transporttimes

The independent voice of transport

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November 2010

Comprehensive Spending Review round-up

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A solid innings in the spending review

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Cinderella no more

To say that transport has come out of the CSR well is a gross understatement. When *TT* published a front cover in July with the headline "Hammond bats for Transport" we could not have predicted just how successful he would be.

Yes, there will be painful and difficult cuts in revenue budgets, with local government in particular hit hard with a 28% cut. There have had to be some tough decisions on rail fare increases; but as we have consistently argued in this publication, this is a price worth paying to protect rail investment and specifically to deliver the new rolling stock and capacity the network craves.

President John F Kennedy, in his biography of eight US senators *Profiles in Courage*, said that he admired politicians who put policy before politics. The politics of fare increases are very difficult: the impact is felt immediately. In contrast it takes time for the public to value the benefits from transport investment and it is usually some transport minister who succeeds you who cuts the red ribbon on the new project.

However, the policy is absolutely right. For too long the UK has turned off the transport investment tap when the economy runs into difficulty and we then wonder why our transport systems are so congested. This is a decision that has been taken with the long-term interests of the UK's economy in mind. At long last we have a secretary of state who has successfully made the case to the Treasury that investment in transport infrastructure is crucial for our economic prospects.

If we had known that overall government capital spending was to be cut by 29% how many of us would have predicted that transport's capital budget cut would be only 11%? In past spending squeezes transport has been the Cinderella department which has borne a higher share of the cuts.

The big winners have been rail and London. After allowing for rail net income – the fare increase – the rail capital budget will increase by 23% in cash terms over the next four years. This contrasts with a cut of 50% in the Highways Agency's capital budget.

While many had jumped to the conclusion that the coalition Government would be pro-road and anti-rail, this is certainly not borne out by spending decisions. You should always judge politicians much more by actions than rhetoric.

In London I had been working on the assumption that Crossrail would be geographically curtailed and that even this would come at the expense of Tube upgrades. For both the full Crossrail scheme and the Tube upgrades to continue is a big win for the capital.

One of the reasons Philip Hammond settled very late with the Treasury – negotiations proceeding right up to the last minute the night before the CSR announcement – was haggling over London's revenue grant. This has taken a hit with the Greater London Authority's transport grant cut by 21%.

To those who think this is all window-dressing and that DfT has not come out of the CSR well, a cursory glance at the devolved areas' settlements should convince you. Scotland's capital budget has been cut by 36% – which must put a question mark against the new Forth Road crossing. Wales and Northern Ireland both face cuts in their capital budgets of 40%.

David Begg

David Begg is publisher of Transport Times.

contents

Capital spending is spared the axe

The Department for Transport came out better than expected from the Comprehensive Spending Review process. Over the four years the review covers, to 2014-15, the department's overall spending will be cut by 15% in real terms.

Resource (revenue or current) spending will be reduced by 21% in real terms, which will present a serious challenge to local authorities, and the department's administration budget will be reduced by 33%. But there was widespread relief at a cut of only 11% in the capital spending budget.

Transport's overall capital spending outcome is second only to defence. Transport secretary Philip Hammond told *TT* that he made an early decision to protect the capital budget because of its importance to the economy, at the expense of tough decisions on the resource side.

This includes allowing rail fares to rise by RPI + 3% instead of RPI + 1% for three years from January 2012, and steep increases in charges for the Dartford Crossing (from £1.50 to £2.00 next year and to £2.50 in 2012). The charges will help to fund an additional crossing, and plans to sell the existing bridge and tunnel have been dropped.

Bus service operators grant will be cut by 20% from 2012-13 to save over £300m, but the immediate reaction from operators was that Mr Hammond had listened to arguments against sudden and drastic cuts and that they could cope with this.

Investments which have been secured include Crossrail (without curtailment of its scope), the Tube upgrade, and virtually the whole of Network Rail's £18bn HLOS/rail white paper investment programme, including the redevelopment of Birmingham New Street and Reading stations. £4bn will be spent on Highways Agency major projects, and £6bn on local transport major projects.

Savings of £1bn have been identified to bring the overall cost of Crossrail down to £14.5bn. £750m has been earmarked for taking forward High Speed Rail in the spending review period.

The DfT says it is determined to make the railway more affordable in the long term, building on the value for money study being led by Sir Roy McNulty. Meanwhile "better constructed rail franchises" are expected to help save around £100m and Network Rail has agreed to find £185m savings in addition to the Office of Rail Regulation targets for the 2009-14 period.

The rise in rail fares will be used to fund new rolling stock for Thameslink and suburban services, with an announcement expected in the next two weeks.

The Highways Agency capital budget has been cut significantly, and will be 50% below 2010-11 by 2013-14. However, the DfT argues that the 2010-11 figure was inflated by the previous Government's fiscal stimulus, and that efficiency savings, better procurement and a focus on managed motorways rather than widening mean the disparity in outcomes will be less than this suggests.

Schemes which have been confirmed as going ahead include improvements to the A11 in Norfolk; to the M4 and M5 north of Bristol, a congestion hotspot; managed motorway technology to improve access from the M1 to Sheffield at junction 28; the A23 in Sussex, to eliminate a bottleneck between London and Brighton; and additional capacity on the M62 near Leeds.

Schemes cancelled because there is no realistic prospect of them receiving funding in either the current or next spending review period include the A1 Leeming to Barton – which would have completed a continuous motorway route from the M25 to North East England. The £1bn A14 Ellington to Fen Ditton scheme to relieve congestion around Cambridge and Huntingdon is considered "simply unaffordable".

Local transport revenue funding will be cut by 28% over the four years covered by the review. But the Passenger Transport Executive Group said its analysis showed that headline DfT local transport funding – capital and revenue combined – outside London will be 26% lower next year than 2010-11, arguing that the 2010-11 local transport budget had already been cut by 16% before the CSR.

As part of the drive to localism, 26 grant streams for local authorities will be reduced to four from the net financial year. These will be a local sustainable transport fund (capital and revenue); major schemes (capital); block funding for highway maintenance (capital); and block funding for small transport improvement schemes (capital).

Plans to sell the Datford Crossing have been dropped

"There was widespread relief at a cut of only 11% in the capital spending budget"

Authorities will be able to bid to the £560m local sustainable transport fund (a mixture of capital and revenue funding) for support for packages of transport interventions that support economic growth and reduce carbon emissions. Further details including how to apply will be issued by the end of the year.

There will be £1.5bn for local authority major schemes over the period, allowing the Mersey Gateway Bridge, the extension of the Midland Metro through Birmingham city centre and Leeds Station southern access to go ahead. Funding for the Tees Valley bus network will be accelerated. The government remains committed to the Tyne and Wear Metro upgrade.

A less bureaucratic successor arrangement to the Regional Funding Allocation procedure will be developed, in which the DfT expects Local Enterprise Partnerships to have an important role.

The DfT is contributing a third of the funding for the £1.4bn Regional Growth Fund for which bids from "local transport schemes which unlock sustainable economic growth" will be eligible.

Who is in the frame to repl

David Begg suggests some suitable candidates

Leaving: Robert Devereux

Robert Devereux, the Permanent Secretary at the Department for Transport, will be leaving for Work and Pensions at the end of the year (out of the frying pan and into the fire!) and the head-hunters are actively searching for a replacement. These posts normally go to an insider, and there are two good candidates from the DfT in Bronwyn Hill and Steve Gooding, as well as numerous ambitious civil servants in other departments. However the secretary of state, Philip Hammond, wants to test internal applicants against the market and head-hunters have been recruited to carry out this exercise – not normal practice at Whitehall when filling top civil service posts.

> **'Effectively Mr Hammond is looking for a COO to report to him as executive chairman'**

If he is looking for a non civil service candidate Mr Hammond will be looking for someone who will see the DfT as a business, rather than an administrative unit. This would be very much in line with his general approach. Mr Hammond has been running the department more like a company than any of his predecessors. He has been chairing the DfT board whereas in the past it was always chaired by the permanent secretary. This is something which has been encouraged by the coalition to ensure that ministers are fully on top of their departmental brief and able to answer a wide range of questions when grilled at committee.

The normal civil service posting for a perm sec is around four years, and the pay will be in the £150,000 area, which will restrict the choice, although there is always the temptation of an honour! While this is huge salary to the average punter it compares very unfavourably to those offered in the private sector. It's the equivalent to what a HR or IT director would expect to earn in a large public transport operator, or a company chairman on a day a week.

When you consider the sizeable budgets and responsibility that a perm sec has you can appreciate that we get our public servants on the cheap. We are fortunate that not everyone is motivated by money.

The biggest hurdle an outside candidate would have to surmount would be an understanding of the civil service governance process and "the ways things get done". However there have been several examples of people – David Bell at Education and Mike Mitchell at the DfT – who have managed it successfully.

Before speculating on a long list for the vacancy – if only for a bit of fun – it would be useful to rehearse the job criteria. Effectively Mr Hammond is looking for a chief operating officer to report to him as executive chairman. Top of the in-tray will be to reduce the DfT's revenue budget by 21% over the next four years and to manage the reorganisation of the department and the sizeable reduction in staff numbers. Experience of running a large organisation and achieving efficiency savings would be desirable. Knowledge of the transport sector would also be desirable; however Mr Hammond may well want to look beyond the transport sector.

INTERNAL CANDIDATES

Bronwyn Hill

Long serving civil servant of DfT. She was the key author of the 1998 White Paper and has impressed with her strategic thinking. More recently she handled the contentious Tube PPP adeptly and has struck the right balance on bus policy. Returned to the DfT three years ago following a successful secondment to the South West England Regional Office. Very good management skills and regarded highly by stakeholders. Understands DfT and transport policy better than any other candidate.

Would be a safe and sound choice.

PUBLIC TRANSPORT OPER

Nicola Shaw, former MD of UK Bu

Until earlier this year, Ms Shaw was managing director of UK Bus for FirstGroup where she thrived in a male-dominated environment. Before that she completed a successful stint in charge of franchising at the Strategic Rail Authority where she reformed the tendering process with good results. Began her career at London Transport before joining Bechtel.

Has an impressive background in both the private and public sectors. Someone who has an impec-

ace Devereux?

