – that enjoy relatively good levels of transport connectivity, but which fall far below average in many deprivation indicators. What this tells us is that poor transport connectivity is not a sole determinant of whether a place is left behind. Some of these places are relatively well connected, others are not.
 - Even for those left behind places that are poorly connected, improving transport connectivity alone is unlikely to address the deep-rooted problems that underpin deprivation. What will be needed are cross-sectoral multi-year programmes that considers an area's foundational social and economic infrastructure and services. Many of these things fall outside the NIC's remit (e.g. provision of education, including schools and colleges, health facilities, etc.). Many require revenue as well as capital funding. It will be important that NIA2 considers how provision of infrastructure that falls within the NIC's remit is integrated within wider

Government initiatives and we suggest whether there is sufficient policy coordination across capital and revenue programmes.

- A too narrow a focus on transport connectivity has the potential to create unintended effects, for instance a two-way street effect where improved transport connectivity makes it easier for economic activity to flow out of an area rather than flow in. Again, this points to a need to tackle levelling up through integrated and coordinated cross-sectoral public policy programmes, which are likely to involve both capital and revenue funding.
- Mass transit can have a role to play in supporting levelling up in some places across the South East. However, the nature of the South East's urban geography means that opportunities for rail-based mass transit are limited. There are, however, greater opportunities for bus-based systems, for instance building on the experience of Fastrack in the Thames Gateway and Fastway in Crawley. Any focus on mass transit needs to take in the full spectrum of technologies and not just rail based ones.
- Across the South East there is potential to enhance urban and peri-urban connectivity through improvements to bus provision. There are examples in the South East where modest investment in bus services have generated significant growth (against a national backdrop of decline in bus use). In particular, Reading, Crawley (Fastway Bus Rapid Transit), Dartford (Fastrack Bus Rapid Transit), and Brighton & Hove have seen impressive growth in bus use in the last decade. TfSE strongly supports plans to invest in bus services in other parts of the South East to replicate these successes elsewhere.
- The South East has an extensive rail network with a focus on radial commuting to and from London. TfSE's evidence base demonstrates a marked difference in average speed and available capacity for journeys to and from the capital when compared to journeys along the South Coast or routes such as Reading to Gatwick. Our Strategic Investment Plan is likely to call for funding to support improvements on these key "orbital" corridors to encourage modal shift from car to rail and to strengthen rail's attractiveness for journeys between and within the two largest conurbations in the South East (South Hampshire and Brighton & Hove).

5.3 Turning directly to the question, TfSE welcomes the NIC's interest in exploring the potential role of demand management measures including congestion charging. This is for three principal reasons:

1. The per mile running cost of zero emission vehicles is lower than the per mile cost of a comparable internal combustion engine vehicle. All other things being equal, reducing the cost per mile will induce further road traffic which in turn would lead to greater congestion and associated economic cost. Per mile road user charging is needed to avoid the shift to zero emission vehicles leading to greater congestion.
2. A per mile charging regime offers the opportunity to set the charge to manage congestion and/or drive the shift to zero emission vehicles. However, there needs to be clarity on the objectives for the systems as the specification of a charging regime to manage congestion downward need not necessarily be the same as one that is intended to reduce road-related carbon emissions.
3. The shift to zero emission vehicles will progressively reduce receipts from fuel duty and as long as the current banded vehicle excise duty (VED) is maintained, from VED too. Using a per mile charge to avoid an increase in congestion (point 1 above) offers the Treasury a way to replace lost revenue while at the same time avoiding additional economic impairment. Using per mile charging to meet policy goals also offers a revenue positive approach. While Treasury has traditionally resisted hypothecation, this creates an opportunity to recycle

additional revenues to provide capital investment and revenue support to the transport sector to both provide attractive non-car alternatives for those who do not want to pay an additional charge, as well as to meet wider policy goals.

- 5.4 Many of the strategic road links in the TfSE area suffer from congestion in the morning and evening peak periods, and at other times too. The modelling work we have undertaken as part of the development of our transport strategy indicates that increased levels of economic activity combined with population growth, will lead to increased levels of trip making activity. The environmental constraints in the TfSE area means that major new road building is not an option to accommodate this growth. This growth can only be accommodated through greater use of more sustainable forms of transport. The modelling work demonstrated that the introduction of a road user charging system alongside other forms of pay as you go mobility, could significantly support the management of future road traffic levels. In the context of future funding and financing challenges, the prospect of using part of the receipts from a future road user charging schemes to fund transport investment is also set out in our transport strategy. It would also be important for any road user charging scheme proposals to be set in the context of a wider review of motoring taxation and public transport fare structures to ensure the modal shift that is being sought would be achieved.
- 5.5 TfSE's view is that any road user charging scheme would need to apply across the South East and be introduced as part of a national initiative. TfSE therefore supports the rationale for the introduction of a national road user charging scheme. We elaborate why below.
- 5.6 Concerns are often raised about the social impacts of road user charging schemes. As with any proposed major change to a taxation or charging regime there will be individual winners and losers. The case of the low paid worker who needs to travel at times poorly served by public transport and so has to travel to work by car is often raised. We recognise these concerns and even a 'revenue neutral' alternative to fuel duty will create winners and losers. This is why provision of attractive public transport and other sustainable alternatives to road transport has to be integral to any road user charging regime. However, even with sophisticated systems with differential charges by time and geography, we recognise that even then there will be some low income households who have no option to travel by car and who would be financially worse off. In such cases, the approach to mitigation will sit outside the transport sector and will need to be part of the overall approach to taxation and welfare.
- 5.7 There are further concerns that road user charging schemes may have potential traffic displacement effects with potential increases in traffic levels in lower charge areas around higher areas as a result of drivers effectively driving further to pay less. These reinforces the case for a national scheme that applied to all roads as such an approach would allow potential charge discontinuities to be minimised.
- 5.8 Despite the strong economic rationale for road user charging proposals, TfSE recognises that past proposals in the UK and elsewhere have proven very controversial and politically contentious. The linkage between the use people make of the road network and the costs and charges that they incur for doing so has long been blurred. Consequently, proposals that have come forward to place additional charges for using roads on top of what drivers are already paying in fuel duty and vehicle tax, have proved controversial, which is not surprising as in their minds drivers are being asked to pay twice. As shown in Manchester and Edinburgh local referenda have not proved an effective way to debate the merits of charging proposals. The experience in London is instructive. The Congestion Charge was a mayoral manifesto commitment. It was also subject to an 18 month long public consultation exercise, after which refinements were made to the scheme. This serves

to illustrate that the way a proposal is politically-led, developed and consulted on, will be key determinants of likely success.

