



Department
for Transport

Sadiq Khan
Mayor of London
City Hall
London
SE1 2AA

From the Secretary of State
The Rt. Hon. Chris Grayling

Great Minster House
33 Horseferry Road
London
SW1P 4DR

Tel: 0300 330 3000
E-Mail: chris.grayling@dft.gsi.gov.uk

Web site: www.gov.uk/dft

Our Ref: MC/197660
Your Ref:

Thank you for your letter of 27 April 2017 regarding proposals to upgrade Brighton Mainline (BML) infrastructure.

As you are aware, the Government published the London South Coast Rail Corridor Study on 2 March, which underlines the need for longer-term investment in capacity and performance improvements on the BML.

Alongside publication, the Rail Minister confirmed the Government accepted its recommendations, including the central conclusion that upgrading the BML is the number one investment priority in the corridor.

The Department's investment board has approved the BML upgrade's Strategic Outline Business Case, and the current focus is on planning for the next stage of scheme development.

To that end, the Department is continuing to work with Network Rail to define funding needs and a programme for future activity over the coming years.

Only after a sufficient level of planning and design work is completed would the Government be in a position to make a final investment decision to construct the scheme.

As you note, during 2017, the Government will set out its high-level objectives for national rail investment beyond 2019. The Secretary of State for Transport is required under transport legislation to publish a High Level

Output Specification by July 2017, enabling the Office of Rail and Road to perform its assessment of these plans. I would encourage your input into these processes.

I trust this reply is helpful, and thank you for writing to me with your concerns.

A handwritten signature in black ink, appearing to read 'W.L. but -sh' followed by a stylized flourish.

Rt Hon Chris Grayling

SECRETARY OF STATE FOR TRANSPORT

cc: Cllr Tony Newman, Leader of London Borough of Croydon
Mr David McNulty, Chief Executive of Surrey County Council

MAYOR OF LONDON

Rt Hon Chris Grayling

Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Date: 25 MAY 2017

Remainder of letter and attachments available at <https://tfl.gov.uk/corporate/publications-and-reports/aviation>

Dear Chris,

I am writing in response to the Government consultation on the draft National Policy Statement (NPS) on airport capacity in the South East to ensure that the concerns of Londoners are fully represented. These are further elaborated in the series of detailed papers by subject area which accompany this submission.

Aviation is vital for our city and for the country as a whole – it provides jobs, supports the economy, allows us to connect with the world and ensures London is open. We can and should make best use of existing capacity through improved surface access links to our airports.

Nonetheless, it is clear that there is a pressing need for additional aviation capacity. But new capacity cannot come at any cost. Government has not been transparent about the range and scale of impacts that will result from a third runway at Heathrow. The NPS singularly fails to demonstrate that Heathrow airport can be expanded without:

- severe air quality impacts and exceeding legal limits;
- dire noise impacts;
- significant investment in surface access improvements, currently unfunded.

In addition, there remain concerns about the impact on efforts to mitigate the effect of climate change, and on the economic case made in favour of the expansion of Heathrow.

Air quality

As Mayor of London, tackling poor air quality is at the heart of my policies and I have a clear mandate from Londoners to tackle our poisonous air. I fear that Heathrow expansion is taking us in the wrong direction exactly when we should be making every effort to improve public health and ensure UK compliance with legal limits as soon as possible.

The Heathrow area is already a major air pollution hotspot, with legal limits being breached for NO₂ on a regular basis. The NPS is taking forward a third runway at Heathrow, with substantial increases in aircraft movements and road traffic (I will elaborate on the latter in the next section). However, it fails to demonstrate that expansion can be delivered without worsening air quality and delaying compliance with legal limits. Indeed, the NPS acknowledges that if the airport opens in 2025 – as is currently envisaged – there is a high risk that several roads will be in breach of NO₂ limit values.

MAYOR OF LONDON

Rt Hon Chris Grayling MP

Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Date: 13 JUN 2017

Hi Chris,

Many congratulations on your reappointment. I would like to take this opportunity to restate my commitment to working closely with you and your department to deliver a world class transport network in the capital. Building a productive working relationship between our teams will be absolutely crucial to keeping London moving over the years ahead.

I am launching my statutory Draft Transport Strategy later this month. I thought it would be helpful to outline some of the key issues within the strategy, and I would welcome a discussion with you in person on these at the earliest possible opportunity.

Crossrail 2

I am a strong advocate for increased infrastructure investment in all parts of the country - not just London and the South East. I don't believe this should be a zero sum game or a question of one region winning over others. We need investment and delivery for the Northern Powerhouse, the Birmingham Interchange, Crossrail 2 and other schemes to create the jobs and housing we need for a successful post-Brexit Britain.

The Strategic Outline Business Case for Crossrail 2 is currently with your Department for consideration and we are seeking a swift decision to legislate in this Parliament for Crossrail 2 to be built by 2033. The scheme is essential investment to keep the UK competitive, and will help us address some of the key challenges posed by Brexit. It will address capacity and congestion issues on the transport network across the South East and enable the creation of 200,000 new homes and 200,000 jobs, including 60,000 supply chain jobs outside London. We are keen to leverage the resources, knowledge and skills from Crossrail 1 and transfer them to Crossrail 2. Without Crossrail 2, key commuter lines across the South East will also reach crisis point in a matter of years, with station closures an increasingly regular occurrence. This is particularly true of Euston, which will need additional capacity to cope with the tens of thousands of additional passengers that will be arriving on HS2. This makes the timing of a decision all the more urgent. I am concerned about the risks arising from any delay to the scheme, and I would welcome an early commitment from you so that we can continue to make progress.

MAYOR OF LONDON

Rail Devolution

I am keen to avoid a repeat of the situation we faced around the refranchising of Southeastern services last year. I would welcome the opportunity to work with you to reassess the case for rail devolution for rail franchises across London and the South East. TfL experts and I firmly believe that sticking with a 'one-size-fits-all' approach to rail franchising means that services will fail to live up to their potential, and commuters will continue to be short changed. I am particularly concerned that the current approach will do little to address reliability, which is the most pressing issue facing customers around London. I would also welcome a constructive dialogue around TfL's High Level Output Specification (HLOS) recommendations, which would generate significant economic benefits. They include more frequent services, quicker journeys and reduced crowding on National Rail routes across London and the South East, as well as an increase in the number of stations with step-free access.

Congestion

As you are aware, congestion is a real and growing problem in London. My Draft Transport Strategy will show how London's transport mix needs to change over time in order to free up space for essential journeys. However, in the short term, I need additional powers to tackle day-to-day congestion. For example, I am seeking your permission to bring about improvements to the Lane Rental scheme, the ability to charge for over-running roadworks at weekends, and important changes to both the Electronic Transfer of Notices system and the Fixed Penalty Notices regime associated with street works.

Air quality

Air pollution is the biggest environmental health challenge facing London and the UK. While I have an ambitious plan for action, it will not be enough on its own to bring London back into legal compliance as quickly as possible. This is a national problem requiring national action and support. I would welcome the opportunity to work with your officials to design a national vehicle scrappage fund to help drivers who bought diesel cars in good faith. I have previously outlined proposals for a fully-costed, city-led, time-limited approach which would simplify administration for Government and target those who need most support - and would welcome an early discussion with you about these plans. In addition, I would like to work with you to ensure national fiscal policy complements local action. Unfortunately vehicle excise duty (VED) and other fiscal incentives are still encouraging the purchase of diesel cars and this can be easily amended. I will also be making this case to the Chancellor.

Finally, the DfT has a key role to play in ensuring the success of the Clean Air Zones - which will now be introduced elsewhere in the UK. Changes are needed to the DVLA database to ensure that consistent and effective enforcement can be undertaken by these cities: this will avoid duplication and help to ensure shared implementation and compliance costs. I would also like to work with you and the DfT to ensure that the Government takes robust action to ensure that vehicles operating in the UK meet the Euro 6 standards in real world driving conditions, to take action against manufacturers like Volkswagen.