Steve Gooding

Creative thinker who made his name developing plans for national road pricing under Alistair Darling. Was also a key influence in continuing the drive to reduce road accidents. He is particularly impressive in understanding the role technology can have in reducing costs and influencing travel behaviour. Has a subtle sense of humour.

LOCAL GOVERNMENT CANDIDATES

Sir Howard Bernstein, chief executive, Manchester City Council

Mr Manchester. Came to prominence by demonstrating leadership and strategic thinking following the IRA bomb which destroyed part of the city centre 14 years ago. He is a class act and the top CEO in local government. Has been a driving force behind Manchester city region's transport plans. He was one of the first to appreciate the importance of transport to the economy and he more than anyone has established Manchester's reputation as England's second city.

Would be unlikely to want to move from his home town and his beloved football team Manchester City.

Tom Riordan, chief executive, Leeds City Council

One of the newest and brightest CEOs in government. Made his name as chief executive at Yorkshire Forward where he was out in front of other RDAs in recognising the importance of transport to the regional economy. He persuaded his board to invest in new rolling stock for the Leeds city-region.

Unlikely to want to leave Leeds having only been appointed six months ago. However, definitely one for the future.

David Leather, chief executive, Greater Manchester Passenger Transport Executive

A former partner in Ernst & Young. He has had an impressive career which has included being finance director for Manchester Airport, then the Olympic Delivery Agency. Was particularly impressive when on secondment to Manchester to mastermind the Commonwealth Games.

Another who will be reluctant to leave as he is now in charge of the most ambitious transport investment programme outside London. The radical new TfL style governance arrangements which are evolving in Greater Manchester will need his strong management skills if they are to succeed.

RATORS

s for FirstGroup

cable understanding of both how the bus market works as well as rail franchising will be a catch for the DfT.

She is highly intelligent, strategic and formidable. She would have to take a sizeable salary drop from what she has been used to but the public sector ethos in her may entice her.

OTHERS

Andrew Haines, chief executive, Civil Aviation Authority

Made his name as a railway manager at South West Trains, then looking after the four FirstGroup franchises. Has a good reputation in the rail industry and now has added regulatory and aviation experience to his CV. Endured a baptism of fire at the CAA dealing with the ash cloud crisis.

Review recommends measures to improve winter salt supplies

Highway authorities should increase their stocks of salt to the level required for 48 gritter runs over winter, says the final report of the Winter Resilience review panel.

The panel, commissioned by transport ministers and chaired by transport expert David Quarmby, makes 11 recommendations for the rail and aviation sectors, the supply chain for road salt, and on wider issues for the sector. This follows the earlier recommendations of its interim report in July, which focused on roads.

The panel concludes that the resilience of the road network can be improved by increasing the benchmark for local authority salt stocks at the start of winter to the level needed for 48 gritter runs.

Experience last winter suggested salt can be used more economically – lower rates of spread did not appear to reduce the effectiveness of gritting. The DfT and UK Roads Liaison Group has commissioned technical guidance on this, to be published by the end of this month.

There should also be greater flexibility of output by the two British salt suppliers. An interim recommendation to import a quarter of a million tonnes of salt as a stopgap measure for this winter has been put into action by the Highways Agency and most of this should arrive during November.

Safecote Ltd

Highway authorities should have enough supplies for 48 gritter runs at the start of winter

The panel says the rail industry coped well with 2009/10's sever weather, having learned lessons from the previous winter. However it says that the response to severe weather can still be improved through more consistent use of contingency timetables, selective heating of conductor rails south of the Thames, greater use of de-icing trains and closer working with highway authorities regarding responsibility for de-icing key areas used by passengers.

The aviation industry also responded well and learned from 2008-09, even though de-icing products for aircraft, runways and taxiways were in short supply.

The panel says there should be better availability of airline performance information for the public, and better liaison with highway authorities in some areas regarding gritting of critical roads.

The DfT welcomed the recommendations and urged those involved to take the appropriate action.

The cost of disruption in England in an average winter is estimated at around £1bn.

David Quarmby, page 14

Give London's mayor tax raising powers, says report

Planning should begin now for the next generation of projects to increase capacity on the Tube, such as Crossrail 2.

This is one of the findings of the London First Infrastructure Commission, a year-long expert study into the needs of the capital's future needs.

It also recommends that tax-raising powers should be devolved to the mayor; Transport for London should be reformed to ensure a clearer distinction between its client and delivery functions; and that London Underground should adopt a regulatory structure similar to that of Network Rail.

Chaired by Martin Stanley, global head of Macquarie Infrastructure and Real Assets, the London First Infrastructure Commission examined the challenges the capital faces because of a growing population and workforce, ageing infrastructure and demanding fiscal context, and looked at solutions to planning, delivery and financing for the future.

The report, *World Class Infrastructure for a World City*, makes a number of practical recommendations over the short, medium and longer term, including improved long-term planning by the Government, coupled with practical policy frameworks to give the private sector the clarity and certainty it needs to invest in the next generation of energy, water and waste infrastructure, and devolving decision-making on public provision of infrastructure to the London level.

It calls for tax-raising powers to be devolved to the mayor so he, rather than central government, can lead in meeting London's infrastructure priorities.

On transport the report recommends that the mayor should become TfL's overall client rather than the "defender" of its operations, setting strategy for TfL to implement.

On the Tube, following the collapse of the PPP, the best features of this model – greater transparency, independent scrutiny and certainty over long-term investment – should be incorporated into a new structure.

The transparency and efficiency of London Underground would be improved by governance reforms to create a regulated asset base model overseen by an economic regulator.

On rail, the mayor should engage with the DfT and train operators to ensure that reforms to rail franchises and structures, and future investment programmes, reflect London's priorities for rail services.

On roads, TfL's responsibility should be extended to the whole of London's strategic road network and the mayor and boroughs should be given greater powers over traffic control and signs.

Martin Stanley, page 15

Transport giant Lockhead bows out from FirstGroup

The founder and chief executive of FirstGroup stood down this month as Chief Executive before his formal retirement next March. **David Begg** assesses his legacy

To fully appreciate the contribution Sir Moir Lockhead has made, not just to UK transport but public transport on both sides of the Atlantic, you have to have an appreciation of were we were 20 years ago.

It was patronisingly claimed that local authority people were second-rate and that they could not compete in the private sector. Management-employee buyouts of companies such as Grampian Transport, led by Sir Moir, were doomed to failure because local authority managers did not have the commercial cutting edge which was a precondition for success. But these local authority guys were quick learners and Grampian Transport metamorphosed into the First Group giant we know today, taking over many private sector companies on the way.

We were told that allowing private sector companies to run buses and trains would compromise safety and that the welfare of passengers and staff would be sacrificed on the altar of shareholder return. How wrong could they be? Lost time injuries per thousand employees are a fraction of what they were 20 years ago.

First has a devotion and dedication to safety which eclipses anything from the past and is the rock on which the company has been built. If there is one epitaph to Sir Moir it should be his slogan: “if you can’t do it safely then don’t do it”.

The aloof and rather arrogant view from the railway establishment was that it would be a disaster to allow “hairy-arsed bus operators” to run trains. Theirs was a more sophisticated and complex industry compared to the simplistic and routine task of running buses. Today more than 80% of train operators in the UK originated as bus companies.

Many contended that UK public transport operators could not succeed on the other side of the Atlantic. First is now the largest coach operator and the largest provider of school buses in the US. The key ingredients for success in public transport provision – safety, managing costs and understanding the market – work for all modes of transport and all geographies and cultures.

Under Sir Moir’s leadership First has demonstrated that UK companies can succeed in the US and it is now seen as a key growth market for UK operators.

While Sir Moir’s achievements in shaping the world of public transport can be easily documented, his legacy for those of us who have had the privilege of working with him is more associated with his personal qualities and character.

If you were facing personal difficulties he would be one of the first to help. He never forgot his working-class roots and how tough life could be. He spoke to the bus driver and the mechanic in the garage the same way he spoke to royalty and cabinet ministers.

Andrew Carnegie, the 19th-century Scottish entrepreneur and philanthropist, was interviewed by a young journalist called Napoleon Hill from the local newspaper. Hill impressed Carnegie so much that he was told to spend the rest of his working life, funded by Carnegie, intervening and studying the most successful entrepreneurs in the US to ascertain the secret of success. The culmination of Hill’s endeavours was his landmark book *Think Big and Grow Rich*. He concluded that the great industrialists and innovators from Henry Ford to Edison were not born with a silver spoon in their mouths and they were not educational high-achievers, but what they did have was a clear focus and vision of what they wanted to achieve, the ability to never take no for an answer when it was a hurdle to this vision, the stoic ability to pick themselves up and dust themselves down after adversity, to relentlessly pursue their goal and never give up. Determination and hard work coupled with that vision were the secrets of success.

Sir Moir Lockhead: clear vision

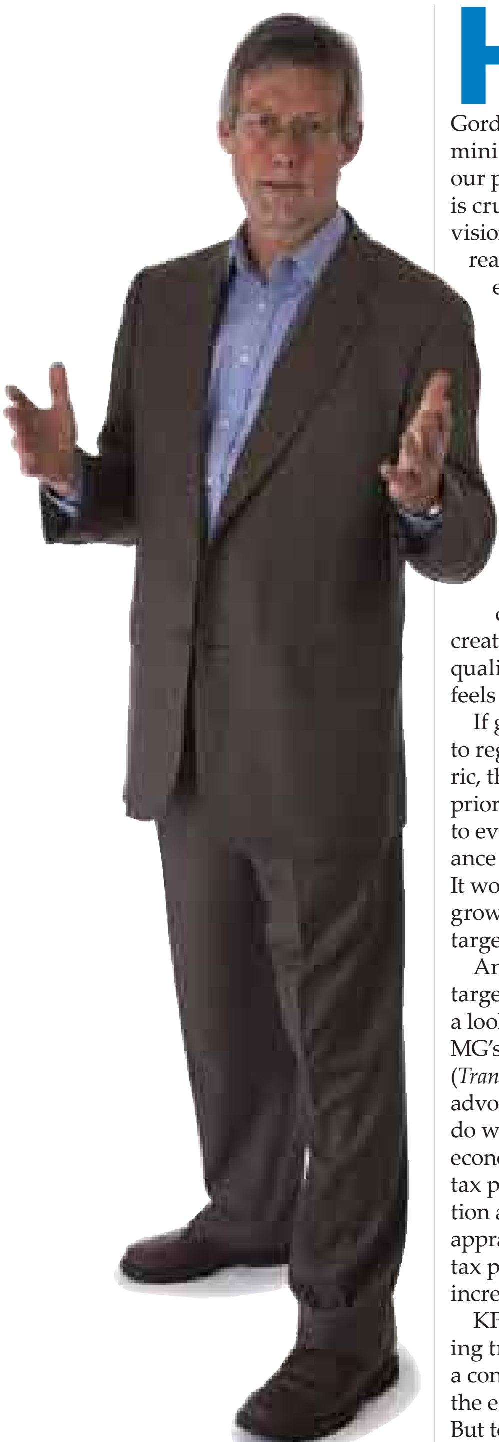
This sums up Moir Lockhead.