6 **Question 17:** What are the barriers to a decision making framework on interurban transport that reflects a balanced approach across different transport modes?

- 6.1 As set out in our response to Question 2, TfSE sees a close relationship between how inter-urban transport enhancements are funded and how decisions are taken that ensure the investment in different modes is balanced. As previously noted, the five year settlements to National Highways and Network Rail are beneficial to those organisations as it gives a degree of certainty that allows the efficient progression of a programme of investment. However, the uni-modal approach of these two settlements is a barrier to the coordinated implementation of a multi-modal programme across a particular geography.
- 6.2 TfSE would like to see multi-year funding settlements for STBs, with STBs being responsible for the development of the programme including prioritisation of what interventions are to be supported, as well as administration of the settlement over its life, including assurance of schemes not retained by the Department for Transport, along with monitoring and evaluation to inform the development and implementation of future programmes.

Rob Moran
Chair, Surrey Future

Emailed to:

nikki.nicholson@surreycc.gov.uk

4 March 2022

Dear Mr Moran,

Transport for the South East (TfSE) response to Surrey's 2050 Place Ambition

I am writing to you as lead officer for [Transport for the South East](#) (TfSE) in response to the consultation on Surrey's 2050 Place Ambition.

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 Partnership Board, which is its decision-making body, along with representatives from the region's five Local Enterprise Partnerships, district and borough authorities, protected landscapes, National Highways, 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 Surrey's 2050 Place Ambition. As you will be aware TfSE published a thirty-year transport strategy for the South East in July 2020, 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 by the district and boroughs as well as the ongoing support for the wider work of TfSE.

We are therefore very pleased to see our transport strategy referred to within the wider policy context in which the Place Ambition sits, and also that the challenges and key issues identified within the Place Ambition align well with the strategic goals, priorities and objectives set out in our strategy.

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



300 3309474

tfse@eastsussex.gov.uk

transportforthesoutheast.org.uk

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

environment is protected and where possible enhanced and that opportunities to improve the health, wellbeing and quality of life for everyone are realised. The ambition and shift in approach set out in our strategy include the need to move away from a predict and provide approach based on planning for vehicles to one based on planning for people and places. It involves a shift towards a decide and provide approach to transport provision based on choosing a preferred future with preferred transport outcomes encapsulated in our 2050 Vision.

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 at the latest. 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 for people to go about their business through increased investment in public transport and active travel.

We welcome the focus of strategic priority one which aligns with the priorities of our transport strategy. However, we would welcome further consideration to a number of key issues, including the impact of new and emerging technologies, requirements for EV charging infrastructure and rural accessibility.

It is acknowledged in the draft implementation framework that there are a number of local and countywide plans that will need to be considered in the implementation of the Place Ambition. We are in the process of developing the Strategic Investment Plan (SIP) for the region (due for consultation in summer 2022 and publication in March 2023). This will be a blueprint for strategic transport investment in the South East for the next 30 years and it is likely that this document will support some of the interventions set out in the Strategic Opportunity Areas. We are keen to continue to work with local authorities on the development SIP in coming months.

We look forward to working together with you as you continue to develop the Place Ambition, and we would be happy to discuss any opportunities for further collaboration.

This is an officer response. The TfSE Shadow Partnership Board next meets on 21 March 2022 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



300 3309474

tfse@eastsussex.gov.uk

transportforthesoutheast.org.uk

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

Emailed to:A27ArundelBypass@highwaysengland.co.uk

4 March 2022

Dear Sirs,

Transport for the South East (TfSE) response to National Highways A27 Arundel bypass consultation

I am writing to you as Technical Lead for [Transport for the South East](#) (TfSE) in response to the consultation on the A27 Arundel Bypass consultation.

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 Partnership Board, which is its decision-making body, along with representatives from the region's five Local Enterprise Partnerships, district and borough authorities, protected landscapes, National Highways, 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.

In 2020 TfSE published a thirty-year transport strategy for the South East that sets out an ambitious 2050 vision for the area. We are currently undertaking a programme of area studies to identify multimodal packages of interventions that will be needed to deliver the transport strategy. The outputs from the area studies will be brought together in a draft Strategic Investment Plan (SIP) that we are planning to publish for consultation in June 2022.

The A27 is the only major east-west trunk road south of the M25 and links a number of the cities and ports that are critical to the UK economy. Our transport strategy identified the A27 as a key orbital transport corridor across our area that suffers from significant levels of congestion at various points. The poor performance of both the road and rail links on this corridor represent a significant barrier to fostering sustainable growth along the South Coast.

The strategic vision set out in our emerging Outer Orbital area study, envisages that by the year 2050, the two conurbations along the South Coast of Solent/South Hampshire and Brighton and Hove/Sussex Coast will be served by world class urban mass transit systems and will be an attractive environment for active travel. Both conurbations will be joined together by high quality rail and highway



300 3309474

tfse@eastsussex.gov.uktransportforthesoutheast.org.ukTransport for the South East, County Hall,
St. Anne's Crescent, Lewes, BN7 1UE


infrastructure that are sensitive to the area's outstanding natural and historic environment. This will deliver sustainable and equitable economic growth for the area's residents and businesses. Improving the A27 at Arundel will be key to achieving this vision and therefore TfSE support the need for the scheme.