Electrical Vehicle charging infrastructure

I want to establish London as a Zero Carbon City by 2050 and a leader in low-carbon innovation and industry. The zero emission vehicle market remains in its infancy and Government funding is critical to overcome significant barriers such as ensuring the grid and energy network is capable of hosting large numbers of electric vehicles. I would welcome the opportunity to bid for further

MAYOR OF LONDON

funding from OLEV as we require a network that stretches beyond our current funding allocation. I would also welcome the opportunity to work with you and officials to develop a national regulatory framework to overcome some of the challenges preventing faster progress.

Private Hire Vehicles

You will be aware that I have growing concerns about the number of private hire drivers licensed in the capital. TfL is legally obliged to issue a licence to any driver that meets the criteria. The number of London licensed drivers has doubled in recent years, exacerbating London's congestion and air quality challenges. In addition, I am increasingly concerned at the growing number of private hire drivers who are working outside of the area for which they are licensed. This undermines our ability to effectively regulate private hire activity or to impose specific conditions for drivers licensed in London. To address this, I would like to work with your department on a two-stage solution – firstly for TfL to be given the power to cap the number of private hire drivers and vehicles licensed in the capital, and, secondly, to change the law so that private hire bookings must start or end in the jurisdiction for which the vehicle and driver is licensed.

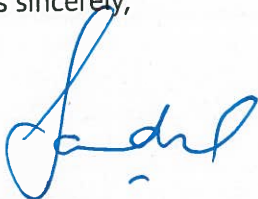
I am also increasingly concerned about the employment conditions of London's private hire drivers. I have asked TfL to consider the extent to which this can be addressed through private hire regulation. These concerns are symptomatic of the gig economy and I would welcome the opportunity to engage closely with the Government on any action resulting from Matthew Taylor's review on modern employment practices.

Pedicabs

I continue to seek new powers that would allow TfL to regulate pedicab drivers and operators in the interests of public safety. You will be aware that we have strong support amongst West End businesses and the councils affected. I recognise that some progress was made with the Department in this area prior to the election, and would welcome an early commitment to legislate to give TfL these regulatory powers at the swiftest possible opportunity.

I hope we are able to meet at the earliest opportunity to discuss how we can work together to make progress on these issues. I look forward to building a positive and close working relationship over the years ahead.

Yours sincerely,



Sadiq Khan
Mayor of London

Cc: Rt Hon Gavin Barwell, Chief of Staff, 10 Downing Street



Department for Transport

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SE1 2AA

From the Secretary of State
The Rt. Hon. Chris Grayling

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Tel: 0300 330 3000
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Dear Sadiq,

20 July 2017

I am today publishing my High Level Output Specification (HLOS) and initial Statement of Funds Available (SOFA) for the railway for Control Period 6, which covers the years 2019 to 2024.

The Government is determined that the railway becomes more focused on issues that matter most to passengers – such as punctuality and reliability. A more reliable railway also plays a critical role in underpinning economic growth and bringing the country together. The Government is committed to taking action to achieve these outcomes.

The HLOS is therefore focussed on the operation, maintenance and renewal of the existing railway – the areas of activity that will deliver a more reliable railway for passengers. The Government is already delivering significant enhancements to the railway, including High Speed 2 and Crossrail and it expects to continue to invest in the enhancement to the wider rail network in the next Control Period. In light of the findings of the Bowe Review, which emphasised the need to enable better planning, cost control and alignment with the needs of users of the railway Government will take forward the funding of these enhancements separately. Government is developing a new process for delivering enhancements and intends to publish more information on this in the Autumn.

On the basis of independent advice from the Office of Rail and Road, as well as from the rail industry, the Government has agreed that an increased volume of renewals activity will be needed over the course of Control Period 6, to maintain safety and improve on current levels of reliability and punctuality, which in places fall short of the levels that passengers rightly expect. This enhanced programme of renewals will be supported by appropriate volumes of operations and maintenance activity required to maintain safety and improve the reliability and punctuality of train services.

Before committing to the specific levels of funding required, I have decided that the Government requires more assurance on the likely costs of the work programme. Network Rail's progress on improving its efficiency in recent years has fallen short of my expectations. Improving efficiency is vital if we are to maximise the value of taxpayer spending on the railway in driving improvements for passengers and freight shippers.

Government will therefore carry out further work to examine the approach to setting appropriate levels of maintenance and renewals activity for Control Period 6 and to improving Network Rail's efficiency. This will enable me to confirm the extent of Government's funding envelope through the publication of a Statement of Funds Available by 13 October 2017. This work will draw on a number of sources, including the new independent review of progress on efficiency planning which the regulator has commissioned

Alongside the publication of the HLOS, I am issuing new statutory guidance to the independent Office of Rail and Road. This sets out my priorities for rail regulation. These include supporting the ORR's work to improve Network Rail's efficiency and improving the experience of users of the railway.

A handwritten signature in blue ink, appearing to read 'Chris Grayling', with a large, stylized flourish underneath.

Rt Hon Chris Grayling MP

SECRETARY OF STATE FOR TRANSPORT

MAYOR OF LONDON

Rt Hon Chris Grayling MP

Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Date: 11 AUG 2017

Dear Chris,

Thank you for meeting with me on 18 July. It was good to discuss how our teams can productively work together for the benefit of Londoners and the national economy and I am pleased that we have now agreed to meet regularly on these matters. I have set out below the key priorities we discussed across a range of areas and the next steps both our teams now need to take to progress them.

Crossrail 2

I welcome our constructive discussions on Crossrail 2. The joint statement we made following our meeting has sent a clear message to businesses and commuters across London and the South East. There can now be no doubt that we are working together to deliver the infrastructure we need in an affordable way that works for London and the whole country. Ahead of the Budget this autumn, Transport for London (TfL) is now working with your Department to meet the challenge of making sure that the project is value for money while benefits for jobs and growth are maximised over coming decades. I look forward to us sharing the results of this work and to our being able to agree to move to the next stage of consultation early next year.

Rail Devolution

I continue to believe that the current "one size fits all" approach to franchising means that suburban rail services in London – north and south of the river – often fail to live up to their potential. The success of TfL's London Overground service over the last decade demonstrates the transformation that can be achieved in terms of both customer satisfaction and reliability. I welcome your open-minded approach to Chris Gibb's recommendations in relation to Watford Junction to East Croydon services and Great Northern services into Moorgate. TfL stands ready to assist your Department in engaging with local MPs and others to canvass their views.

In the meantime, I would propose your Department quickly establish a group with TfL and the operator GTR to work out the detail of how the Gibb recommendations might be taken forward for these routes, with a view to this work informing our discussion when we meet next. Subsequently, I believe that group could also assess the benefits of and potential barriers to wider rail devolution in London, and in particular assess Chris Gibb's further recommendation that a decision be taken by 2019 on whether to devolve Southern metro services to TfL in 2021.

MAYOR OF LONDON

Croxley Rail link

TfL's funding contribution remains on the table. Since the project was transferred to TfL from Hertfordshire County Council in late 2015, the scheme design has progressed considerably and, as a result, there is now a much clearer understanding of its likely outturn costs. These costs, however, are significantly in excess of the funding package agreed between our predecessors, and I have been clear that TfL should not be held accountable for the additional costs beyond the current funding package.

Your suggestion that the line approaching Watford Junction be transferred to TfL was constructive. Initial indications are that it may not materially affect the estimated final cost of the extension, but TfL will review this in detail and confirm its findings to your Department. The Greater London Authority and TfL are also considering whether the project may be suitable for a bid to the Department for Communities and Local Government's Housing Infrastructure Fund.

As you know, TfL was asked by my predecessor to step in and take-over from Hertfordshire what was self-evidently a failing scheme. Thanks to its efforts, the scheme is now ready to move from design into full delivery. But this can only happen on the basis of a viable funding package – something about which TfL's position has been clear for several months.