Those of us who have been associated with FirstGroup have sheltered under the biggest oak tree in the forest. We collectively have to grow in stature to ensure that his legacy is enhanced for generations to come.

David Begg is a non-executive director at First Group.

Positive thinking for a better quality of life

Can we stop making policy decisions purely on economic grounds and instead find a way of improving well-being and strengthening society as a whole?



Here's a different subject: optimism.

According to Anthony Seldon, biographer of Gordon Brown's period as prime minister, the question of who among our political leaders "owns" optimism is crucial. Optimistic leaders offer a vision of the future, temper it with realism and find they can make enduring changes. Seldon says that this is well understood by Steve Hilton, David Cameron's influential policy adviser.

Take a look at what David Cameron said in his speech to the Conservative Party conference last month for an appetiser: "All over the world, governments are wrestling with the same challenges… Not just building prosperous competitive economies… but creating strong societies, improving quality of life, ensuring everyone feels they belong."

If government departments chose to regard this as more than rhetoric, then decisions on policies and prioritising investment might need to evolve beyond the current reliance on Treasury Green Book rules. It wouldn't just be about economic growth and recovery, however well-targeted the effort might be.

And efforts to improve economic targetry are already in hand. Take a look at the conclusion in KPMG's recent piece for Network Rail (*Transport Times* last month) which advocates asking the question, "How do we best generate the private sector economic growth that will generate tax proceeds?" rather than the question asked by traditional transport appraisal, "How do we best spend the tax proceeds of economic growth to increase total welfare?"

KPMG's paper called for a differing transport appraisal approach as a consequence. It focused on meeting the economic imperative of the day. But to square it with the PM's explicit take on the quality of life question, there would have to be a willingness to extend the appraisal process beyond the usual definitions of "welfare", leave alone the stark metric of "tax proceeds".

In looking beyond the best economic return on investment, we have to consider what lies implicit in the notions of "strong societies, improving quality of life" in Cameron's speech and how these might be assessed when looking at policy choices.

Transport people will say we've got NATA. For a very long time there has been a scorecard approach to transport appraisal, scoring wider effects on the environment, safety and security and so on alongside conventionally measured economic effects, using points if the money metric could not be supported. But NATA amounts for nada if ministers at the end of the day still ask for the real beef, the best BCR.

> **'Cameron really is interested in other ways of measuring well-being besides GDP and GVA'**

Cameron hasn't just dreamt up his wider policy standpoint as some kind of new wave distraction from current harsh economic realities. He really is interested in other ways of measuring well-being besides GDP and GVA. Again according to Anthony Seldon (writing in *The Independent* in October), Steve Hilton reckons that quality of life matters as much as the usual measures of achievement.

Taking education policy as an example, the fixation with exam results and school league tables, Seldon says, has come at the cost of the joy of learning, and it is the young that lose out. A positive – and more optimistic – approach to education policy would concentrate instead on helping to 'lead out' each child's unique talents and abilities.

Positive policing is about deterring crime, rather than crime investigation and punishment. Positive employment is about bringing the best out in workers. And positive health policies, fairly obviously, are all about preventing illness rather than cure.

Economists have trodden this path before – see for instance Richard Layard's book, *Happiness* (Penguin, 2004), as an example of the genre. He concluded that the traditional economists' approach of weighing costs and benefits in making decisions was fine, if only both were measured in terms of happiness rather than money. Since a pound extra is not worth the same to people on different incomes, you could hardly expect benefit-cost analysis to deliver sensible results.

So what would policies for transport that help deliver up strong societies, better quality of life and so on, alongside a more competitive economy, look like? Seldon suggests positive transport policies would start by asking the question, "Why travel?" and then go on to consider how to make travel as efficient, attractive and environmentally friendly as possible.

Now for the hard part: finding a way to reconcile KPMG's emphasis on what matters to the chancellor of the exchequer with what matters to the prime minister. My suggestion is this: use the thinking on positive transport policies which imagine that a positive outcome is possible (the optimistic bit) to formulate the choices we should consider in the first place. Then revise the appraisal systems to suit, incorporating measures of effects on the real economy and tax proceeds, alongside the desired quality of life and societal outcomes.

Jim Steer is a director of Steer Davies Gleave and was responsible for strategic planning at the erstwhile Strategic Rail Authority.

America's missed chance to preserve passenger rail

President Obama wants to revitalise rail, but faces the problem that decisions taken in the post-war car boom have left the US without a coherent network as a starting point

Travelling around America by rail for the past two weeks to research my new book on US railways has given me a lot of time to reflect on the transport failings of this great nation. It is a paradox that the country which most depended on the railways for its very existence as a nation has now largely turned its back on them, at least as far as passengers are concerned.

Amtrak, which runs the passenger network, came into existence in the 1970s because the railroad companies, who were struggling as the nationwide interstate highway system was being completed, were only interested in their freight operations. Passengers had been fleeing the rail system both into their cars and to the growing air market for years and the companies were threatening to close down all the services, since they were a loss-making burden.

Initially, the government was happy to let them do this, but there was a public outcry and Amtrak was created to take them on. There is, therefore, a network of Amtrak services, mostly daily, covering all but two of the 48 mainland states. But this is in no way a public transport system, rather a kind of railtour company for those with time on their hands or a dread of flying.

There are around 25 million passengers annually, not even a fortnight's worth in the UK, and while there has been some growth, not least among the young, Amtrak nowhere near covers its costs and is forever struggling for federal funds.

The service on the trains is overtly friendly and efficient, but rigid in a way that is possibly more Soviet even than BR was. You are supposed to arrive half an hour in advance for the trains but then they keep you cooped up in the station until ten minutes before departure. The platforms are the most soulless and depressing places in the world. Often tucked away under the station or a skyscraper, they are thin pieces of concrete between the tracks with no kiosks, advertising or even, apart from the odd one, names. You even have to sign your ticket if it has been purchased by credit card. Why?

> **Amtrak is not a public transport system, rather a kind of railtour company for those with time on their hands or a dread of flying**

All this is made more bizarre by the fact that Amtrak has retained, and indeed exploited, the grand names used for the major train services, such as the Coast Starlight and the Empire Builder, now reduced to the minimalist offerings of a rather desultory state-owned company.

President Obama wants to revitalise rail in the US and early this year announced an $8bn stimulus package, which was a mix of studies on high speed rail and improving existing services. In reality, that is a drop in the ocean and to create anything like, say, an InterCity service for states where there are major conurbations a few hundred miles apart would probably cost ten or twenty times that amount.

Could have been different? Could a coherent rail network for passengers have been retained in the days of rampant car and road expansion? Given the politics and zeitgeist of America, the answer is probably not. You only have to look at the fierce opposition to some rail projects – and not just from Republicans – to see that the political climate in the US is unlike anything we experience in Europe.

America has missed a trick by failing to nurture its passenger railways through the bad times of the postwar period and is now paying the price with its overcrowded highways and the lack of choice for its citizens.

Christian Wolmar's new book, *Engines of War*, has just been published by Atlantic Books, £20.

Cycling England – a response to Philip Hammond

Dear Philip

It was very gratifying to receive such a considered response to my letter to Norman Baker, your junior minister. However, I think you missed my point. I was not complaining about the need for cuts, which I accept are inevitable though I think being imposed far too harshly by your government, but about the fact that you were abolishing a fantastically efficient delivery mechanism for the money you were spending on cycling.

If, as your coalition document suggests, you are keen on boosting cycling, then Cycling England was just the right vehicle. It employed just three people, all of whom were expert in their fields, and was run by a voluntary group of board members (Big Society!) delivering a programme of £60m. If you had said we have to cut your budget by half, then we would have been happy to accept that. It was your government's headline-grabbing decision to abolish quangos which seems to have been the driving force behind the move to scrap Cycling England.

Perhaps, though, rather than corresponding through the pages of this magazine, we could meet to discuss ways forward to encourage cycling which seems to be something we both support.

Christian

adam raphael

Mr Hammond is ducking the issue of congestion

The Transport Secretary has done well in the spending review negotiations. But will he show the same sureness of touch in the difficult policy decisions that lie ahead?

A couple of months ago, I noted that it was all too tempting for politicians to avoid tough decisions on user charges and instead slash investment in transport infrastructure. The test of the new government, I suggested, would be what happened in the comprehensive spending review.

Judged on this basis, Philip Hammond has performed well. And it would be curmudgeonly to fail to acknowledge this.

Train and bus fares are set to rise by 10% over the next four years but investment in high-speed rail and Crossrail has been preserved. Transport investment fared relatively well in the settlement, rightly because it is a major driver of economic growth.

I wish I could be as positive about other aspects of the new transport secretary's record. His speech to the Conservative Party conference in which he set out his political stall this autumn was disappointing. It was a third-rate speech which dodged all the difficult issues and which made no attempt to educate the party faithful. Not a word about how to restrain congestion, not a line about how to deal with rising demand for air travel, nothing about the need to introduce lorry road-user charging, not a hint about the need to raise new revenue to finance new infrastructure.

Instead we had a long rant about the errors of the past Labour government ending with a promise to end "Labour's indiscriminate war on the motorist". This phrase, which should have been buried as soon as the election was over, is spurious.

The only example which Mr Hammond was able to produce was the M4 bus lane from Heathrow into central London which he proudly announced he would abolish, claiming that its removal would shorten average journey times. This vague claim is specious, and the transport secretary almost certainly knows this. He will have been told by his civil servants that the gain for the ordinary motorist will be measured in seconds, while the adverse consequences for buses and taxis at peak hours will be measured in minutes.