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. We are therefore pleased that our comments in response to your 2019 consultation have been taken on board. In particular, we welcome the focus given to addressing the environmental challenges and your objective to deliver a scheme that minimises environmental impact and seeks to protect and enhance the quality of the surrounding environment through its high-quality design. We also welcome the objective to improve accessibility for all users to local services and facilities and the provision of replacement and improved pedestrian, cycling and horse-riding routes within the scheme proposals.

Our previous response in 2019 referred to the sufficiency of the scheme budget at that time. Whilst we note that your consultation material makes no reference to the budget, we would reiterate our view that the budget will need to be sufficient to deliver the scheme and mitigate negative impacts on communities and the environment.

This is an officer response. The TfSE Shadow Partnership Board next meets on 21 March 2022 when it will consider this response. A further iteration of it may follow after that meeting.

Yours faithfully,

p.p. 

Mark Valleley
Technical Lead
Transport for the South East

House of Lords Built Environment Committee

Response from Transport for the South East to the call for evidence for the inquiry into public transport travel trends in towns and cities

Summary of written submission

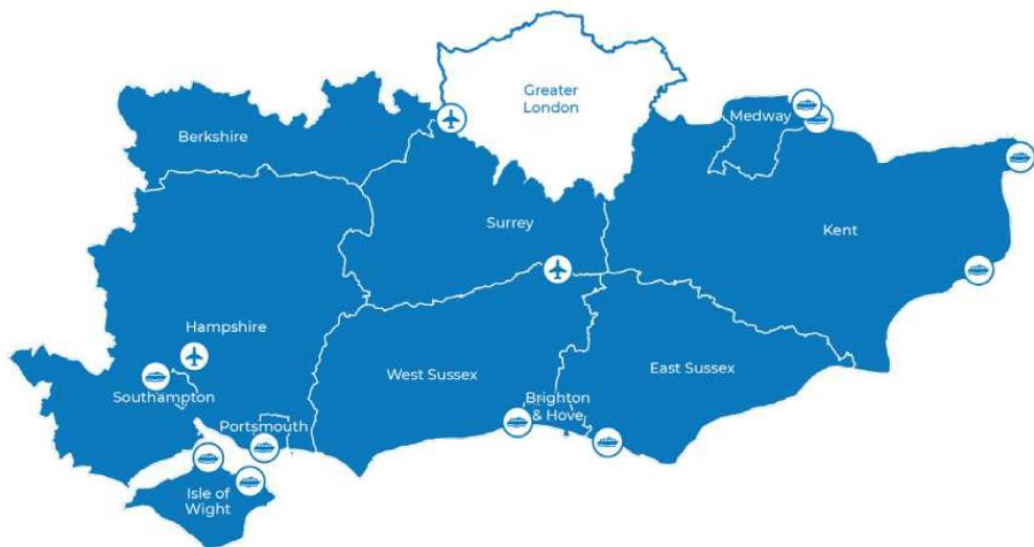
1. Transport for the South East (TfSE) is one of England's seven Sub-national Transport Bodies (STBs). TfSE brings together 16 local transport authorities (LTAs), five local enterprise partnerships (LEPs) and 46 district and borough authorities, alongside a range of stakeholders from the worlds of transport, business and the environment.
2. TfSE's Transport Strategy sets out a thirty-year framework to guide decisions about where, when and how money is invested in the South East's transport network. Its supporting evidence base will inform the development of our Strategic Investment Plan (SIP), which is underway.
3. TfSE recognises that bus services have a key role to play in delivering a more balanced, more sustainable transport system in the South East. Overall, bus use increased in the South East in the ten years to 2019/20.
4. TfSE's has developed a bus evidence base that provides insights into actual and potential future patterns of demand. This includes indications of what could influence bus patronage in the region and areas for potential growth in demand.
5. Differences in performance of bus networks across the region have highlighted a range of factors influencing the likelihood of future patronage growth, particularly in larger urban areas.
6. Our study work has provided good intelligence about the best movement corridors for potential for bus market growth, "switchable" trips and improved connectivity. The role of a stronger 'duty to cooperate' in achieving integration across public transport modes has been identified as has the need for greater certainty about future funding streams (through, say, 5-year funding settlements) to deliver a pipeline of suitably targeted capital investment and (as required) revenue support.
7. LTAs now have sufficient powers that should enable bus network quality to be increased significantly, if supported by sufficient, dedicated public transport funding – ideally as multi-year programmes. STBs such as TfSE have a role to play in shaping and developing those programmes.
8. Public transport touches on the work of several government departments and agencies. There is both a need and a genuine opportunity to foster trust and collaboration between departments – and between levels of government – to develop joined-up, positive outcomes that deliver *overall* government policy.
9. More urgently, there is an emerging revenue support cliff-edge. The government is ending COVID-19 financial support for buses and other revenue sources still have a way to go to fill the gap. LTAs are by no means resourced to fill that revenue gap – especially not to subsidise even more services that used to be run commercially. There is a real risk of extensive service withdrawals from local bus networks over the next few months.

1. Introduction

Transport for the South East

- 1.1 Transport for the South East (TfSE) is pleased to respond to the Built Environment Committee’s Call for Evidence for its inquiry into public transport travel trends in towns and cities.
- 1.2 TfSE is one of England’s seven Sub-national Transport Bodies (STBs). As established in the enabling legislation, the role of STBs is to identify and prioritise larger scale transport 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 TfSE brings together 16 local transport authorities (LTAs), five local enterprise partnerships (LEPs) and 46 district and borough authorities, alongside a range of stakeholders from the worlds of transport, business and the environment.

Figure 1: Transport for the South East Area



- 1.4 This response is an officer response which will be presented for subsequent endorsement by the members of TfSE’s Partnership Board on 21 March 2022.