The lack of any substantive efforts on the part of the scheme funders to address this issue is now clearly jeopardising the future of the scheme, most immediately due to the risk of Transport and Works Act Order (TWAO) powers lapsing and thereby putting at risk the investment and progress made to date.

I am convinced that there is still time for this issue to be resolved. Were your Department and/or local funding partners to reach agreement by the end of this year to underwrite costs in excess of the current funding package, that would allow time for a small package of works to be procured in parallel with compulsory land acquisition. This would secure sufficient progress to discharge the planning conditions necessary to keep the TWAO powers intact beyond August next year. Although this would not represent the most efficient delivery route for the scheme overall, it would afford a further five months for the necessary additional funding to be secured.

In the meantime, and pending confirmation of a viable funding package for full scheme delivery, TfL has no option but to put on hold the launch of the formal procurement process for the main works contract.

You are possibly aware but I am also due to meet the Rt Hon David Gauke MP and Richard Harrington MP shortly to discuss this issue at their request.

Congestion

As we agreed, it is essential that we work together to tackle congestion. I would propose that your Department now work with TfL on the detail of additional powers that could help minimise disruption on London's economically-vital road network. I would suggest we discuss the progress made at our next meeting, as well as the future relationship between the funding for London's major and strategic roads and the Vehicle Excise Duty-funded National Roads Fund.

Taxi and Private Hire / Pedicabs

Following our discussion, I have asked TfL to come up with draft proposals for Government to take forward in a suitable Bill giving TfL the powers to cap the number of private hire licences issued in London and, in order to be effective, proposals to control cross-border hiring. I enclose a map showing the hundreds of TfL private hire licences issued to drivers with addresses as far afield as Blackburn, Leeds, Sheffield and Cardiff. Given the national angle, TfL will need to work with your Department on the detail.

MAYOR OF LONDON

I am confident that with thorough consultation we can achieve a well-designed scheme that will reduce congestion, safeguard effective local licensing and support a thriving market for taxi and private hire.

Every day that pedicabs are unregulated in London is another day of rip-off fares, risk to passengers, road danger and congestion on busy streets, and anti-social behaviour. So I welcome your re-statement of the Government's support for legislating to allow for the regulation of pedicabs in London. I would suggest the most straightforward way of achieving this objective is to add the clauses already drafted by Parliamentary Counsel to the Automated and Electric Vehicles Bill before it is introduced in this Session.

Air Quality

London's toxic air is the biggest environmental health challenge facing the Capital and the UK. I welcome the Government's commitment to stopping sales of new diesel and petrol cars and vans by 2040, but further national action to improve air quality is also needed. A key issue is that the Government will need to support the necessary supporting infrastructure and grid upgrades to facilitate substantial additional take up of electric vehicles. I also look forward to hearing from your officials about progress on a national emissions database to support the implementation of the Ultra Low Emission Zone and similar schemes across the country. We will keep you up to date on our discussions with HM Treasury about diesel taxes and a national scrappage fund.

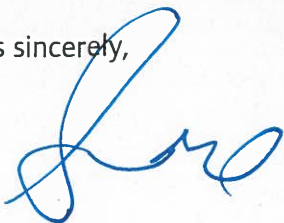
Old Oak and Park Royal Development Corporation Memorandum of Understanding

Finally, you briefly raised the Memorandum of Understanding (MoU) on the transfer of DfT and Network Rail owned land at Old Oak Common. The MoU is a valuable agreement to ensure the public sector can share the future value afforded by the arrival of HS2 at Old Oak Common. Uplifts in value will enable the vital infrastructure needed to regenerate London's largest Opportunity Area.

I have appointed Liz Peace CBE to chair the OPDC and she has undertaken to produce a draft Business Plan for Old Oak North by the autumn. The Business Plan will consider how development to the north of the Grand Union Canal can be brought forward, and the role that the HS2 station plays as the future commercial catalyst for the local and surrounding area. OPDC officials are discussing with Network Rail how central and London government can share development profits after development costs, and whether OPDC should be able to acquire sites upfront. I am keen to understand the best options for the public sector, which could be a combination of options or a consideration on a site-by-site basis. I will be in a better position to answer the question regarding development around the station and the underwriting of the cost of the enabling works once the Business Plan is produced. Until then, I ask for the support of your officials to continue discussions with the OPDC in order to reach agreement on an optimum position.

Thank you again for meeting with me. I am pleased that we share much common ground in addressing London's strategic challenges, and look forward to meeting with you again soon.

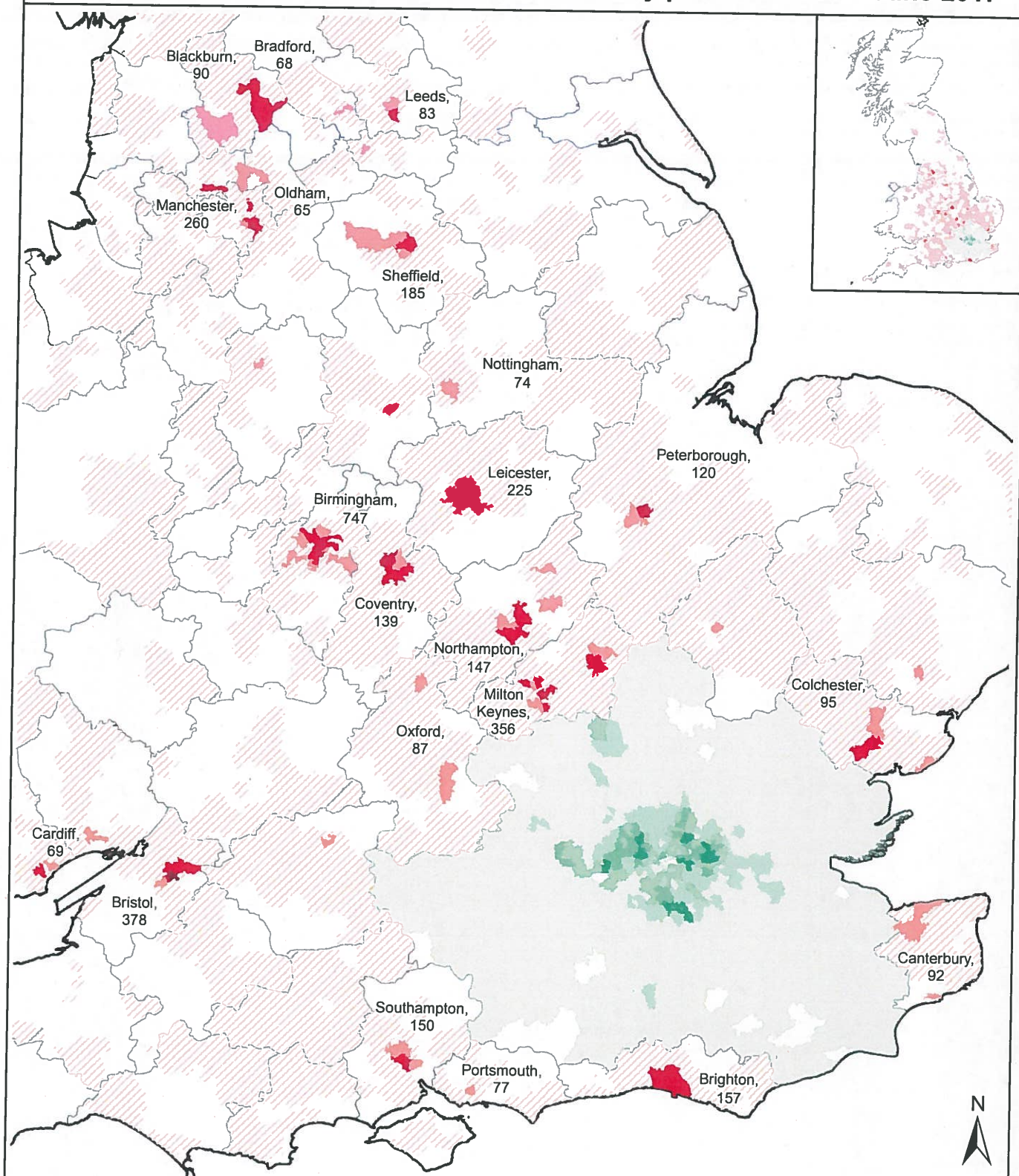
Yours sincerely,



Sadiq Khan
Mayor of London

Enc.