The Transport Research Laboratory, which looked at the impact of the bus lane shortly after its introduction, found that buses and taxis saved on average 3.5 minutes during peak hours. Counter-intuitively, even the ordinary motorist benefited marginally because the bottleneck at Chiswick, where the motorway reduces to two lanes, was less obtrusive. Of course if you give priority to buses over motorists, bus passengers will benefit most. You don't have to be a transport economist to understand this, it is common sense.

> **By ruling out road pricing, he has ensured the continuance of a Soviet-style command economy in which scarce road space is allocated haphazardly by queuing**

Another consequence of Mr Hammond's tilt towards the motoring lobby is the withdrawal of government funding for speed cameras. This has resulted in cameras being switched off all over the country because local road safety partnerships have no money to support them. It is probably the most damaging backwards step that any British government has taken on road safety in the past 50 years. A new study, to be published shortly by the RAC Foundation, an independent research body, will confirm the benefits that speed cameras bring in reducing serious road accidents and deaths.

Most disappointing of all is Mr Hammond's determination to ignore the overwhelming evidence that the best way to tackle congestion is by traffic restraint on the most grossly congested parts of the strategic road network. That is best done by price. Ironically, in his conference speech, the transport secretary claimed that his inheritance from Labour was a transport system which was "something the Soviets would have been proud of". But by ruling out road pricing, he has ensured the continuance of a Soviet-style command economy on the roads in which scarce space is allocated haphazardly by queuing.

That is not in the interests of drivers; they want a reliable, safe and predictable journey. In the current free-for-all jungle which is bound to deteriorate still further as economic growth resumes, car journeys will become more and more of a lottery. The politics of road pricing are admittedly difficult, but the economic waste is huge. Mr Hammond knows this. But in pursuit of scoring cheap political points against the last government, he is in grave danger of boxing himself into a corner.

The Department for Transport has a well-deserved reputation for being a graveyard for politically ambitious ministers. Of the more than 30 secretaries of state since 1945 (average length in office barely 18 months) less than a handful have progressed further up the greasy pole. Those who do best like Ernie Marples, Barbara Castle and Alistair Darling stayed the course and were not frightened to take on unpopular causes. It is not too late for Philip Hammond to do the same.

Adam Raphael, a former executive editor of *The Observer* and transport correspondent of *The Economist*, is the associate editor of *Transport Times*. He is a former presenter of BBC's Newsnight and an award-winning investigative journalist.

European Commission has let van makers off lightly

Emissions from delivery vans are increasing, so why is Europe relaxing targets for improving fuel efficiency?

White Van Man could not care less about climate change. This partly explains why Europe's van manufacturers fought so hard to weaken the forthcoming EU regulation limiting carbon emissions of light commercial vehicles.

The manufacturers would prefer to continue selling their existing models rather than retooling their plants and investing in new low carbon technology to produce much more efficient vehicles.

Of course van fleet owners are keen to reduce their fuel costs and would welcome any reductions in mpg. But few are willing to pay significantly more for greener vans.

The manufacturers face little pressure from the market to increase the pace of efficiency improvements and roll them out across their product ranges.

The debate over road transport emissions tends to focus on cars but the boom in internet shopping and home deliveries means vans account for a rapidly growing share of total carbon dioxide.

Between 1999 and 2007, total emissions from vans in the UK increased by 24%. Over the same period car emissions fell by 1%. Part of the reason for rise in van CO_2 has been the big increase in van use, which is why it's important to tackle van emissions

Yet the van industry has somehow managed to persuade the European Commission to weaken its original proposal on emissions. In 2007, the commission suggested a target of 175 grams per kilometre (g/km) for the average new van sold in Europe by 2012.

If implemented, this would have represented a 14% reduction over five years on the 2007 average of 203g/km - not particularly stretching when you consider that this is less than 3% per year.

But the proposal working its way through the European Parliament is even weaker: it would give van manufacturers until 2016 to meet the 175g/km target – an extra four years.

Given that many companies have signed up to the 10:10 campaign and pledged to cut their emissions by 10% in only one year, taking nine years to achieve a 14% improvement seems deeply unambitious.

Emissions of the best-performing diesel cars have fallen by a quarter in only two years and the same approach that produced that decline could easily be deployed in vans, nearly all of which are diesel-powered.

The commission states in its briefing paper on van emissions: "The technology in small and medium-sized vans is derived from that for cars, and manufacturers will be able to benefit from the developments already under way in connection with the legislation on CO_2 from cars."

> **Taking nine years to achieve a 14% improvement seems deeply unambitious**

Yet the EU appears to be about to repeat the mistakes it made when setting those emissions targets for cars two years ago. The car targets were also seriously weakened after industry lobbyists made exactly the same bogus claims that a tighter deadline would be impractical and too costly.

The commission had proposed in 2007 that new cars should achieve an average of 120g/km by 2012. In the directive the following year, this was weakened to 130g/km by 2015.

Transport & Environment, the Brussels-based green lobbying group, has published an analysis showing that car manufacturers will easily hit the 2015 target. Last year, Toyota came close to meeting the target six years early, with average emissions of 132g/km. The Japanese manufacturer managed to cut emissions by 10% in one year, partly by launching attractive new small models like the iQ and Aygo and partly by introducing much more efficient versions of its family cars like the Auris and Avensis.

Across all car manufacturers, emissions fell by a record 5.1% between 2008 and 2009 to 145.7g/km.

The car industry has tried to downplay its own achievement, arguing that last year's decline was due mainly to temporary factors such as the recession and scrappage schemes that favoured smaller cars.

But T&E found that more than half the reduction was the result of introducing more efficient technology.

The EU must not allow itself to be duped a second time and should urgently reconsider the emission targets for vans before they are fixed in law.

Manufacturers will argue that restoring the original deadline of 2012 for the 175g/km target would not give them enough time to make the necessary changes.

But they could get most of the way towards meeting the target simply by reversing the trend in recent years of increasing the power of van engines to a level far beyond what is needed to perform their duties. Take a trip on any motorway, and you will find White Van Man chasing sports cars in the outside lane.

Unlike all other types of commercial goods vehicles, vans do not have speed limiters.

A study by CE Delft has found that limiting the top speed of vans to 100 km/h would cut CO_2 emissions by at least 7% as well as halving the number of fatal crashes caused by vans on motorways.

The humbling of White Van Man will help save lives as well as the planet.

Ben Webster is Environment Editor of The Times

A plan to cope with snow – no matter what sort

Britain nearly ran out of salt last winter – but this could easily be avoided in future, according to the winter resilience review commissioned by the DfT. Its chair, **David Quarmby**, explains

David Quarmby: "We need a more resilient salt supply chain"

Last winter was the worst for 30 years, with sub-zero temperatures and successive snowfalls from mid-December to mid-January, even worse than the 2008-09 winter. Considerable disruption was caused to our transport systems. The country nearly ran out of road salt, and only the intervention of "Salt Cell" saved the day – a government-run crisis management unit which allocated scarce salt supplies where they were most needed and also issued "instructions" to highway authorities to drastically reduce their use of salt for the rest of the winter.

No wonder Andrew Adonis – transport secretary at the time – wanted to ensure this wouldn't happen a third time. I was commissioned by him to lead a review of winter resilience of England's transport systems, covering rail and aviation as well as highways. We delivered our interim report in mid-July – focusing on highways and salt supply for next winter – and our final report in mid-October, which dealt with rail, aviation, longer term resilience of salt supply, and the economics of winter resilience.

Our review uncovered some areas for improvement by local highway authorities – consultation and communication over the networks to be treated, joining up with other transport operators, and sufficient coverage of footways and cycleways – but generally they do a pretty good job, sometimes in very challenging circumstances. And the Highways Agency and its contractors maintain a high standard of availability on the strategic road network.

Both the rail and aviation sectors demonstrate considerable competence and professionalism in managing severe winter weather. Recovery is swift, although the third rail network south of the Thames continues to be vulnerable to ice and snow. Timely and accurate information to passengers continues to be critically important. We found some inconsistency across both sectors in how decisions are made to implement contingency timetables.

Salt supply for highways remains a potentially critical issue. The first problem is that salt demand across Britain in a nationally severe winter exceeds UK production capacity by some 40% – nearly a million tonnes. But imports can cost 50-100% more than domestic production.

For next winter we recommended that government should task the Highways Agency to procure by import a strategic reserve of 0.25 million tonnes, for use by England's local highway authorities if needed. Longer term we should not have to rely on government intervention – we need a more resilient supply chain. And that means closing the gap between supply and demand, using a nationally severe winter as the benchmark.

> **Salt demand across Britain in a nationally severe winter exceeds UK production capacity by 40%**

Having reviewed and rejected commercial/contractual methods, and seen no prospects for "trading" solutions, we came back to (a) strategically reducing salt utilisation and (b) persuading the two main domestic suppliers to be able to increase their throughputs. Last winter's experience of forced reductions of salt use showed that the standard spread rate of 20g/m^2 could apparently be reduced without compromising effectiveness, and we recommended that urgent research should be carried out to underpin the adoption of new more economical standards of salt spreading. An average 20% reduction in salt use would contribute some 0.6 million tonnes to the supply/demand gap.

Salt Union (in Cheshire) and Cleveland Potash (on the edge of the North Yorks Moors near Saltburn) are responding to the heightened attention now being given to salt supply, and undertaking to increase their respective throughputs to achieve at least a total annual increase of 0.5m tonnes or more.

Salt still needs to be in the right place at the right time and in the right amount. Using supply chain consultants, we modelled the supply chain down to individual highway authorities across Britain. The crucial planning decision for a highway authority is the level of stock to hold for the beginning of the season (1 November). This is an individual decision for each authority, based on usage history, distance from suppliers, available storage capacity, and the existence of (or potential for) mutual aid with adjacent authorities.

In a mild winter, the average number of gritter "runs" by a local authority in England may be as low as 40-50; in a nationally severe winter it could average 90. Our benchmark is to be able to meet the needs of a nationally severe winter without having to invoke the Salt Cell. Our model suggests that a benchmark pre-season stock of 48 runs (equivalent to 12 days of severe weather gritting) is the right level to plan for – balancing storage capacities with in-season production capacities and import potential.