TfSE Transport Strategy

- 1.5 TfSE’s Transport Strategy¹ sets out a thirty-year framework to guide decisions about where, when and how money is invested in the South East’s transport network. The strategy is clear that ‘business as usual’ is not a sustainable way forward. For this reason, TfSE has adopted a different approach to traditional transport strategies – setting out a vision for the future we want and how transport investment can help us achieve it, rather than endlessly chasing forecast growth in demand for transport (particularly on our roads). This said, further investment in our transport infrastructure, including the South East’s railways, highways, public transport services, and active travel infrastructure is integral to the delivery of our

¹ <https://transportforthesoutheast.org.uk/our-work/transport-strategy/>

strategy. This investment will secure even better outcomes if it is complemented by targeted regulation and pricing mechanisms that promote more sustainable travel outcomes.

- 1.6 The transport strategy, which is supported by an extensive evidence base,² will inform the development of our Strategic Investment Plan (SIP). This SIP, which we will consult on in mid-2022, will state our priorities for the future direction of, and investment in, the transport networks that serve South East England.
- 1.7 Within the South East, public transport in towns and cities is primarily provided by bus services. The network consists of (normally) commercial services and services contracted in by LTAs that wouldn't be run commercially. At present, operators can introduce, vary or withdraw commercial services as they wish to – and are keen to retain that ability. There are three bus rapid transit systems in the South East: Fastrack in the Thames Gateway (Dartford), Eclipse in south Hampshire and Fastway in Crawley – with more being planned. At present, there are no light rail systems in the South East. While the South East has an extensive rail network and there are some intra-urban services for which rail is an attractive alternative, rail primarily serves inter-urban movements and movements to and from London. As a consequence, the focus of this submission is on the current and future role of bus services.
- 1.8 While the focus of this inquiry is on public transport in towns and cities, the South East's bus network provides connectivity both within more rural areas and between these areas and town and cities. Routes that serve rural areas more often than not have one or both ends of the route in a town or city and they are also integral parts of the urban network itself. When thinking about bus, we believe it is important to consider the network as a whole and not just its urban elements.
- 1.9 As noted in our Strategy, good local bus services are seen as an essential part of vibrant, sustainable communities, enabling people to access health, education, leisure services, shops and jobs. They are crucial to many people's general wellbeing, enabling them to maintain their social networks. Our Strategy recognises that bus services have a key role to play in delivering a more balanced, more sustainable transport system in the South East.

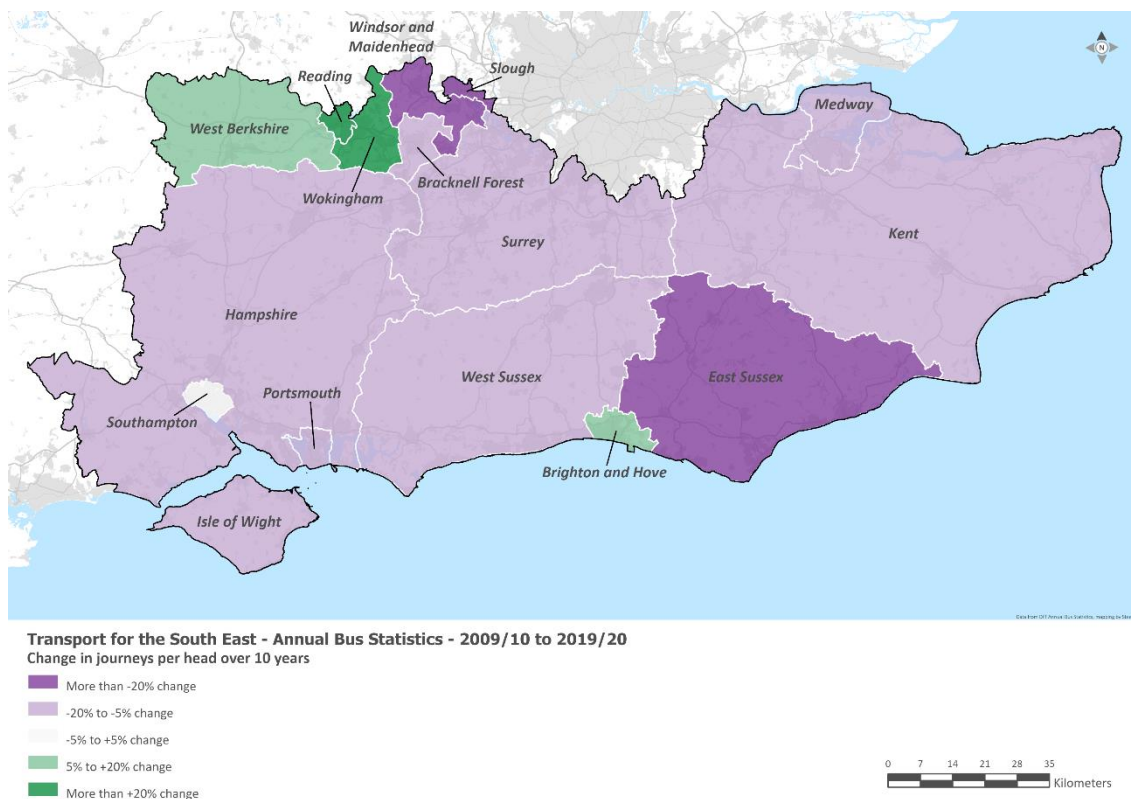
² <https://transportforthesoutheast.org.uk/publications/>

2 Question 1. What are the current and anticipated levels of public transport demand and capacity in towns and cities in England? What influences public transport travel patterns? How does the choice of public transport vary across different demographic groups?

Current levels of PT demand

- 2.1 In contrast to many other regions in the UK, many LTAs in the TfSE area have seen an increase in bus use in recent years. Looking at the decade to March 2019, which is the last financial year that bus patronage was unaffected by the COVID-19 pandemic, bus patronage in the South East grew. The number of passengers using buses in Reading and other Berkshire authorities grew by more than 30%. There was strong growth in Brighton and Hove (20%) and Southampton too (10%). The successes in both Brighton and Reading are recognised in the Department for Transport’s *Bus Back Better: National Bus Strategy for England*.³
- 2.2 The five TfSE local authorities with the lowest number of annual bus journeys per head the TfSE area are Hampshire, West Berkshire, Wokingham, Bracknell Forest and Windsor and Maidenhead– despite some of these showing a pattern of demand growth.