Home addresses of TfL licensed PHV drivers, by postcode area – June 2017



Legend

PHV in London

1 - 129
130 - 399
400 - 778
779 - 1265
1266 - 2011

PHV outside London

1 - 10
11 - 18
19 - 38
39 - 78
79 - 160

Postcode Areas

DATE:

June 2017

0 12.5 25 50 Km

Home addresses of TfL licensed PHV drivers in June 2017.
Drivers are mapped by Postcode District, and the labels show the sum of all drivers in that Postcode Area.

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Ordnance Survey 100035971

MAYOR OF LONDON

Rt Hon Chris Grayling MP

Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Our ref: MGLA210717-1530

Date: 24 AUG 2017

Dear Chris,

Thank you for your letter of 20 July regarding the High Level Output Statement (HLOS) and initial Statement of Funds Available (SOFA) that were recently published. I read the documents with interest and look forward to the full SOFA by October.

I agree that reliability is a crucial issue for passengers. Delays that result from infrastructure failures are far too common and it is right that in Control Period 6 (CP6) a strong emphasis is placed on measures that will reduce them. I would stress, however, that the impact on customers of closing the railway for maintenance and renewals activity must be carefully considered, and minimised as much as possible.

The other critical issue faced by rail passengers is that of crowding, and therefore of capacity. As the population of London and the South East continues to grow, this will only become more pressing. And new rail capacity is also vital to enabling the development of the homes that Londoners need. Schemes such as Crossrail, Thameslink and the Tube upgrades will be very welcome, but all the analysis shows that we will need to do more. I was therefore pleased that we were able to make a positive joint announcement on Crossrail 2 recently.

I am concerned that the figures set out in the draft HLOS do not fully reflect the growth in passenger demand that will take place in the next few years. For example, focusing on arrivals at London's terminal stations does not take account of changing journey patterns: many more commuters now alight at inner London interchanges, such as Stratford, West Ham, Finsbury Park, Vauxhall and Clapham Junction. Investment must therefore be designed to meet growth along each corridor – which will be greater – not just at the end of the line. I have asked Transport for London officers to speak to your officials to understand the analysis behind the figures quoted in the HLOS.

My draft new Transport Strategy, which is currently open for consultation, sets out my priorities for enhancements to the rail network to meet the expected growth. Many of the schemes – including south London metroisation; the Brighton Main Line upgrade, Lea Valley Main Line improvements; longer trains on many routes; and congestion relief at a number of key stations – are also highlighted in Network Rail's route studies. I hope that as many as possible of these can be taken forward during CP6.

MAYOR OF LONDON

Additionally, it is essential that a generous provision is made for step-free access schemes. Too many people are excluded from economic and social opportunities because the rail network is not accessible. This is particularly the case for Londoners, who are more reliant on rail connectivity than those living elsewhere. Therefore, I would welcome confirmation that substantial further funding will be made available under the Access for All programme in CP6, with a fair share for stations in London.

I look forward to our next meeting.

Yours sincerely,



Sadiq Khan
Mayor of London

Cc: Rt Hon Greg Hands MP, Minister for London
Rt Hon Gavin Barwell, Chief of Staff, 10 Downing Street



Department
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From the Secretary of State
The Rt. Hon. Chris Grayling

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E-Mail: chris.grayling@dft.gsi.gov.uk

Web site: www.gov.uk/dft

Our Ref: MC/205061
Your Ref: MGLA210717-1530

Dear Sadiq,

28 September 2017

Thank you for your letter of 24 August about the recently published High Level Output Specification (HLOS) for Control Period 6 (CP6).

I appreciate your support for the HLOS focus on the reliability of the railway and I share your view that providing adequate capacity to meet rising passenger demand is a critical issue. We are achieving substantial extra peak capacity through commitments to more rolling stock in the new franchises as well as through major projects such as Crossrail and Thameslink, but I recognise there will be the need for further infrastructure enhancement to support this growth.

I plan to make available more information about the new process for delivering rail enhancements in the autumn after publishing the Statement of Funds Available (SoFA) for CP6. My intention is to provide a more certain and responsive way of affording and prioritising enhancements.

The passenger demand forecasts of London peak growth in the HLOS are calculated using the standard rail industry methodology outlined in the Passenger Demand Forecasting Handbook (PDFH). PDFH is maintained and developed by the Passenger Demand Forecasting Council (PDFC), an organisation that brings together all of the train operating companies, Network Rail, Department for Transport, Transport Scotland, the Office of Rail and Road, Transport for London, the Urban Transport Group, RSSB, HS1, HS2, Rail North, and the Welsh Government. The PDFH methodology is constantly updated by the PDFC through its research into demand forecasting issues relevant to the rail industry.

The HLOS forecasts provide a baseline level of growth that the Department expects the rail industry to have regard to in its CP6 plans. In addition to this baseline growth there will be capacity, train services, levels of passenger growth and service performance committed to in franchise agreements or sought commercially by the Train Operating Companies (TOCs), which they will want to ensure is delivered. There will also be train path and other requirements of the Freight Operating Companies. Collectively these will form the growth and change that Network Rail needs to take account of in producing its Strategic Business Plans for CP6.

The Department's forecasting is done at a strategic level and covers the whole of Great Britain. My Officials have been working closely with Transport for London officers in sharing information and I am grateful to TfL Officers for their extensive collaboration to date. I understand the concern you raise about looking at inner London interchanges as well as terminal stations is already being addressed.

As part of the new process for delivering rail enhancements, I envisage providing an annual update of the HLOS demand table, underpinned by ongoing discussion with sub-national transport authorities, TOCs and Network Rail about the detail underlying the forecasts and how the demand and subsequent pressures may be most efficiently addressed. I intend for us to update the HLOS demand forecasts regularly, sharing the information with major stakeholders such as yourself and Transport for London.

Demand forecasting is only one of the tools that we use to ensure that sufficient train capacity is available to meet peak passenger demand. Others include monitoring actual peak usage and understanding the most efficient train service changes to meet foreseen future demand. I hope my response reassures you that our rail planning processes will take full account of London's needs.

I am also copying this letter to the Rt Hon Greg Hands MP and Gavin Barwell, Chief of Staff at the Prime Minister's office.

A handwritten signature in dark ink, appearing to read 'Chris Grayling', with a stylized flourish underneath.

Rt Hon Chris Grayling MP

SECRETARY OF STATE FOR TRANSPORT

MAYOR OF LONDON

Rt Hon Chris Grayling MP

Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Date:

28 SEP 2017

Dear Chris,

Metropolitan Line Extension (MLX)

Further to my letter of 11 August following our meeting in July, I'm writing with an update on the Metropolitan Line Extension (MLX).

Transport for London (TfL) has now reached a natural break point between the completion of the design work and the start of the delivery phase of the project. As I said in my letter of 11 August, pending confirmation of a viable funding package for delivery, TfL cannot start the procurement process for the works.

In light of this, I have today issued a new Mayoral Decision which formalises the current position by directing TfL to put any further activity relating to the MLX on hold pending confirmation of a revised viable funding package, including TfL not carrying the cost risk. As you know from previous correspondence, a funding package will need to be agreed by the end of the year to enable TfL to remobilise and undertake the work necessary to keep the Transport & Works Act Order powers intact before they lapse in August next year.

I remain committed to the TfL contribution of £49.23m remaining on the table whilst TfL works with the funding partners, including your Department, to identify potential alternative sources of funding to bridge the gap. The Greater London Authority and TfL will look to support any bid by Hertfordshire County Council to the Department for Communities and Local Government's Housing Infrastructure Fund. TfL will also explore with the local funding partners the possibility of developer contributions.

