Dear Lord Adonis,

Submission from London Assembly

We are writing to set out the views of the London Assembly Transport Committee and Regeneration Committee in response to the National Infrastructure Commission's call for evidence. We welcome this consultation on the major infrastructure challenges facing the UK, and hope it will lead to the Commission making a strong case for renewed investment in enhancing the transport network in London. Assembly Members look forward to discussing these issues with you further at the Transport Committee meeting on 10 February 2016.

This submission is based on the key findings of recent Transport Committee work on London's transport infrastructure in a range of areas, and the Regeneration Committee’s investigation into transport-led regeneration schemes. It focuses on the delivery of Crossrail 2, upgrading and extending the London Underground, enhancing capacity on London’s National Rail services, and the potential need for investment to support additional airport capacity in the South East.

The need to upgrade transport infrastructure in and around London is pressing, with the capital’s population set to grow to over 10 million by 2036.¹ Huge numbers of new homes, at least 42,000 per year, must be built to address a severe housing shortage and accommodate London’s growth.² As the Regeneration Committee found in its recent report, new transport infrastructure is often vital to unlocking the development of new homes and jobs.³ We are seeing this at the Barking Riverside development in east London, where the extension of the London Overground network underpins plans for around 10,800 new homes in the area.

The capital’s transport network is already almost at capacity, and while Crossrail will add new capacity, London’s growth means that this is likely to be fully utilised shortly after the line’s opening. Meeting these needs will be challenging for Transport for London in the light of the recent Spending Review, which has put pressure on TfL’s investment budget and did not include

any major commitment to investing in London’s transport infrastructure.

Crossrail 2
The Commission is rightly focusing on Crossrail 2, a proposed scheme that has the potential to significantly increase capacity and connectivity across London and the wider South East region. The Government has previously indicated support for this scheme, although no further funding was promised in the recent Spending Review beyond the prospect of an application to the new Transport Development Fund. At the Regeneration Committee’s recent briefing, Members heard that Crossrail 2 requires £250 million of development funding to ensure that the railway can be delivered by the early 2030s.

Crossrail 2 would provide sizeable economic benefits, supporting up to 200,000 new jobs, and regenerating parts of north east London that have relatively high levels of deprivation. In addition to helping meet London’s housing and job needs, the timetable and phasing for Crossrail 2 is crucial so that it can alleviate crowding at Euston following the construction of HS2.

In order to provide the best value for money and take advantage of the skills and expertise developed during the Crossrail programme in London, we would recommend approving Crossrail 2 and commencing construction as quickly as possible. There are a range of potential funding sources for the scheme as a whole; TfL has suggested that, with fiscal devolution, around 50 per cent of the required funding could come from local sources.

London Underground
Of equal importance to London is the upgrade of the existing London Underground network. The tube is Britain’s busiest railway and is becoming busier than ever, with records for passenger numbers repeatedly broken in recent weeks. Without a significant and sustained increase in tube capacity, the city risks grinding to a halt.

The ongoing Sub-Surface Upgrade Programme on the District, Circle, Metropolitan and Hammersmith & City lines is projected to increase overall capacity by 40 per cent on these lines by 2023. The New Tube for London programme on the Piccadilly, Bakerloo, Central and Waterloo & City lines will deliver between 25 and 60 per cent capacity increases by 2033. It is vital that TfL receives sufficient long-term funding to complete these programmes, which has not so far been confirmed.

In addition to the upgrade schemes, line extensions can also boost connectivity in and around London. In particular, we consider that the proposed extension of the Bakerloo line is a vital project for south east London. It will complement the regeneration of this area, boosting connectivity in Southwark and Lewisham in particular. It should be supported by the Commission.

National Rail
The Transport Committee has engaged with Network Rail on plans for upgrades to London’s rail network in Control Period 6 (2019-2024). There are a number of key priorities for London, including releasing additional track capacity around East Croydon station, extending Crossrail to Heathrow Airport’s Terminal 5, and four-tracking the Liverpool Street-Stansted route. We were pleased to see some of these projects being supported by Network Rail, although the subsequent reviews of the organisation and the delays to Control Period 5 projects have cast doubt over their future delivery. Network Rail’s investment plans should be clarified as soon as possible.
The biggest challenge facing London’s National Rail network is the need to move toward metro-style service provision in south London. There is a significant disparity in the city between parts able to access a high-frequency, high-capacity tube network (generally north of the River Thames), and others relying on National Rail services with much lower standards (mainly to the south). This is a constraint on economic growth and causes misery for many passengers using overcrowded, unreliable services. It is clear that this problem has not been given sufficient priority in recent years.

The Transport Committee has recently undertaken an investigation into the potential devolution of National Rail services to the Mayor and Transport for London. Devolution that has so far taken place – notably, the transformation of the Silverlink franchise into the London Overground network – has proven to be a great success. TfL has invested substantially in the network, improving reliability, capacity, service frequency and accessibility. As a large organisation with a diverse revenue base, TfL is much more able to manage the risks of this type of investment than private franchisees. We advocate further devolution, beginning with suburban routes of the South Eastern franchise in 2018, a move supported both by rail passengers both in London and Kent.4

**Orbital rail**

A more general, long-term priority for London’s transport infrastructure should be the development of orbital links, whether light or heavy rail. This would support the growth of other economic centres outside the Central Activities Zone, by creating employment opportunities in areas such as Croydon. The Transport Committee also found in a recent investigation into National Rail services, that Kent-based commuters would benefit from better connections to east London, to avoid interchange in central London, which would have the additional benefit of reducing crowding for London-based passengers.5

**Airport expansion**

Finally, we would like to address the issue of surface transport access to airports serving London. We understand that the National Infrastructure Commission is not seeking views on whether or where additional runway capacity should be provided in the South East, and our comments do not indicate support for expansion. However, we believe it is vital the Commission recognises that the surface transport implications of whatever decision the Government makes — should it decide to proceed with airport expansion — are huge.

As the Transport Committee set out in a submission to the Government, the Committee is deeply concerned that the Airports Commission’s final report did not set out realistic plans for how much additional transport capacity would be required to serve an expanded Heathrow Airport, or a meaningful estimate of the costs of upgrading infrastructure, if a third runway is approved.6 Before any final decision is made the Commission should undertake analysis to make a more informed recommendation to the Government about the surface transport implications of expansion at both Heathrow and Gatwick Airport.

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We hope that you find this submission to be useful as you consider the transport infrastructure challenges facing London, and will welcome the chance to discuss them further with Assembly Members at City Hall in February.

Yours sincerely,

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Chair, Transport Committee

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