Figure 1: Change in Bus Journeys per Head 2009/10 to 2019/20



Influences on Bus Patronage

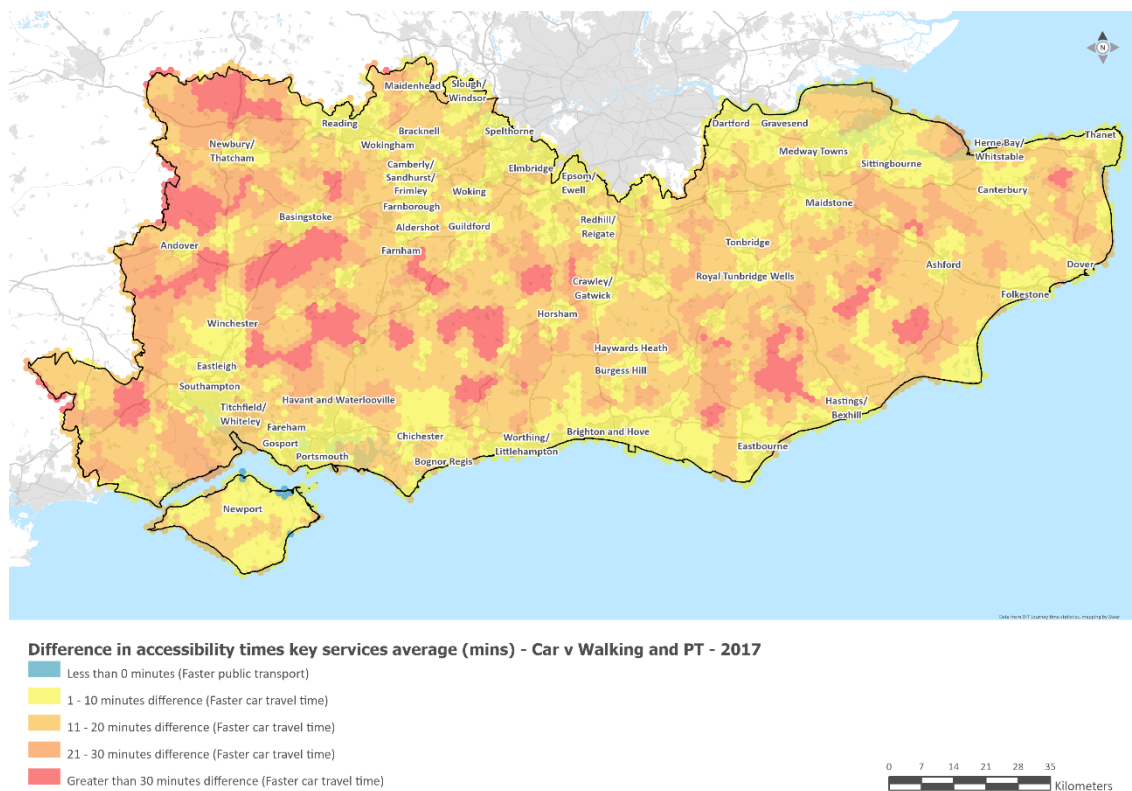
- 2.3 Pre-COVID-19, what Brighton, Reading and Southampton had in common is a buoyant economy, dynamic local bus company management and an effective partnership between the local authorities and bus operators. Other factors include, but are not limited to, simple fares (e.g. flat fares) with tap-on, tap-off contactless payment, high quality and well-maintained

³ See pages 23 and 49, DfT (2021) *Bus Back Better: National Bus Strategy for England*

fleets meeting Euro 6 carbon standards, a focus on customer service including amenities like free Wi-Fi and USB charging as standard, limited town/city centre parking, limited urban rail network (and no light rail provision) and congested local roads but extensive bus priority measures.

- 2.4 Those areas that have experienced a decline in bus use are characterised by low population density, meaning it is not conducive to high frequency bus services, which in turn decreases the attractiveness of the mode. While the majority of buses (Hampshire excluded) offer contactless payment, they do not provide tap in tap out services or fare capping for contactless payments. As such, payment for bus users is less straightforward than in authorities such as Southampton or Reading.
- 2.5 What the experience of Brighton, Reading and Southampton shows is that declining bus patronage is not inevitable. However, while there are lessons to be learned from these places this does not mean that the model in these towns and cities can be replicated everywhere. There will be a need to develop bespoke and targeted interventions.
- 2.6 To this end, TfSE has been working with its constituent LTAs to develop a South East wide bus evidence base to support their Bus Service Improvement Plans.
- 2.7 Taken from this evidence base, **Figure 2** presents the difference in accessibility times to key services between the car and walking/public transport.

Figure 2: Difference in Accessibility Times to Key Services – Car vs. Walking and Public Transport



- 2.8 Notably, large urban areas such as Brighton, Reading and Southampton have a minimal difference in accessibility times between car and walking/public transport. Across the majority of these areas, this difference is generally less than 10 minutes, making the bus an attractive alternative form of transport to car.

2.9 In the fringes of the urban centres and interurban areas, this time difference between bus and car is greater - up to between 11-20 minutes, making the car a more attractive option for many, and limiting how competitive the bus can be for patronage. In rural areas, the difference between car and bus is large, making it an unviable method of transport for many.