Indeed, I remain supportive of TfL delivering the project if funding arrangements to cover the additional costs can be agreed in the timescale necessary.

Yours sincerely,

Sadiq Khan

Mayor of London

Cc: Rt Hon Greg Hands MP, Minister for London
Rt Hon Gavin Barwell, Chief of Staff, 10 Downing Street
Richard Harrington MP
Rt Hon David Gauke MP

MAYOR OF LONDON

Rt Hon Chris Grayling MP

Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Date: 06 OCT 2017

Dear Chris,

Follow up to Dieselgate

As you know, improving air quality in London is a major priority. We have previously discussed the concerning behaviour of Volkswagen in using so called 'defeat devices' in certain diesel engines as well as the wider issue with the real world performance of diesel cars, including for new Euro 6 diesel cars. This has had a negative impact on air quality across the UK.

I was interested to hear that the German Government hosted a National Diesel Forum in Berlin in August to begin to address these issues in Germany. This Forum secured an agreement for a European-wide software update, the commitment from manufacturers to support their own diesel scrappage schemes and a €250 million contribution towards a new 'sustainable mobility fund for cities' fund to help urban areas address emissions from buses and taxis.

In my view, it would be disingenuous for these German manufacturers to publicly recognise the need to mitigate diesel emissions from their vehicles but to confine the majority of their actions in Europe to one country. It is difficult to understand the justification for doing so. I would therefore urge you to question why there is to be preferential treatment for German citizens, when the same models of vehicles have been sold and are being driven in other countries, notably the UK, where these manufacturers have a considerable market share.

You are aware of my requests for additional Government action to improve air quality, particularly for the allocation of funding to help cities scrap the most polluting diesel vehicles and take these off our streets now.

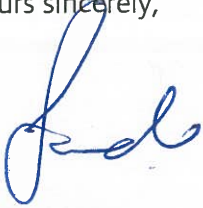
The UK now lags behind both the United States and Germany which have secured financial settlements or support from major car manufacturers. Volkswagen has agreed \$27 billion in settlements with various stakeholders in the United States. Whilst Germany has secured €250 million from German car manufactures, my understanding is that the UK Government has secured around £1 million.

I believe the UK Government must now secure contributions on the scale achieved by the US and German Governments, which could help deliver the priorities I have raised with you. I would be grateful if you could inform me of what steps you are taking to obtain such funding and, if secured, how this would be allocated to help improve air quality in London and across the UK. I urge you to take strong action, as the US and German Governments have done for their citizens.

MAYOR OF LONDON

I am copying this letter to the Secretary of State for Environment, Food and Rural Affairs and to Lilian Greenwood MP, Chair of the House of Commons Transport Select Committee.

Yours sincerely,



Sadiq Khan
Mayor of London

Cc: Rt Hon Michael Gove MP, Secretary of State for Environment, Food and Rural Affairs
Lilian Greenwood MP, Chair of the Transport Select Committee, House of Commons
Rt Hon Greg Hands MP, Minister for London
Rt Hon Gavin Barwell, Chief of Staff, 10 Downing Street



Department
for Transport

Sadiq Khan
Mayor of London
City Hall
London
SE1 2AA

127 OCT 2017

From the Secretary of State
The Rt. Hon. Chris Grayling

Great Minster House
33 Horseferry Road
London
SW1P 4DR

Tel: 0300 330 3000
E-Mail: chris.grayling@dft.gsi.gov.uk

Web site: www.gov.uk/dft

Our Ref: MC/208376

25 October

D S 22

Thank you for your letter of 6 October about air quality and the Volkswagen emissions issue.

The Government is firmly committed to improving the UK's air quality and cutting harmful emissions. The agreements reached at the German Diesel Summit are helpful and suggest that manufacturers are starting to take their responsibilities on improving air quality seriously. We also continue to press manufacturers to upgrade the emissions performance of their vehicles. As in Germany, some manufacturers - Mercedes, VW Group, BMW, and Vauxhall - have committed to offering voluntary software changes to some of their EU5 and EU6 vehicles on our roads to improve their real world performance. I will continue to encourage other manufacturers to develop and offer improvements.

Almost all major manufacturers have now offered a UK scrappage scheme for older vehicles. However I believe they can go further, for example by all committing to scrapping the vehicles and running the schemes for longer. I want to see further action and will press manufacturers on how they can align with and support the UK plan for tackling roadside nitrogen dioxide concentrations. The Government has also committed to consult in the autumn on measures to support individuals and businesses impacted by local air quality compliance measures. As the plan sets out, any proposals considered for government support would need to demonstrate that support can be targeted to those who most need it whilst minimising the risk of fraud and offering clear value for taxpayer's money.

Turning to the scope to secure funding from manufacturers, some manufacturers have expressed an interest in entering into a dialogue with Government over how best to provide the infrastructure and incentives for an

ultra-low emission future, and I intend to pursue this with them. An active role in this transition by manufacturers is essential to restore trust in the automotive industry.

Turning to your points around taking legal action against Volkswagen, I have said before this is a complex area as the wrongdoing - the design and manufacture of the vehicles that cheated the emissions tests - took place in various jurisdictions outside the UK. Among EU states, it appears to be for the German Government in the first place to take legal action. I hope that action will be swift and comprehensive. It would be inappropriate to carry out a separate investigation of Volkswagen in parallel with the German authorities, and an unsuccessful UK prosecution could also put ongoing prosecutions in other Member States at risk. We hope to soon see the results from the German investigation. At that point we expect to reassess the prospects of a successful prosecution in the UK, based on the evidence that will be available as a result of any German prosecution.

W.D. best wish
Q

Rt Hon Chris Grayling MP

SECRETARY OF STATE FOR TRANSPORT



**Department
for Transport**

Sadiq Khan
Mayor
London

From the Secretary of State
The Rt. Hon. Chris Grayling

Great Minster House
33 Horseferry Road
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29 November 2017

CONNECTING PEOPLE: A STRATEGIC VISION FOR RAIL

I am writing to inform you that today I have published “Connecting people: a strategic vision for rail”. The document sets out a new vision for our railways, including plans to end the operational divide between track and train and an evolution of the franchising system.

The last few years have seen massive growth on Britain’s railways. This industry has reversed decades of decline under British Rail, delivered new investment and new trains, and doubled the number of passengers. But now we need to build on that success by building a new model for the 2020s and beyond, one more able to deal with the huge rise in passenger numbers and the challenges of an increasingly congested network.

Rail passengers deserve a more reliable, more efficient service – and I will deliver it by ending the one-size-fits-all approach of franchising and bringing closer together the best of the public and private sector.

The plan I am publishing today includes:

- Proposals aimed at creating joined-up teams running track and train to make the railway more reliable for passengers and ensure that it works as one to deliver for its customers.
- Commitments to expand the railway network to boost housing and economic growth, and deliver major passenger benefits, including rolling out improved compensation schemes for passengers.

The reforms follow on from the recommendations of the McNulty and Shaw Reports, and build on Network Rail’s recent devolution of infrastructure management to route-based businesses. The plan includes complementary changes to the franchising system to ensure that the railway is prepared to

manage the challenges of the future, while maintaining the railway infrastructure in public ownership.

These include:

- The first of the new generation of long-term regional partnerships on the East Coast Main Line, which will be introduced from 2020. The East Coast Partnership between the public sector and a private partner will be operated by a single management, under a single brand and overseen by a single leader. Further details about the new East Coast partnership will be set out in the coming months.
- Rolling out joint teams running day-to-day operations across the South Eastern network with plans to introduce a new Alliance Director, responsible for a joint team operating the trains and tracks. The Government is today publishing the invitation to tender for the new franchise on the South Eastern network.
- Introducing a joint team to run the East Midlands franchise following next year's franchise competition.
- Introducing smaller train companies, ensuring that every line, station and passenger is central to each train operators' strategy. This includes splitting up the Thameslink, Southern and Great Northern franchise in 2021.
- We have also launched a consultation on the future of the Great Western franchise including a proposal to create a new West of England franchise that would provide long-distance services between London, Wiltshire, Somerset, Devon and Cornwall (including the Sleeper) together with regional and local services across the South West. To provide a period of stability before the franchise is next competed, the Department will be asking FirstGroup, the current operator, for a proposal to continue operating the franchise until 2022.