This can only be a benchmark, and as only half the authorities have got 48 runs' capacity. So our recommendation is phrased carefully: local authorities should review their usage history and mutual aid arrangements and consider a) whether there is a case for increasing capacity towards 48 runs if they currently have less, in addition to filling the capacity they have; or b) at what level to stock – at or above 48 runs – where the capacity exists to do so.

David Quarmby CBE is chairman of the RAC Foundation, and a director of Abellio Group, the international subsidiary of Netherland Railways

A world class city needs world class infrastructure

Martin Stanley of London First's Infrastructure Commission argues that changes are needed to the way transport is run and to bring taxation closer to planning and decision-making

Infrastructure has always been central to London's economic and social development, and the challenges faced today are the same as those that have always faced the city. Major projects take many years to plan, build and develop; they are often disruptive to everyday life; and the impacts of their creation are not felt within one electoral cycle or immediately understood by the public. Given the constraints on public financing, one of the largest challenges currently facing London is to ensure the efficiency and maintenance of the city's existing infrastructure.

London First's Infrastructure Commission, which I've chaired over the past year, is optimistic about the prospects of meeting London's future requirements, but there are necessary changes needed to deliver the infrastructure that London needs.

Recent years have seen substantial private and public investment in London, as in other cities across the UK. The spending review represented a welcome vote of confidence in a number of critical transport infrastructure schemes, including in Crossrail and the Tube upgrades. The priority now is to complete these essential projects and get them operational so that passengers can start to feel the benefits.

At the same time, however, those responsible for making transport policy and running transport services in our major cities must focus on the changes that are needed to keep our cities moving in the decades ahead. The current economic and fiscal situation increases the pressure to look afresh and

In part, this is about ensuring decision-making is at the right level. Over half the GLA's budget comes from central government grants, but just 7% is from local taxation. This is much less than in other world cities like Tokyo and New York. The result is that investment strategies for UK cities are too often bidding documents to central government rather than settled plans.

Tax, spending and decision-making for London need to be aligned so that decisions about public expenditure on infrastructure investment are taken by the people who bear the costs and stand to benefit. In the short-term, the Government should give the Mayor's office flexibility as to how the grants received are spent, so that resources can be directed towards addressing London's priorities.

In the medium term, the tax system should be rebalanced so that central government raises less in tax from the capital, giving the Mayor the ability to raise more of his own resources in a manner that is transparent and equitable. Crossrail showed that business

> **Investment strategies for UK cities are too often bidding documents to central government rather than settled plans**

is prepared to back difficult choices on investment in the right context.

The commission makes a number of recommendations on the way in which the underground, road and rail are run in London. Over half the people entering the capital during the weekday morning peak use the Tube, with over half of these travelling in crowded conditions.

Without investment in modernisation, the Tube will be unable to cope with the projected growth in demand. But investment needs to be matched with the improved transparency and efficiency of London Underground. The former Tube PPP made some important strides on this front and the current arrangements leave considerable unfinished business.

The creation of a regulated asset base model, overseen by an economic regulator (as exists for other private and public utilities) would set out clearly the level of resources required in the medium-term, based on independent verification of capital and operating expenses. This would provide a solid platform for London to argue its case to the Treasury for investment.

In terms of rail, like other cities our focus is on increasing capacity to meet passenger demand. We are not dogmatic about precisely what structures should emerge from the current reviews of franchising, costs and industry structure, but would support the case for the Mayor to play a greater role in setting franchise specifications. Detailed planning work on the next generation of rail projects necessary to meet forecast demand need to begin now.

On the roads, there are similar problems of demand outstripping available capacity given the importance of ensuring suitable access for utilities. In London, it is generally impracticable to provide significant additional new capacity.

Accordingly, there are two principal areas where action is needed to improve travel on London's roads. The first is better management of the existing road network, with strategic roads managed at the London level and more traffic management powers devolved from central government. The second, medium term, goal must inevitably be better utilisation of scarce capacity with a more sophisticated congestion charging scheme.

Taken together, the recommendations play an important role in improving the way transport services are planned, financed and delivered for London, helping give our world city the world class infrastructure that it needs.

Martin Stanley is Global Head of Macquarie Infrastructure and Real Assets, Macquarie Group & Chair of London First's Infrastructure Commission

Martin Stanley: "The tax system should be rebalanced"

Flexible solution combines the best of rail and bus

Last month, Christian Wolmar criticised Cambridgeshire's guided busway project. **Bob Menzies** replies that though residents and councillors are frustrated by delays, it will provide a world-beating service

Bob Menzies: "Distinguish between problems of delivery and the finished product"

Despite delays by contractors completing the groundbreaking Cambridgeshire guided busway project, Cambridgeshire County Council is certain that the busway will provide thousands of people with a reliable, fast and frequent service when it finally opens next year.

In recent weeks contractor BAM Nuttall has laid the final piece of concrete track that makes up the shorter southern section of the route between Cambridge railway station, Trumpington and Addenbrooke's hospital. Contractors are now finishing work on this section, such as installation of lighting and commissioning traffic signals.

The longer 12-mile northern stretch between St Ives and Cambridge has been all but complete for more than a year, but contractors have not rectified six outstanding notified defects despite pledges to correct the work. In a public statement in April BAM Nuttall's Chief Executive said the firm would fix the defects. But, frustratingly, the contractor has made no meaningful progress, which has meant the northern section has not been able to open in advance of the whole project being complete.

Although the contractor's delays have meant Cambridgeshire residents have not yet been able to use the busway to beat the frequent queues on the notoriously congested A14, the route will offer a world-beating service when it opens and was the right choice for Cambridgeshire.

Writing in *Transport Times* last month Christian Wolmar argued that it would have been better to reinstate the Cambridge-St Ives railway rather than risk using "untried technology".

But following a visit to the busway construction site another *TT*

> **Busways have the advantages of rail with the added benefit of much more flexibility**

columnist and environment editor of *The Times*, Ben Webster, was impressed with the flexibility the route offered when compared to rail and even suggested busways will replace more branch lines.

The debate over the merits of new roads, rail, trams and even guided busways is an interesting one. As transport professionals we would not be doing our jobs properly if we did not consider the benefits of each mode on a case by case basis.

We must distinguish between problems with delivery and the finished product. The upgrade to the West Coast main line, for example, became notorious for increases in costs and took a decade to complete. Yet few would question the merits of rail. Busways also have their place, since the flexibility of buses being able to use a dedicated track as well as existing roads has many positives and the concept is sound.

It is true that busways are relatively modern technology when compared to rail, but the technology is also tried and tested. Even building through poor ground conditions should not cause problems, as the track in Adelaide has shown. While on holiday earlier this year I visited the Adelaide system and the ride quality is excellent. It is clear that investing in quality reduces the need for a lot of costly long-term maintenance, which frequently means inconvenience for passengers.

Over 100 buses hourly run on the Adelaide system at peak periods and the Cambridgeshire busway will be able to offer the same flexibility. Some might say that busways have the advantages of rail with the added benefit of much more flexibility. This lends itself to routes developing over time as they have done on other systems. Once the proposed 10,000-home new town of Northstowe gets under way adjacent to the route there will be an influx of new services running every few minutes, picking up passengers from their front doors.

In a time of belt-tightening for the country it is also comforting to know that the route will run on a commercial basis and does not need any subsidy. All the risks of operating the service lie with the bus operators, because the access charges they will pay will cover the costs of running and maintaining the route.

Gliding traffic-free from St Ives to the edge of Cambridge in just 20 minutes will be highly preferable to the long and uncertain queues on the A14. The busway will certainly provide one of the best bus services around – but without a premium price for passengers.

Bob Menzies is Cambridgeshire County Council Head of Busway Delivery.

Comprehensive approa

The outcome of the Comprehensive Spending Review has been greeted with widespread re **Hammond** talks to **David Begg** and **David Fowler** about the review and the challenges

Philip Hammond came to the Department for Transport as an unknown quantity. The overriding feeling was apprehension that as shadow chief secretary to the Treasury before the election he would want to demonstrate his Treasury credentials by enthusiastically cutting. All previous experience pointed to transport being selected as an area to make easy cuts.

As it turned out, he was remarkably receptive – if not already convinced – of the argument being put forward by *Transport Times* and business organisations such as the CBI, British Chambers of Commerce and London First, that transport investment had a potentially vital role to play in the economic recovery.

In last month's spending review, transport capital spending fared better than almost anyone had hoped – though local authorities will face challenging cuts in revenue spending.

Meanwhile Mr Hammond has enthusiastically taken up the running on high speed rail, carrying the baton handed on by Lord Adonis. An announcement of the preferred route from London to Birmingham is expected soon, prior to a major consultation in the New Year.

A £2.1bn concession to operate High Speed 1 was awarded this week, and details of plans for investment in rolling stock for the conventional railway are also expected in the next two weeks.

TT met Mr Hammond this week to discuss all this, and, with the DfT's business plan published this week, his aims for the next four years. We began by asking whether the outcome of the spending review for his department had been better than he anticipated.

"If you asked me at the beginning of the process where I thought we would end up, yes, we did better than I was expecting. But the key decisions were taken quite early around what protecting infrastructure investment was likely to mean. Having carved out that ground you've then got to defend it against all comers and the big issue was how capital was going to be allocated between, I guess, defence, education and transport," he replies.

"We were clear from the beginning that we wanted to focus on protecting our capital, and we said to the Treasury that we'd play ball with them on the resource [revenue] budget provided we could get proper protection for capital – it's much more important for transport to protect capital spending."

How *Transport Times* launched a campaign to protect capital spending last December

This is in marked contrast to previous spending rounds, when budgets have been decimated.

"The political problem is that because transport projects that are announced don't materialise for several years, the political pain of cutting future projects is always relatively modest at the time. But the economic damage that it does is quite significant, which is why we made the conscious decision that we would not shirk the decisions, that we were going to protect capital budgets and take those difficult current spending decisions, including some in transport, but more obviously in welfare," he says.

Accepting that the right decisions have been taken for the long term, we suggest that in the short run some things are going to be incredibly painful, with fare increases, cuts in local authority budgets, and so on.

> **It's much more important for transport to protect capital spending**

"Yes, we've taken some tough decisions that will cause some political pain and the fares increase is the obvious one; the increase in charges on the Dartford crossing – these are difficult decisions, but you've got to make those choices."