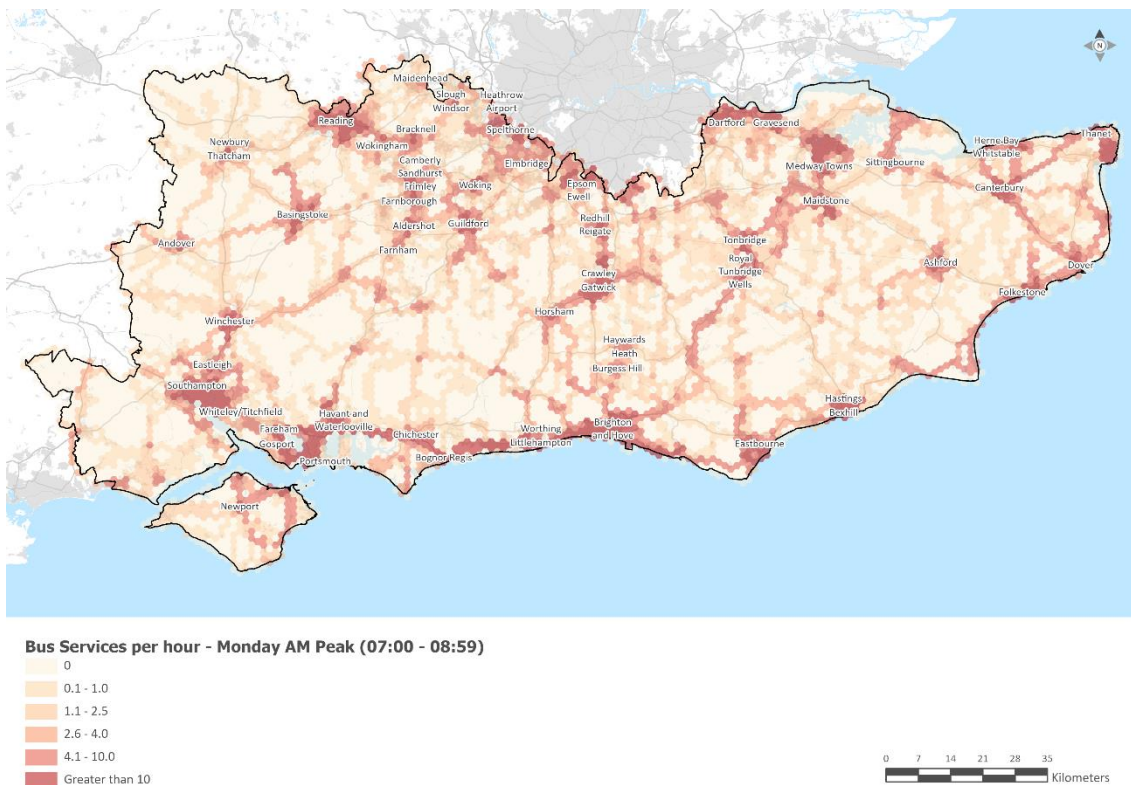
2.10 **Table 1** shows that the South East’s bus network has a catchment which covers 95.5% of the TfSE population and 88.8% of all employment within TfSE. Just under half (39.3% population and 40.7% employment) of all population and employment is covered by routes providing a level of service of equal to or greater than 4 buses per hour.

Table 1: Bus Network Coverage

	Population	Employment
TfSE total	7,902,697	3,433,399
Close proximity to a bus route	7,546,078	3,047,254
Close proximity to a bus route (%)	95%	89%
Current – close proximity to 4 or more services per hour bus route	3,104,079	1,397,602
Current – close proximity to 4 or more services per hour bus route (%)	39%	41%

2.14 What these aggregate figures hide, however, is the difference in level of service between different places. **Figure 3** presents analysis of bus services per hour (weekday AM peak 07:00 to 08:59). What this shows is that as expected urban areas have the greatest bus services per hour, with many locations being served by at least 10 buses per hour.

Figure 3: Bus Services per Hour – Monday Morning Peak



2.15 When considering interurban corridors, it is notable that overall, they maintain a high level of service frequency, particularly in the north-east of the region. Similar service levels are also visible in the centre of the region, connecting Epsom, Reigate, and Crawley to Gatwick, likely

to be driven in part by Gatwick Airport. Away from the urban areas and interurban corridors, bus service frequency reduces significantly, below 2.5 buses per hour in most areas.

Who Uses Local Public Transport

2.16 The National Travel Survey and other data sources have been used by the Urban Transport Group⁴ to explore who uses buses in England outside London.⁵ TfSE has no reason to believe that bus users in the South East differ materially from this national position. What this analysis shows is that:

- A fifth of all bus trips are for commuting and a quarter are trips to and from school or tertiary education. A further quarter of trips are for shopping
- The greatest users of bus are the youngest and oldest in society. A third of all bus trips are made by the under twenties and a fifth by the over seventies.
- In England outside London, 28% of all bus journeys were made by people were elderly or disabled concessionary journeys.
- Women use bus much more often than men, irrespective of age. Outside London, 58% of bus trips are made by women and 42% by men.
- Those in the lowest income quintile make the highest number of bus trips per person, while those in the highest income quintile make the lowest number: bus use declines as income increases.
- Around 50% of bus passengers have no alternative to bus for the journey that they were making.

2.17 What the experience of Reading, Brighton and Southampton tells us that growing bus patronage requires bus to be a mode of choice, which means making it more attractive to those who are not captive to bus, which includes the better off in society as well as those older than thirty but pre-retirement.

3 Question 2. How might public transport travel patterns shift in the next 10 years? What impact could digitalisation and the COVID-19 pandemic have on travel patterns in the long term?

COVID-19 Impacts

3.1 The COVID-19 pandemic has had a profound impact on bus patronage. At the time of writing (early March 2022) bus patronage outside London is at around 80% of its pre-COVID levels. While the scale of recovery varies from place to place, there is no reason to believe that the South East is materially different from this national trend.

3.2 At present, weekend bus usage is showing higher recovery than weekdays. This is put down to hybrid working suppressing weekday demand along with the recovery of the domestic leisure sector, although it is expected that there will be further weekday recovery as the number of people working in offices grows back. Concession users (e.g. ENCTS pass holders) have not

⁴ <https://www.urbantransportgroup.org/>

⁵ See Chapter 2, Steer (2022) *Continuing COVID Funding Support for Urban Public Transport* available at: <https://www.urbantransportgroup.org/resources/types/reports/continuing-covid-funding-support-urban-public-transport>

returned to the same degree as other users. Concessionary fares can make up 50% of patronage on certain routes, so the slow return of OAPs to buses will be having a substantial impact on overall bus patronage figures, as well as operators' financial position.