The Strategic Vision for Rail also commits to explore opportunities to restore capacity lost under the Beeching and British Rail cuts of the 1960s and 1970s by identifying new schemes that unlock new housing or economic growth and offer good value for money.

The Government is already planning to reopen the railway line from Oxford to Cambridge and our new development programme will identify new connections and lines that were closed to passengers by British Rail, as part of finding and funding future rail schemes which offer good value. Other proposals that are in discussion as part of the development programme include suburban lines around Bristol, a freight route that runs through Central Birmingham, the line from Okehampton to Exeter and from Blyth to Ashington in County Durham. Proposals will need to demonstrate a strong business case where they are seeking Government funding.

At the heart of the new strategy is a commitment to improve passenger experience across the network and take advantage of new technology to

improve services. This includes major changes that will extend passenger rights – including compensation for passengers when trains are more than 15 minutes late. We are supporting the introduction of a Rail Ombudsman to ensure all passengers are treated fairly.

The vision also pledges to introduce digital rail – new technologies that have the potential to reduce crowding and improve train punctuality for passengers – across more of the country. This includes funding to develop schemes on the Transpennine Route, on the South East Route & East London Line, and on the Moorgate Branch. It also reinforces the important role for freight on the rail network to support the British economy and environment.

The strategic vision document is available at

<https://www.gov.uk/government/publications/a-strategic-vision-for-rail>

Rt Hon Chris Grayling MP

SECRETARY OF STATE FOR TRANSPORT

MAYOR OF LONDON

Rt Hon Chris Grayling MP

Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Date: 15 DEC 2017

Dear Chris,

Notice of an increase to the level of penalty charge issued by Transport for London

Transport for London (TfL) is responsible for setting the level of penalty charges which are issued for breaches of road traffic rules which apply on the Transport for London Road Network (TLRN). TfL imposes penalty charges in respect of parking, moving traffic and bus lane contraventions.

TfL's priority in managing the TLRN is to keep traffic moving. To this end, restrictions on the TLRN are designed to discourage stopping or parking where it would be dangerous or disruptive to other road users. Contraventions on the TLRN have a negative impact on traffic congestion and traffic flow. It has been estimated that the cost of congestion on the TLRN alone is annually worth almost £2.2 billion to London's economy and I know that government ministers have been concerned about its impact.

TfL is concerned that the existing level of penalty charge (£130) has become an ineffective deterrent to poor or inconsiderate driving as the number of motorists who have been issued with more than one penalty charge notice (PCN) is rising. In 2011, 35 per cent of PCNs that TfL issued for TLRN contraventions were to motorists who had received more than one PCN in that year. By 2016, the number of 'repeat offenders' had grown to nearly 40 per cent. If action is not taken to address this issue then the impact on London's roads and the local economy will continue to grow.

TfL wants the penalty charge level set at the minimum level needed to ensure a standard of driving that does not result in delays or compromise the safety of all road users including bus passengers, cyclists and pedestrians. Action is now required to reinforce and enhance the deterrent effect of a PCN. By increasing the penalty charge level, TfL expects there to be a positive impact on driver behaviour and a decrease in contraventions on the TLRN. This will have a subsequent beneficial impact on traffic flow and congestion in London.

During a consultation which ran from 4 September 2017 to 10 November 2017, TfL proposed setting the penalty charge level at £160. If the penalty charge is paid within 14 days of the notice being issued, a reduced rate of £80 will be payable. If the penalty charge is not paid or challenged within 28 days, the sum owed would increase by 50 per cent to £240.

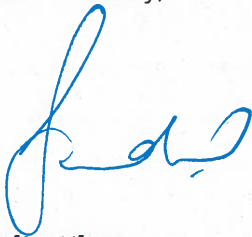
MAYOR OF LONDON

TfL has submitted the proposed levels to me and I have approved them. The purpose of this letter is to notify you of the increase pursuant to Schedule 9 of the Traffic Management Act 2004. Assuming you do not object, the increase would be introduced in late January/early February 2018 with notice of the increase being publicised in advance of this date.

I have recently agreed to the level of penalty charge which applies to non-payment of the congestion charge being increased in line with the level being proposed for TLRN contraventions. The new congestion charge penalty charge level will apply from 2 January 2018.

Copies of all consultation documents and the post consultation report have been shared with officials at the Department for Transport.

Yours sincerely,



Sadiq Khan
Mayor of London

Cc: Rt Hon Gavin Barwell, Chief of Staff, 10 Downing Street
Rt Hon Greg Hands MP, Minister for London

MAYOR OF LONDON

Rt Hon Chris Grayling MP

Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Date: 15 DEC 2017

Dear Chris,

Thank you for the positive and constructive meeting on Monday.

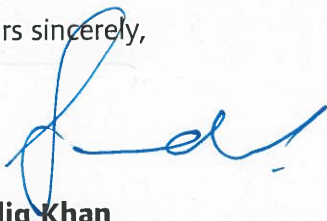
I am writing in response to the news that there will be a slower build up in the Thameslink service than was previously anticipated. I understand that the full 24 trains per hour service will now not be achieved until December 2019.

As we have discussed on many occasions, London desperately needs increased capacity on its transport network. My draft Transport Strategy seeks to increase the proportion of Londoners' journeys undertaken by walking, cycling or public transport to 80 per cent by 2041. To achieve this, we must have a reliable, high-quality public transport system.

Transport for London and I are making improvements to those parts of the network that we control. We are continuing our efforts to modernise London Underground including preparing for new trains and signalling on the Piccadilly line, which will provide 60 per cent extra capacity and a brand new next-generation fleet of trains. There are new, additional trains on the Docklands Light Railway and Overground networks to boost capacity while we are also working on extensions to the Northern line, Bakerloo line and London Overground to Barking Riverside. We welcome the Department's support in making the Elizabeth line a reality, which will bring a 10 per cent increase in rail capacity in Greater London.

Improvements to the rail network in London is also vital. In the context of ongoing disruption on the rail network, this delay will serve a blow to those hoping for some long-awaited improvements to their journey. We all agree this project is vital and I understand that the phasing decision is likely to improve resilience. However, passengers suffering disruption as a direct result of this project need some assurance that the pain will soon pay off. I would like to understand how you will be communicating this change to the travelling public. I continue to receive calls from Londoners desperate for a positive intervention to improve their services. Understandably, many of them are expecting the 24 trains per hour service a full year earlier than is now the case. They must receive a clear explanation of this change and the assurances that no further deferrals are expected.

Yours sincerely,



Sadiq Khan

Mayor of London

Cc: Rt Hon Gavin Barwell, Chief of Staff, 10 Downing Street
Rt Hon Greg Hands MP, Minister for London

MAYOR OF LONDON

Rt Hon Chris Grayling MP

Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Date: 19 DEC 2017

Remainder of response and attachment available at <https://tfl.gov.uk/corporate/publications-and-reports/aviation>

Dear Chris,

Please find enclosed my response to the supplementary consultation on the National Policy Statement (NPS) on airport capacity in the South East.

Aviation is vital for our city and for the country as a whole. It provides jobs, supports the economy, allows us to connect with the world and ensures London is open.

It is also clear that there is a need for additional aviation capacity, but new capacity cannot come at any cost. As stated in my response to the previous consultation, I remain concerned that the Government has not assessed the full range and scale of impacts that will result from a third runway at Heathrow, particularly the severe air quality and noise impacts; and the significant investment required in surface access, which is currently uncommitted and unfunded. In addition, there remain concerns about the impact on efforts to minimise aviation's contribution to climate change and on the basis of the economic case.