He adds: "It's not just about growth, it's about rebalancing the economy as well, getting a better balance geographically, getting a better balance between services and the financial sector on the one hand and manufacturing on the other. All the things that we've said are important to us are supported by transport infrastructure."

Asked what was the most difficult decision he had to take in the review, he cites the increase in rail fares (by 3% over the retail price index from 2012)

"My constituency is slap in the middle of commuterland and fares are too high – there's no two ways around that. In the long run we have to set as our clear target improving rail's cost base to get a better deal for farepayers and taxpayers. But in the short term the decision was binary: do we go ahead with additional rolling stock to solve some of the overcrowding problems, or do we scrap them? We took the view that the long-term trend of pas-

ach wins a good review

lief, with transport cuts less than originally feared. Here Secretary of State **Philip**
of the next four years. Overleaf follow eight pages of reaction and analysis to the review

senger demand clearly makes the case for investment in rolling stock but in the short term we could only pay for that with additional contributions from the fare box."

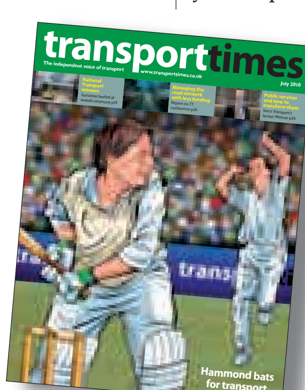
An announcement setting out rolling stock plans will be made in the next week or two. "We'll cover everything around HLOS and Thameslink and the electrification that's relevant to the HLOS programme – not the IEP intercity electrification but the suburban electrification," he says.

The decision on the Intercity Express programme, intended to replace the HS125 fleet, will take longer because it is bound up with the added complications not only of the possible electrification of the Great Western main line but also train builder and preferred bidder Hitachi's plans to build a factory in Newton Aycliffe, County Durham as part of the project. This means the Japanese government is taking an interest in the outcome.

What is Mr Hammond's response to criticism that the spending review was not good for roads – with the Highways Agency's budget cut by 50%?

"The 50% is based on an inflated baseline because the previous government pulled forward some projects in the fiscal stimulus package, so they increased capital spending in 2008-09. If you talk to the Highways Agency guys about where they are now compared with where they thought they were going to be three or four months ago, there's no comparison. They were talking about no new projects starting in the spending review period as their worst case baseline. So the settlement that has been achieved is extremely good. And we're driving out some significant efficiency gains in procurement, so the reduction in the work programme is nowhere near as big as in the headline budget, because there's been a startling improvement in contracting efficiency.

"Then we've moved to a focus on managed motorways where in you're getting a lot more bang for every buck you're spending because adding hard shoulder running costs 40% of the cost of adding similar capacity through a new lane. So we've got a pretty continuous pattern of outcome delivery."



Our early impression of Philip Hammond in July

Meanwhile the DfT has appointed headhunters to look for a replacement for its top civil servant, following permanent secretary Robert Devereux's impending move to Work and Pensions. Mr Hammond appears to be taking a different approach to running the department, acting more like the executive chairman of a company with the permanent secretary as chief executive.

The role is more than of chief operating officer than CEO, he responds. "We always said when we were in opposition looking at structures that's really what it's all about – the secretary of state is executive chairman or CEO, and the permanent secretary is the COO, who makes the thing happen or makes the thing work smoothly day by day, but he's not responsible for defining the strategy – that's got to be the secretary of state and the ministerial team's work."

The new person will have a lot on his or her plate, beginning with the job of delivering the planned efficiency savings within the department.

"There are a number of big change-related tasks that the new permanent secretary's got to deliver and then bed in an organisation. We're restructuring very quickly – we'll have completed our restructuring by April, so we'll have a much smaller, differently structured department. We're going from 11 layers of management to four, which is quite radical in itself. And then there is the job of supporting the rail reform agenda, which is probably the most important part of the task ahead. Rail so dominates everything the department does in budget and in the scale and immediacy of the challenge that that has to be where the focus is."

If Mr Hammond's predecessor Andrew Adonis is remembered for one thing, it will be putting high-speed rail firmly on the agenda. The coalition has already made a good deal of further progress, he believes. "I think we've already gone significantly further by committing to Leeds and Manchester and then turning that into reality through the parliamentary process.

A big change in strategy is that the DfT has dropped plans for an all-embracing hybrid bill to gain powers for the whole Y-route at once. Instead a bill covering the route as far as Birmingham is planned. Was Lord Adonis's single bill idea impractical?

"Yes, and I've explained to him why. This is going to be a very big bill anyway. Trying to do it all the way to Manchester and Leeds first of all would mean we wouldn't be able to pass a bill in this parliament, because HS2 just won't have done the work in time. Before you can bring a hybrid bill in you need a precise route being able to define every single property acquisition that is required for the

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construction of the railway, and every single landowner who is affected has the opportunity to appear before a committee.

"So instead of there being another 18 months of engineering work once we've finalised the proposed route we'd be talking about three years of engineering work, so we wouldn't have a bill before the end of the Parliament. And secondly it would just be too vast a bill. We're already anticipating that it will take 18 months to take the bill through parliament… instead you'd be talking about perhaps three years. You'd be struggling to find people to serve on the committee."

He adds: "Andrew makes a very fair point that if you're doing it in two phases, you have to be able to demonstrate to people who will be beneficiaries of phase two that phase two is for real, and we will do that. We will make sure that the legislation contains stuff about phase two, but we can't do the whole hybrid bill process.

He stresses the importance of people and organisations in the North of England and beyond getting behind the plans. "That's why I announced the Y-route, because I want the people who are going to be the beneficiaries of the line north of Birmingham to express their views about the benefits and disbenefits of HSR in the consultation. I'm expecting the northern authorities to throw their weight behind it to make sure there is a proper consultation response."

Last week's *TT* conference on the high speed plans underlined the opposition from residents of the Chilterns and surroundings.

"The challenge in the Chilterns and across Warwickshire and Northamptonshire is to convince people that we can mitigate. That isn't going to satisfy everybody, but I am convinced by what I've seen that it will be possible to mitigate. That will require money to be spent to make sure we've dealt with acoustic and visual intrusion; train development is ongoing and the noise generation by high speed trains will improve before we get to the point of ordering rolling stock."

The average tenure of a transport secretary is around 18 months. If Mr Hammond remained in post till 2015 – which would make him the longest serving transport secretary since Ernest Marples – what would he like to have achieved?

"The big ones are to have a hybrid act for the high speed line on the statute book with a cross-party consensus behind it, and having put to bed the big issues around the route of the line… I would like to think that we be able to build a broad consensus that this is a tolerable intrusion rather than an intolerable one."

He would like "to have demonstrated that we are not just thinking about but actually delivering a decarbonisation of motoring that's happening on the ground in a way that's clearly irreversible. I'd like to be remembered for is having moved the agenda on the roads from the rather sterile 'cars bad, everything else good' debate to something which says, if we can seriously decarbonise motoring it can be a part of the equation going forward. I think we're on track to deliver that. It's going to take a decade to make a serious impact on carbon output from motoring but I think it can be done."

Finally, he adds, "I'd also like to be remembered as the person who set in train the process of moving the post-1996 railway on to a sustainable basis. We had privatisation, not really settled down when we got Hatfield, then we had post-Hatfield, blind spending without really any focus on sustainability. Now we've got to move to a sustainable railway that can deliver over the medium term and I'd like to put that process in train."

By 2015 he would like to see "a consensus having emerged as to how we are going forward, I hope again on a cross-party basis, around a sustainable railway that will deliver for passengers and taxpayers and with the key building blocks in place. I don't think it's going to be a big bang on the railway – I think it's going to be an evolutionary process. I think we can exploit the fact that the railway is as diverse enough to allow different ideas to be trialled in different areas – Merseyrail is an obvious example.

"I'm very conscious of the fact that we've got an elaborate pseudo-marketplace in the railway and yet whenever it seems to matter it doesn't seem to deliver market-type decision making. It doesn't seem to allow the players to be able to make decisions in a market focused way and I think that's where we need to get to a sustainable structure."

Avoidable cuts will mean gr

Shadow Transport Secretary **Maria Eagle** kicks off eight pages of reaction, arguing that the spending review will have s

Bus companies face a 20% cut in the BSOG operators' grant from 2012

We were promised a new kind of politics following the general election in May, when the Tory-led coalition government was formed. But a look at how transport fared in the spending review would suggest that there is little new about the Conservatives.

In opposition, Tory transport minister Theresa Villiers claimed that fare rises of 3% above inflation would "price people off the railways". LibDem Transport minister Norman Baker also attacked fare rises and pledged a real terms cut. Commuters will justifiably question the value of the "new politics" when they see their rail fares or season tickets rise by 30%-plus by the time of the next General Election.

According to Mr Osborne, rising fares will fund investment in new rolling stock. This attempt at hypothecation is disingenuous. At the time of writing, there is no news on the further rolling stock orders as planned under the High Level Output Specification, the Thameslink upgrade, nor the Intercity Express Programme. We have not yet heard whether electrification of the Great Western main line will go ahead, despite a Conservative manifesto pledge. It seems inevitable some or all of these plans will be delayed or scaled back.

> **There will be incredible pressure on local authority highways budgets as councils seek to make massive savings**

The Government's keynote transport announcement in the spending review was that, in London, Crossrail will proceed. Given the scale of financial support from the private sector, along with vast economic benefits, this was hardly surprising. However, in the small print we learnt that there will be £1bn of savings, and that completion has been delayed for at least a year. Of course we should seek value for money – but people will want to know that these savings do not mean a reduction in capacity as a result of shorter platforms and trains.

Mr Hammond also trumpeted the Government's commitment to high speed rail as a spending review victory. I naturally welcome the fact that the government is planning to implement the scheme they inherited from us. Nonetheless, in common with so much else that was claimed as proof that the CSR settlement was good for transport, construction work will not actually commence until the next spending period.

A handful of road schemes survive. While it would of course be incredible to suggest that a Labour government would have avoided

reater fares and congestion

severe and unwelcome consequences

cuts to some road projects, the chancellor's attempt to claim credit for completing improvements to the A3, a scheme commenced in 2007 where only the landscaping remains to be finished, and his efforts to make the M4/M5 junction improvements sound like a substantial investment along both routes, are a weak attempt to draw attention from the various schemes which have been cancelled or postponed.