- 3.3 When looking ahead over the next decade, there is a path dependency and assuming no reimposition of COVID-19 restrictions, the changes in bus services that may come about over the next six to twelve months will have a material impact on public transport patronage over the next decade. Any reductions in bus services will lead to a further decline in bus patronage.
- 3.4 The Government's announcement of a further six month financial support package that will run to October 2022 is welcome. It creates time for further demand recovery while protecting service provision to a degree. However, it seems likely that over the next six months some services will be reduced in frequency or even curtailed altogether as operators adjust their operations to match post-pandemic demand. In turn, this would have a negative impact on future patronage as bus becomes a less attractive options for those who have an alternative or potentially ceases to be an option for some who have no alternative means of travel.
- 3.5 The Government's stated objective in *Bus Back Better* is to get overall patronage back to its pre-COVID-19 level and then to exceed it. Once bus services and patronage has been lost, it is challenging to recover the position. The successes that have been seen in Brighton, Reading and Southampton have taken many years to achieve, but there is the potential for these gains to be rapidly reversed. This suggests a short-term focus should be maintaining existing patronage, potentially through further revenue support. Meeting the Government's *Bus Back Better* goal may require further intervention post October.

The Next Ten Years

- 3.6 The national trend over many decades has been that bus patronage has been declining. Looking beyond the immediate impacts of the pandemic, as previously noted the experience of Brighton, Reading and Southampton is that further decline in bus patronage is not inevitable. Buses' role in catering for local travel can increase. As well as bringing economic and social benefits, given the fuel efficiency of well-loaded diesel buses plus the move to zero emission vehicles, such an outturn would contribute to the decarbonisation of the transport sector.
- 3.7 Arguably growing consumer interest in living more sustainably, along with increases in motoring costs (in the short-term fuel prices and then in the future the possible introduction of road pricing, both as a mechanism to encourage behavioural change and a revenue source to replace fuel duty) create an opportunity to promote urban public transport as an alternative to car travel. *Bus Back Better* and the Government's *Levelling Up* White Paper offer a conducive policy environment, but for these policies to be converted to action will require certainty of both capital and revenue funding support over a number of years.

Digitisation

- 3.8 Digitisation creates both opportunities and threats to local public transport.
- 3.9 Opportunities include:
- more accessible service information (for instance journey planning, real time info);
 - easier to use fares and ticketing (for instance, app-based);
 - the ability to reduce the cost of travel through (for example) daily fare capping or time-bound carnet ticketing;

- the integration of bus into Mobility as a Service applications
- the potential easier to provide more on-demand services
- for operators, real time operations and fleet management

3.10 Threats include:

- An increase in hybrid working reducing the aggregate transport demand to town and city centres, areas that historically are the source of much public transport patronage and revenue
- The shift to on-line shopping, leading to further decline in high street retail, noting that currently a quarter of all bus trips are shopping related.

3.11 The shift to hybrid working and to on-line retail both existed before the pandemic. Arguably, what the pandemic has done is bring forward what might have happened anyway over a number of years, but it has done so in a way that has created a shock to the system. In the case of bus, this shock is a rapid shift in the quantum and nature of patronage leading to a mismatch between revenues and costs. As already noted, recognising the economic, social and environmental benefits that bus can bring, the national policy agenda is conducive to supporting initiatives to grow bus use and as parts of integrated packages, as these can help towns and cities adapt to new patterns of working and new ways of shopping.

4 **Question 3. What can be done to improve connectivity across public transport modes? How could better integration be delivered in urban areas outside London?**

Improving Connectivity

- 4.1 As previously noted, the Government’s Bus Back Better and Levelling Up agendas establish a policy environment conducive to supporting improved bus connectivity. Adequately funded, Bus Service Improvement Plans along with Enhanced Partnerships offer a delivery route for LTAs to work with their operators and affect the changes needed to support patronage growth and better connectivity.
- 4.2 In the short to medium term, the greatest impacts are likely to be felt by targeting effort on those corridors that have the greatest potential for higher bus use. Using travel to work data and combining this with journey time and distances, as part of the development of our BSIP Evidence Base, TfSE has undertaken analysis to identify which corridors in the South East have the greatest growth potential.
- 4.3 **Table 2** shows the flows with the highest potential “switchable” trips in the TfSE area based on existing travel to work flows and proportions of trips made by bus.

Table 2: Flows with Greatest Potential for Bus Patronage Growth

Inter-urban pair	
Eastleigh - Southampton	Totton - Southampton
Worthing/Littlehampton Brighton and Hove	Portsmouth - Havant and Waterlooville
Medway Towns - Maidstone	Herne Bay/Whitstable - Canterbury
Bognor Regis - Chichester	

- 4.12 A very high proportion of the potential is located along the south coast between Southampton and Brighton. Outside of the south coast, flows from Medway Towns to Maidstone and Herne Bay/Whitstable to Canterbury highlight a high potential for switchable trips.
- 4.13 What this analysis helpfully does is identify that there is potential to improve bus connectivity and grow patronage across the South East. Moreover, this potential is not limited to those towns and cities that have experienced bus patronage growth in the decade preceding the COVID-19 pandemic.