Air Quality

Our updated air quality analysis shows that the only way a three-runway Heathrow can avoid a breach of legal air pollution limits is by relying on the measures I am introducing to improve London's air quality, such as the Ultra Low Emissions Zone. Given the public health crisis we face as a result of poor air quality, it would be both morally and legally unacceptable to take advantage of such measures to allow a third runway to meet legal limits, acting against their purpose of bringing about cleaner air for Londoners.

This is particularly important given the Government's stated position that London will not be able to access implementation or mitigation funding on the same basis as being made available to the rest of the country. On top of this, Transport for London's Comprehensive Spending Review settlement in 2016 did not include any new air quality funding. My efforts to improve air quality are being banked by the Government, and being used to enable a third runway which will undermine those very improvements.

Even with my extra measures to improve air quality, the revised NPS finds that the risk of a three-runway Heathrow breaching legal limits remains high up to 2029. This renders Heathrow expansion wholly incompatible with the Government's obligation to reduce national air pollution in the shortest possible time.

Surface Access

There is still no commitment to any significant new public transport infrastructure, which could help achieve a substantial shift away from cars, taxis and private hire vehicles. Our analysis shows that both a Southern and Western Rail Access scheme are required yet neither is considered essential in the NPS.

MAYOR OF LONDON

Rt Hon Chris Grayling MP

Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Date: 21 DEC 2017

Dear Chris,

Metropolitan Line Extension

I am writing to confirm my position on the Metropolitan Line Extension (MLX) project, following our conversation on Monday 11 December.

As I said when we met, I am keen to see this project delivered if at all possible. I am grateful for the swift engagement of both your department and DCLG as we work towards tight deadlines.

As you know, there are two primary outstanding matters that must be resolved quickly if the project is to proceed: the funding for the estimated cost of the project; and the accountability for cost risk on the project beyond that estimate.

The most recent estimate (from February 2017) of the final cost of the MLX is £357.8m. This is £73.4m higher than the current funding package. I received confirmation from the Secretary of State for Communities and Local Government yesterday that the Government is minded to meet this funding gap through the Housing Infrastructure Fund (HIF), but that you would expect TfL to take on the cost risk of the project in return.

I would be willing to proceed with the delivery of this project and for TfL to take on the cost risk under the following conditions:

- (1) **Development proceeds:** Our team has been working closely with local stakeholders to understand the development potential both over the line and in the nearby area. Our conclusion is that while there is negligible opportunity for developing over the tracks (because of geographical constraints), we have identified approximately £30-40m of potential value through development on other nearby sites. Approximately £10-20m of this would take the form of third party contributions from private sector development. The remaining development proceeds would be raised from sites that are in public sector ownership, including Network Rail. We will need the Government to guarantee that we will be able to secure the third party contributions and that we will be able to develop the public sites, with the proceeds from both going to TfL to ensure delivery of the project.

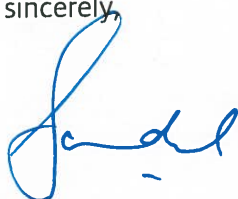
MAYOR OF LONDON

- (2) **Tender prices:** We will not have up-to-date tender prices for the project until summer 2018. TfL should not be liable for any further cost risk if higher tender prices mean that the incremental costs go beyond the value of the development under item (1), above, and therefore the future of the project would need to be reviewed again at that point if that were to be case.
- (3) **Network Rail risk:** The Government clearly has ultimate control over Network Rail costs. Therefore, Network Rail's cost risks should obviously be with the DfT.
- (4) **Housing:** The GLA will want to explore with colleagues at Watford Borough Council and DCLG how the additional housing that is facilitated by any MLX can support my new London Plan. In particular, examining the potential for accommodating sustainable growth through working with councils in the Wider South East. In the context of our new London Plan, we would also like to explore the borough council's assumptions on density to ensure that the maximum possible development is achieved.
- (5) **Recoup of Government grant:** DfT officers have recently contacted us to agree the return of unspent grant money from the project. We will need to retain the full grant payment we have received for the scheme. Furthermore, the Government should not seek to recoup any funding reasonably expended in pursuit of the project going forward, even if we become unable to continue with the project owing to factors outside of our control.

Finally, there are a number of complex activities that must take place to secure the Transport and Works Act Order powers and it may not be possible to complete all of these before the powers expire in August 2018. If that were to become likely then we would expect to work closely with your team on a strategy for re-securing the necessary powers.

I am ready to direct the project team to proceed as quickly as possible. I hope that we can agree a set of terms on which to proceed with delivering the project and realising its benefits.

Yours sincerely,



Sadiq Khan
Mayor of London

Cc: Rt Hon Greg Hands MP, Minister for London
Rt Hon Gavin Barwell, Chief of Staff, 10 Downing Street
Rt Hon Sajid Javid MP, Secretary of State Communities and Local Government

MAYOR OF LONDON

Rt Hon Chris Grayling MP
Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Our ref: MD2211

Date: 21 DEC 2017

Attachment available at <https://www.london.gov.uk/decisions/md2211-lb-enfield-proposal-change-penalty-charge-notice-levels>

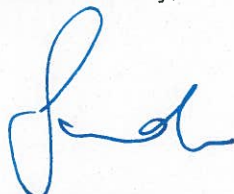
Hi Chris,

As you are aware, Paragraph 2 (1) (b) of Schedule 9 of the Traffic Management Act 2004 ("Schedule 9") provides that it is the duty of London local authorities to set the levels of charges relating to contraventions on or adjacent to roads other than Greater London Authority roads. Paragraph 2 (2) provides that different levels of charges may be set for different areas in London and for different cases or classes of cases.

Paragraph 3 (1) of Schedule 9 provides that London local authorities must submit to me the levels of charges that they propose to set. The London Borough of Enfield has proposed to increase parking charges on borough roads from band B to band A. This entails increases for more serious contraventions from £110 to £130 and for less serious contraventions from £60 to £80. I attach a copy of my decision in support of this proposal, and its attachments, which provide more detail.

I am required under paragraph 4 of Schedule 9 to notify you of this proposal, and I hereby do so. The increased levels of charges do not come into force until the expiration of either the period of one month beginning with the date on which the notification is given (the date of this letter), or such shorter period as you may allow. You may before the end of that period give notice to me that you object to the levels of charges on the grounds that some or all of them are excessive. If you do so, those levels of charges shall not come into force unless and until the objection has been withdrawn. If you think that the level is excessive, you may make regulations setting the level of charges.

Yours sincerely,



Sadiq Khan
Mayor of London



Department for Transport

The Rt. Hon. Chris Grayling
Secretary of State for Transport
Great Minster House
33 Horseferry Road
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SW1P 4DR

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Department for Communities and Local Government

The Rt Hon Sajid Javid MP
Secretary of State for Communities and Local Government
4th Floor, Fry Building
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Sadiq Khan
Mayor of London
City Hall
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SE1 2AA

22 DEC 2017

Dear Sadiq

Thank you for your quick response to our letter about the Metropolitan Line Extension. We are grateful for the speed at which you and your officials have looked at this.

We were surprised that you were not able to agree to our proposal. In our letters to you we made it clear that the additional £73.4 million funding, for a scheme that TfL had already signed up to deliver at a lower cost and with the cost-risk, was conditional on your taking the project forward with any future cost-risk. Our position remains the same, and we therefore cannot accept your first three conditions which would push a significant proportion of the cost overruns risk onto Government. If you do not agree for TfL to bear the cost of all future cost overruns, this scheme will not be able to proceed.

We do want to see this scheme progress, and you have asked us to work with colleagues at the GLA and Watford Borough Council to consider how this scheme can support your draft London Plan and help contribute to sustainable growth in the wider South East. We agree that better collaboration across the South East is integral to delivering the housing challenge the region faces, and we're keen to support that collaboration. We will need an effective working relationship on the London Plan, and I hope that we can start that process on a good footing.