We should not forget the important role that local councils play in transport, responsible as they are for the maintenance of many roads. Transport revenue grants to local government are to be cut by 28%, while the number of transport funding streams is "simplified" from 26 to four. There will be incredible pressure on local authority highways budgets as councils seek to make massive savings – consequently we will see less spent on maintenance, more potholes, and a major slowdown in road safety schemes.

In a clear echo of Norman Tebbit's notorious "get on your bike" outburst, the work and pensions secretary Iain Duncan Smith has advised unemployed people to get on the bus to find work. This seemed somewhat ill-timed in the context of the 20% cut to the Bus Service Operators Grant. Meanwhile, in an oddly similar remark, when Phillip Hammond suggested that housing benefit recipients shouldn't expect to live in central areas of conurbations, but should be happy to commute to work from the outskirts, he neglected to mention the potential 30%-plus increase to the price of their season ticket by 2015, confronting them with a harsh assault on their finances whichever way they try to cope with this government's policies.

Other worrying developments include the abolition of the Disabled Persons Transport Advisory Committee and Cycling England, together with a £12m reduction in the annual budget of the Think! drink-driving advertising campaign. Waging war on quangos and government publicity budgets may make good populist fodder, until you realise that some of what is being attacked involves ensuring civil rights for disabled people, tackling climate change and trying to save lives.

Of course the Government's acknowledgement of the link between long-term investment in infrastructure and securing steady economic growth is to be welcomed. But given its propensity for pushing project timetables into future spending rounds, its talk is not exactly matched by its actions.

The Tory-led government likes to claim its programme of austerity is unavoidable. Labour's view is that the government's approach to the deficit is driven by political choice rather than economic necessity, and the impact of that choice will be felt acutely by the travelling public in rising fares and increasing traffic congestion.

Maria Eagle MP is the Shadow Transport Secretary

Ticking time-bomb or damp squib?

The plan to cut BSOG by 20%, announced during the Government's comprehensive spending review on 20 October, will not take effect until fiscal year 2012/13. This makes it difficult to decide what effect the change will have on the industry – especially since the Department for Transport promised a further announcement "in due course" on "long-term future distribution of bus subsidy", whatever that means.

We can of course say what the immediate consequences are likely to be: an increase in operating costs. Implementation at current pump prices and duty levels would result in an increase of 20% in bus fuel costs. Fuel itself accounts for roughly 14% of total operating costs, so that at national level the impact of the change would be to drive total industry costs up by around 3%.

However, whether that proves to be a ticking time bomb or a damp squib will be influenced by several unknowns – including trends in oil prices between now and April 2012, budget decisions on the level of fuel duty in 2011 and 2012, and overall trends in inflation and wages over the next eighteen months or so.

A fall in world oil prices could wipe out the change altogether. Equally, rising oil prices would have the opposite effect, amplifying the problems.

One of the bus industry's perennial problems is that its costs have a tendency to rise more quickly than general inflation – driven largely by labour costs. Other cost increases add further pressure, so risking a spiral of rising costs, rising fares and falling demand – three components of the vicious circle of decline which we've seen so often in the past.

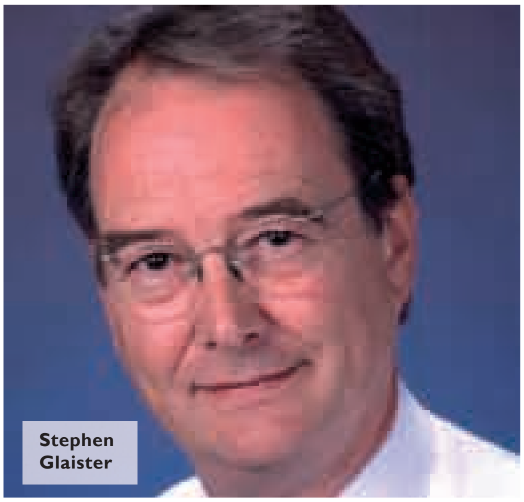
The consequences of the cost increases on fare levels and tender prices will also vary between areas. In rising markets where volumes are growing, higher costs can be accommodated within the revenue growth that operators achieve. In areas where demand is already declining for whatever reason, then operators have no alternative but to pass the cost increases on to their customers.

Where tendered services predominate, the chances for operators to increase their revenue are limited. Operators will have little option but to pass the increase on to the tendering authority, putting prices up in London and in deep

rural areas. This could be particularly damaging to service levels in rural areas, where authorities will already be struggling with the promised 28% cut in resource funding for councils.

The BSOG change may have been less severe than many feared. In areas where the industry is doing well and patronage is rising, its effects are likely to be minimal. On the other hand, networks that are already under pressure, and more reliant on local authority funding, will almost certainly see services cut and fares rise. The net effect may very well be a reduction in public transport accessibility in precisely those areas that need it most.

Chris Cheek is a director of The TAS Partnership



Cuts to highways budget don't add up

What sounded good for road transport – or at least not as bad as feared – when coming from the lips of the Chancellor has not, unfortunately, stood up to scrutiny. His claim that overall transport capital spending will remain flat in cash terms over the next four years masks a drastic 34% cut to the Highways Agency's budget for new infrastructure. Add to this the slashing of local authority grants and it looks grim for road users whether we are talking about maintaining the capacity we have or creating extra.

What makes the situation unfathomable is Philip Hammond's subsequent admission that the strategic schemes his department will be funding have a benefit-cost ratio averaging 6 to 1. SIX TO ONE! To give that some context, the current high speed rail plans will have a BCR of around 2.4.

If the government wants to spend money wisely then its own calculations tell the story. Road investment is generally worth its weight in gold.

You also have to remember the backdrop against which spending decisions are being made: nine out of ten passenger miles travelled are on the road network; the population is going to increase by ten million in little more than two decades; traffic is forecast to rise by a third in 15 years.

At local authority level the clamour will be for what funding there is available to be used to support essential services such as schools, social services, care for the elderly. But what use are these if people cannot access them because of roads clogged with congestion and pitted with potholes? As much as anything else transportation is an essential service. The sooner we understand that the better for the social and economic well-being of the country.

Professor Stephen Glaister is Director of the RAC Foundation for Motoring

Confusion will waste resources

First, the good news for local transport is that the Local Sustainable Transport Fund has some significant funding. We called for the fund to have at the minimum £100m a year if it's to make a difference. £560m has been allocated for the next four years and it's a good mix of capital and revenue funding. This should start to make a real difference for smarter choices programmes to encourage walking, cycling and use of public transport.

However, the new fund is set against the backdrop of big cuts to the rest of local government funding. The main threat is the impact of big cuts to local authorities' revenue grants. Coupled with freezes to council tax and pressure across all budgets, local councils' abilities to support essential bus services and maintain highways will be under severe pressure.

If councils have to cut, then they should review more fundamentally their support for bus services and consider how best they might work with community transport or develop more demand responsive services for rural areas.

Local transport capital funding is cut, with the integrated transport block element slashed by over a third compared to recent funding.

But the DfT needs to come clean about the future of funding for major schemes. The announcement to split schemes into supported, development and pre-qualification groups – with funding yet to be confirmed for any – could lead to councils pumping money into further development of proposals which will never get funding. This could mean that local authorities could take away scarce resources from other public services to fund development. We have already seen Norfolk councillors continuing to fund development of the Norwich North Distributor Road at the same time as recommending ending funding for speed cameras, which would cost a similar amount.

The real risk, as ever, is that councils sacrifice everything to keep legacy road schemes alive. The Government should have scrapped those schemes which it couldn't afford, and helped those who didn't win come up with cheaper, greener solutions.

Richard Hebditch is Campaigns Director of the Campaign for Better Transport

Transport gets due recognition

Hopes, and eyebrows, were raised when Norman Baker revealed at the FTA's fringe event at the LibDem conference in September that the transport sector was "certainly not going to hate everything" the Government was going to reveal over the coming months. How right he was.

Along with a clear sign from the Government that transport is being given the respect it deserves as a driver for growth, and the publication of the first definitive National Infrastructure Plan, there have been some real results too. Indeed, of the nine motorway and trunk road schemes that the Department for Transport has spared from the axe, six were identified by FTA as key priorities essential to the UK's economic future and, as a consequence, of great import to FTA's own membership and the logistics sector in general.

In meetings with ministers preceding these announcements, including a meeting with Mike Penning the day before the Comprehensive Spending Review announcement, we were confident that the case for infrastructure investment was too compelling for the Government to ignore. Quite apart from making our collective carbon reduction targets harder to attain, the corollary of severe cuts would have been a slower economic recovery at best and, at worst, irreparable damage to the UK's ability to compete on an international level.

Quite simply, a fit-for-purpose transport network is not an optional extra for any country with an eye on economic growth: it is an outright necessity. So when the green light was given to road and transport projects, including upgrades to the M1, M6 and M25, industry could be forgiven for breathing a collective sigh of relief – especially in a political landscape characterised by austerity and retrenchment in other departments.

While we didn't get everything we asked for – at the time of writing we have still to discover the fate that awaits the critically important Strategic Freight Network for rail – at least transport, and more significantly freight transport, has been put on the political pedestal. That's something we can all be proud of.

Theo de Pencier is CEO of the Freight Transport Association

Call to protect capital spending is heeded

Going into the spending review the business community held its breath. After months of continuous announcements about the severity of the cuts – whether they would be 25% or 40% – we were braced for impact. This is not to say that we did not support the need for austerity. In fact, in survey after survey, members of the Chambers of Commerce Network confirmed that swift and decisive deficit reduction was an absolute necessity for the restoration of confidence.

So now, with time to assess the aftermath of the spending review, the general feeling is that it wasn't as bad as we had expected. The BCC had lobbied hard to protect capital spending and we were pleased to see that this principle had been acknowledged by the Government in its principles of reform, fairness and growth. Capital spending was actually increased by £2bn per year with respect to the June budget. While net investment will still decline from the highs of 2009/10 the blow was less than expected and transport, as we argued, was the recipient of a large share of the remaining funds.