Delivering Better Integration

- 4.14 Central to delivering better integration is having sufficient, targeted government resourcing for local authorities to deliver their BSIPs and use their EPs to reinforce and then build their bus networks, including introduction of new routes and new service types/other products.
- 4.15 Currently National Highways and Network Rail (and in the future, Great British Railways) benefit from five-year funding settlements. With the City Region Sustainable Transport Settlement (CRSTS), this approach is being extended to the eight mayoral combined authorities. (There is no mayoral combined authority in the TfSE geography.) These multi-year settlements allow multi-year programmes to be developed and implemented and avoid the recurrent resourcing issues that result from stop-start patterns of infrastructure investment.
- 4.16 Previously, alongside other STBs, TfSE has called on Government to give each region an indicative multi-year funding allocation. Clarity on the level of funding available would ensure that investment pipelines are affordable. Prioritisation of pipeline schemes is extremely challenging without a clear view on funding levels available, and clear criteria against which to prioritise. Greater funding 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/consents required.
- 4.17 The logical next step is to develop comparable multi-year settlements for other areas beyond the mayoral combined authorities. TfSE, along with the other STBs, is well placed to lead the regional-scale prioritisation that will be needed to support such a settlement and then administer the settlement over its life. This would include undertaking assurance for schemes that are not retained by the Department for Transport, as well as leading on monitoring and evaluation of the implemented programme.
- 4.18 In addition, TfSE would like to see Great British Railways being given a duty to cooperate with LTAs and STBs as part of its enabling legislation, with the goal of coordinating services and investments with the objective of maximising the effectiveness of the entire public transport network, as opposed to taking a unimodal approach.

5 **Question 4. What are the likely areas of innovation in urban public transport over the next 10 years? How should public policy be shaped considering both incremental and transformational innovations? How could data help transport services meet consumer demand?**

- 5.1 TfSE has chosen not to respond to this question.

6. **Question 5. Are local authorities well equipped with appropriate funding and powers to deliver high-quality public transport services? Would further devolution of transport policy contribute to better outcomes?**

Local Authority Powers

- 6.1 TfSE considers that their established highway and transportation powers, including the provisions of the Bus Services Act (2017), give its constituent LTAs the powers that they need to progress the interventions that they have set out in their BSIPs. If implemented in full, these would provide a substantive uplift in public transport connectivity and patronage.

Local Authority Funding

- 6.2 As set out in response to Question 3, greater funding certainty would allow LTAs to develop and then implement the multi-year programmes that will be needed to secure material changes in local public transport connectivity and patronage. Multi-year funding settlements that covered both capital costs for scheme implementation and their associated design and development costs, along with the ability to provide revenue funding, for instance to pump-prime new services, would meet this requirement.
- 6.3 In this context, investing to reduce bus journey times and improve service reliability can offer good value for money. Moreover, compared with other modes, worthwhile improvements to bus networks can be made at relatively modest costs when compared with other transport solutions. Such interventions can also be developed and implemented more quickly than investments in road or rail.

Greater Devolution

- 6.4 Also, as set out in response to Question 3, greater devolution of funding and the assurance of investment decisions has the potential to further speed implementation. STBs such as TfSE have a role to play, bring decision making closer to the places that are affected by those decisions.

7 **Question 6. Could better policy coordination across government departments, and between central and local government, improve public transport outcomes? If so, how can this be achieved?**

- 7.1 The impacts of local public transport stretch across a whole range of national policy areas. This has been explored by the National Audit Office, which identified how bus use supports economic, social, industrial, housing and environmental policy areas across Government.⁶ As transport policy has impacts across departmental responsibilities, there is opportunity for greater coordination between departments. One example is the need for greater integration of transport planning and spatial/land use planning and in the context of this inquiry, the explicit consideration of how new housing and commercial developments are served by and integrated with local public transport networks.

⁶ National Audit Office (2020) *Improving Local Bus Services in England Outside London*

- 7.2 While *Bus Back Better* and the *Levelling Up* White Paper create a policy framework conducive to supporting growth in local public transport, this needs to be supported by the necessary funding. *Bus Back Better* states that £3bn is being made available in the current parliament for LTAs outside London for specific improvements targeted at delivering better bus services. Following submission of the BSIPs, analysis by the Confederation of Passenger Transport, published in November 2021, indicates that the total value of all BSIP submissions was more than £7bn. In a letter from DfT to LTA Transport Directors dated 11th January 2022, it is stated that the BSIP “budget available for transformation, including for Zero Emission Buses, is around £1.4bn, for the next three years”. On the basis of this letter it therefore appears that additional money available from the Government to deliver the National Bus Strategy is less than half the figure quoted in *Bus Back Better*, which itself is less than half the LTA ask.
- 7.3 There is a real risk the Government’s stated policy objectives will not be met unless there is sufficient funding. As we have set out previously, multi-year settlements would offer certainty for LTAs to progress the programmes needed to support local public transport.
- 7.4 At present there appears a disconnect between the ambitions set out in *Bus Back Better* and the *Levelling Up* White Paper and what is happening to bus services as the nation exits from the pandemic. An immediate priority must be to stabilise the bus sector. The announcement of a further £150m funding package for buses outside London is welcome in this regard, but risks delaying an inevitable decline if this is the final tranche of COVID-19 related support. Given the Government’s policy ambitions and the effectiveness of revenue support in maintaining service provision, it appears premature to determine when funding support would end. TfSE would prefer such decisions to be taken later once the trajectory of post pandemic recovery becomes clearer. Given the Government’s policy platform it is inopportune to rule out further support. Passenger demand has still to return to previous levels. Bus operators will only want to run services that operate at a profit – and will ‘deregister’ services that do not. Local authorities do not have the resources to fund a widening revenue gap on their own services, let alone take financial responsibility for those that operators deregister. Kent County Council, for example, is consulting on possible withdrawal of a number of their supported services from August this year.
- 7.5 We would wish to see more coordination of policy within the Department for Transport itself. Its approach to bus (*Bus Back Better*) and active travel (*Gear Change*), for example, needs to be better coordinated. Promoting local public transport and active travel are both integral to TfSE’s Transport Strategy. Having separate, unlinked DfT programmes for bus and active travel is challenging for LTAs who have to reconcile conflicting demands for buses and/or active travel within finite road space. Speedier and more effective delivery would come from more integrated single pot funding and a policy platform that supports and facilitates LTAs making choices around trade-offs and compromises.

8 Question 7. What are the barriers to improving urban public transport, in terms of delivering the necessary infrastructure, increasing connectivity and improving the consumer experience?

- 8.1 TfSE considers that our responses to preceding questions also address this question.

9 **Question 8. Are there other important changes, not covered elsewhere in these questions, which would improve matters?**

9.1 TfSE has chosen not to respond to this question.

[Ends]