You have also asked for confirmation that TfL will be able to retain the full grant payments which they have already received from DfT. We agree that this should be retained should the scheme progress. We do however need greater assurances from you with regards to recouping Government funding if the scheme was to be halted.

Finally, your doubts about completing works before the legal powers are due to expire in August 2018 are worrying. To date we have been assured by TfL that if funding was agreed by the end of 2017, there would be sufficient time to carry out these works before the powers expire. We therefore seek greater assurances from you that this is the case, and the works can be completed before the powers expire in August 2018.

Our view is that you should take forward the Metropolitan Line Extension with the additional funding provided by DCLG, accepting the future cost overruns. This is a great opportunity to support new homes by investing in infrastructure and we would urge you to reconsider your position so that this scheme can continue.



Rt Hon Chris Grayling MP
SECRETARY OF STATE FOR TRANSPORT



Rt Hon Sajid Javid MP
SECRETARY OF STATE FOR COMMUNITIES AND LOCAL GOVERNMENT

CC: Rt Hon Greg Hands MP, Minister for London

Rt Hon Gavin Barwell, Chief of Staff, 10 Downing Street



Department
for Transport

Sadiq Khan
Mayor of London
City Hall
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From the Secretary of State
The Rt. Hon. Chris Grayling

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10 JNK 18

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DS2

Thank you for your letter of 15 December 2017, notifying me of your decision to approve Transport for London's (TfL) proposal to increase the penalty charge level for parking, moving traffic, and bus lane contraventions on the TfL Road Network (TLRN) from £130 to £160.

As you know, the purpose of penalty charges notices (PCNs) is to deter contraventions, rather than to raise revenues or punish offenders. The Government therefore believes that PCNs should be set at reasonable levels, no higher than necessary to maintain compliance. I note that TfL's proposal equates to a 23% increase in the cost of a PCN. This is a significant rise, and one that requires particularly careful consideration in light of the financial pressures experienced by many motorists across the capital.

I understand that TfL believes this increase is necessary on the basis that it has issued a growing number of PCNs in recent years, suggesting that the current £130 PCN is now becoming less effective at deterring contraventions and maintaining compliance. TfL also points to a growing proportion of 'repeat offenders' receiving multiple PCNs.

I have carefully reviewed the evidence that TfL has provided to my officials.

I note that there has been no clear upwards trend in the number of PCNs issued by TfL for road traffic contraventions on the TLRN since 2014. In fact, it appears that PCN issuance fluctuated widely across 2011-2017. Annual PCNs numbers rose to an all-time peak in 2013-14, then fell substantially across the next few years, only rising again in 2016-17, suggesting that it may be too soon to determine the long-term trend. I also note that the number of PCNs issued in 2016-17 was still significantly lower than the figures for both 2012-13 and 2013-14. I do not believe that these figures illustrate a sustained

decline in driver behaviour, so they do not support TfL's claim that the £130 PCN has become an inadequate deterrent.

I have also looked at the figures by type of contravention. This shows that PCNs for bus lane contraventions have fallen for at least four consecutive years, and that PCNs for moving traffic contraventions have been broadly stable for three years. These figures indicate that compliance has been maintained with the £130 PCN. Although PCNs issued for stopping and waiting did increase in 2016-17, this is largely attributable to a 48% spike in PCNs issued by on-street officers. This is an abnormally large rise for one year, and I do not believe it is plausible evidence of a wider trend in driver behaviour. The most reasonable explanation is that more effective or intensive on-street patrols has resulted in a higher number of tickets being issued.

I accept that the proportion of PCN issued to repeat offenders has increased by approximately 4.7%. However, I am not yet persuaded this is wholly attributable to deteriorating driver behaviour as the evidence provided by TfL is unable to rule out alternative explanations, such as the effect of new road layouts, poor signage, or changing enforcement practices. On balance, I have concluded that this point alone is not sufficient to overturn the clearer and more detailed evidence provided by the PCN figures showing that compliance has either stabilised or improved across most categories of contravention.

Having considered the evidence carefully, I do not accept that there has been a consistent deterioration in driver behaviour, and consequently I do not agree that it is necessary or reasonable to increase the penalty charge level by 23%. I have come to the view that the proposed TLRN penalty charge level would be excessive, and I have therefore decided to intervene.

In accordance with my powers under Paragraph 4 of Part 2 of Schedule 9 of the Traffic Management Act 2004, I hereby give notice that I object to the proposed levels of penalty charges on the grounds that they are excessive. TfL is prohibited from increasing the penalty charge level to £160 until such time as this objection is withdrawn.

W.H. best -



Rt Hon Chris Grayling MP

SECRETARY OF STATE FOR TRANSPORT



Department
for Transport

KC
TT

Sadiq Khan
Mayor of London
City Hall
London
SE1 2AA

From the Secretary of State
The Rt. Hon. Chris Grayling

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Thank you for your letter of 5 December 2017, about the Thameslink service.

I appreciate your concerns over the introduction of 24 trains per hour on the Thameslink route, however, please let me assure you that the industry and I recognise the challenges involved, which is why we are investing in new technology, completely redesigning the timetable and implementing new operating principles to reduce the risk of delay.

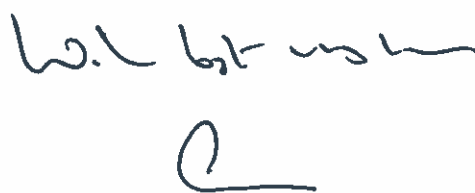
It may help if I begin by explaining that the majority of new cross-London Thameslink services will still start in May 2018, delivering around 70% of the capacity benefits of the programme, with 18 trains an hour in the peak through the Thameslink core (Between Blackfriars and St Pancras International). There will be 20 trains per hour in the peak from December 2018, 22 from May 2019 and 24 trains per hour in the peak by December 2019. The high frequency 24 trains per hour service will only operate at peak times and will see trains running through the Thameslink core between Blackfriars and St Pancras every 2.5 minutes.

The new timetable will deliver more capacity, with new cross-London services and new direct journey opportunities for passengers as part of the biggest timetable recast in a generation, and has involved one of the most complex industry wide timetable consultations in recent memory. This will mean more space for passengers, new direct services across central London and connections with Crossrail services at Farringdon.

It was originally envisaged that the new Thameslink timetable would be introduced in two phases by the end of 2018. I asked Govia Thameslink Railway (GTR) to propose options to reduce the risk of disruption to passengers from the introduction of too much change being implemented at once. The rail industry has agreed that it would be beneficial for passengers to increase the number of services through central London more gradually than had been planned, beginning in May 2018 and ending in December 2019. This will ensure a smoother introduction and a more effective operation of the railway and enable the industry to learn lessons before moving on to the next stage. The new Thameslink timetable is being phased in a similar way to Crossrail – learning lessons from other major projects. I am sure you will have seen that in its recent report on the Thameslink Programme, the NAO noted the decision to phase the implementation of the Thameslink timetable as 'sensible'. The Thameslink timetable will link operations of several busy networks and introduce new digital signalling systems which have not been used before on a mainline railway. It is important that changes are delivered in the right way and avoids disruption to passenger services.

Importantly for people in London, the re-phasing means that GTR will still be able to provide a 50% increase in the number of trains through the core from May 2018, with 18 trains per hour at peak times and 15 trains per hour off-peak. All trains will be high capacity 8 and 12-car class 700 trains, bringing much needed extra capacity to London's rail network, including the North Kent route via Dartford and Greenwich and the busy Catford Loop, as well as addressing increasing demand on Midland Main Line and East Coast Main Line metro routes. By 2019, the Thameslink service will provide 24tph in the peaks and 18tph off-peak.

Thank you again for your letter and for raising your concerns with me. I hope this reply is helpful.



Rt Hon Chris Grayling MP

SECRETARY OF STATE FOR TRANSPORT