Capital spending at the DfT is to fall by 11% over the review period and it is clear that this will have a serious impact on many of the transport projects demanded by the business community. For instance, the cancellation of the upgrade to the A14 in the East of England, linking the UK's largest container port, was a major disappointment. However, our calls to protect investment infrastructure, which will protect the country's long-term economic growth prospects and business productivity, did not go unheard. Several projects prioritised by chambers of commerce up and down the country got the go ahead; for example Crossrail, the second Mersey crossing, New Street Station, improvements to the East Coast main line and a better M62 and A11 will all go ahead.

We must now look ahead to 2011 as a year of growth. Going forward it is vital that the UK has a clear, cross-party strategy for long-term infrastructure investment.

Gareth Elliott is Senior Policy Adviser for the British Chambers of Commerce

Performance will be in the spotlight

News that the fares formula will be increased to RPI+3% in 2012 will be a difficult blow for many of Britain's rail passengers.

But also worrying – and more imminent – is the recent news that train companies are being given back the flexibility to increase some regulated fares on individual routes by up to RPI+5% in 2011. This will mean many passengers could face double-digit fare rises on their season ticket in the New Year. On top of this we still don't know how much unregulated fares will go up by.

Our research shows that Britain already has some of the highest fares in Europe. For example, an annual season ticket for a journey such as Warrington to Manchester costs 60% more than an equivalent journey into Paris.

Passenger Focus's research also demonstrates that passengers are already critical of the value for money they receive from train companies. The Spring 2010 National Passenger Survey found less than half (48%) of all passengers nationally were satisfied. Commuters in particular think that fares represent poor value for money as this figure drops to 43% for those in London and the South East. And this result was an improvement on previous years following the freeze and fall of season tickets and many other fares last January due to low inflation in mid-2009.

The new RPI+3% fare rise puts the spotlight on industry performance. For such prices, passengers will rightfully expect punctual, clean trains with a reasonable chance of getting a seat. Passenger Focus will be pressing to ensure that the rail industry is as efficient as possible. Additionally, we will be calling for savings identified by the Government's value for money review to be passed on to passengers.

Good news, however, is the Government's acknowledgement that transport spending is good for Britain's economy. We welcome the commitment to transport projects including Crossrail, electrification, station improvements and a pledge on new trains. But rail passenger numbers are already on the way up. We need these new trains and projects to arrive as soon as possible.

Anthony Smith is Passenger Focus chief executive

Rail emerges as the big winner

On a hunch, I wrote in *Transport Times* (March this year) that the transport budget cuts would be closer to 14% than 40%. In setting a remarkably benign 15% overall transport spending cut, Government will help itself to more revenue from rail users, with a RPI+3% fares formula from January 2012. But then rail is the big winner from the CSR.

Network Rail has to reduce its Control Period 4 spending by only £185m – and some inevitable slippage somewhere will make this not too challenging. The big schemes survive: Crossrail, Reading, Birmingham New Street, North West electrification, and we even have the £53m congestion relief scheme at Gatwick Station confirmed too. And £750m for HS2 – an easier pill to swallow with the proceeds of the HS1 concession sale due in next year's account.

London escaped with just an 8% cut to its capital programme. The Undergound upgrade is to continue. How it helps to have the mayor (as before) in the same party as the national government.

But it's a tough time for transit projects in general. The Tyne & Wear Metro expenditure is substantially a renewals exercise, and the extension of Midland Metro to New Street should have happened 10 years ago. Croxley Link (just beyond the London pale) is also still under review (any takers for another 20 years to reach funding approval?).

While it is excellent news for rail in general there remains one great area of doubt. Thameslink survives, but its completion ('Key Output 2') is being pushed back. There are linkages in rolling stock with Great Western electrification and with the Intercity Express programme. The Secretary of State has plenty of ammunition to ditch IEP, with its much questioned bi-mode facility, should he choose to follow Sir Andrew Foster's review. Or he might notice his colleague minister's recent commitment to retaining through services from Inverness and Aberdeen to London which means that either a bi-mode capability is going to be needed, or it's diesels for evermore.

Jim Steer is a director of Steer Davies Gleave and was responsible for strategic planning at the erstwhile Strategic Rail Authority.

Councils will be the ones to b

Transport services face a double squeeze as local authorities try to protect other areas of responsibility such as educati

Tony Ciaburro: "Councils must still prepare for the recovery"

Day by day we are presented with a steady trickle of new cuts to local transport services by the media as the consequences of the Comprehensive Spending Review become evident. The trickle will soon swell into a flood as local authorities firm up on their spending plans over the winter as part of their budget-setting process. Only then will the true impact of the CSR become apparent.

The significance for the transport sector will be better understood by the public when the formal consultations on budget proposals begin in earnest. Thus far the big ticket numbers comprising the £81bn hole in public sector financing have masked the detail, which will hit hard and affect virtually everyone.

Preparations for the cuts have been under way in councils for some time. The bottom line figures are that local authorities are expected to make a 28% cut in real terms over the next four financial years. What is not yet clear is how this blanket cut is to be distributed across a wide range of council services.

It is highly unlikely that the distribution will be evenly spread, and transport will be asked to meet a disproportionate share of the burden given that most authorities are likely to protect, in relative terms, their demand-led responsibilities including social services, education and waste.

"Though the DfT appears to have escaped the full impact of the CSR cuts compared with others, this will not be mirrored at the local level"

Local government transport services are expected to scale back in the order of 35-40% of their spending, with some councils even talking of cuts approaching 70-100% on certain transport functions. Discretionary spending on local government transport services will be under severe pressure to help balance the books, even before the impact of DfT cuts themselves come into play – a double whammy by any judgement.

Typically, councils will be seeking to find the bulk of the revenue savings from the approximately 36% of their overall budget making up the discretionary spending element, before any local transport plan efficiencies have to be found. In recent years transport authorities have tended to make up the shortfall in transport spending through capital financing. According to the Chartered Institute of Public Finance and Administration, around 4%-12% of local authority budgets are spent on financing debt.

But with a new demand to cut 28% of the revenue budget, the likelihood of capital borrowing coming to the rescue has diminished, given that mechanisms such as prudential borrowing cost around £1m over the period of the loan (say 25 years) for every £10m borrowed. This is before adding in the effect of the Government's announcement of an increase in the cost of borrowing by a further 1%.

For all these reasons, though the DfT appears to have escaped the full

Swings, roundabou

For the first time in living memory, transport has not been

As with any spending review announcement – and all the more so at an unprecedented time of deficit reduction – it's a case of swings and roundabouts for the North of England. And as with any spending review there are issues where we are still eagerly awaiting the outcome.

For the first time in living memory, though, transport has not been the easiest area to cut, putting on hold tomorrow's economic wellbeing. The Northern Way Transport Compact has warmly welcomed the news that the DfT's capital settlement is the best after defence. This reflects the welcome recognition of the role transport infrastructure investment has to play in private sector economic recovery and growth as well as rebalancing the economy north-south. The Northern Way, with its rigorous approach of identifying the key pan-northern transport priorities that will help transform the environment for business growth in the North, can take credit for providing ammunition that has helped DfT sustain the case for investment.

In our evidence, the Northern Way has consistently stressed that one of the biggest risks to the North's economic future is motorway congestion around our city-regions, where the motorways serve the needs of long-distance freight, business traffic and the labour market needs of our city regions.

Schemes in the North dominate the Highways Agency's reduced post-spending review programme. Commitment has been given to dynamic hard shoulder running and also some widening covering the M62 J25-30 (between Leeds and Bradford), M1 J32-35a (east of Sheffield), M1 J28-31 (south of Sheffield), M1 J39-42 (Wakefield), M60 J8-12 (south west Manchester), M60 J12-15 (north west Manchester), and M62 J18-20 (north east Manchester). Filling the network gap between the M6 and M62 also got the go-ahead with dualling of the A556. All these are Northern Way priorities. The DfT has been listening to what we have had to say.

Of course it is not all good news. The last 10-mile section in the A1 to be upgraded to motorway has been cancelled, so for the foreseeable future there will be no continuous mo-

bear the brunt of the cuts

ion and social services, says **Tony Ciaburro**

impact of the CSR cuts compared with other government departments, this will not be mirrored at the local level. Over the lifetime of the LTP programme, councils have been fortunate enough to experience a steady growth in settlements. However, the level of settlement in reality is approximately half the real demand and any cuts in real terms will have a highly geared effect for local authorities.

New funding pots such as the £560m Local Sustainable Transport Fund will offer some limited help, but are nowhere near the scale of funding needed to address the country's chronic transport problems. Moreover, it remains to be seen how such a centrally controlled fund will square with the Government's stated intention to devolve more decision-making to local communities under the Big Society and localism agendas, where the public may take an entirely different perspective from the DfT on what they want.

Already Regional Spatial Strategies have gone, the vast majority of targets have been abolished and the issues surrounding the growth agenda will take on a new local dimension compared with previous approaches.

Any local authority, however, that thinks growth has gone away is misguided. Although the dreaded targets for housing numbers and growth have largely disappeared that they have been replaced by fiscal incentives such as the Regional Growth Fund (£1.4bn), tax increment finance, accelerated development zones and the New Homes Bonus, all designed to stimulate economic regeneration and growth.

It is clear that new transport infrastructure or services must be more closely linked to supporting economic regeneration and the recovery than ever if they are to have any chance of public/private sector funding.

In such times local government tends to resort to its traditional mechanisms for dealing with financial restraint. In the main councils will do little more than the basic minimum required to look after their networks, optimise their use and make them safe. Another usual casualty is the resources and funding set aside to prepare and plan for the future. Cutting these would be a mistake.

Councils must prepare for recovery, and experience has shown that those authorities which have not done this will lag behind the recovery for at least four or five years compared with councils who have continued to plan in some way.

The irony is that the Government appears genuine in its attempt to devolve funding and responsibility to the local level. While councils were hoping that this would give them greater discretion over local spending, it now means they have greater control and flexibility over cuts in services – not exactly a great deal.

Despite this, local government must hold on tightly to the notion of devolution and localism and not let it slip: there will be better times when we will be able to use the powers more constructively.

Tony Ciaburro is corporate director for environment, growth and commissioning at Northamptonshire County Council.

uts and lane-widening for the North

the easiest area to cut, says **John Jarvis**

torway link between the North East and the M25. The A63 and A160/A180 improvements which would enhance access to the Humber ports remain in the national pool of schemes where further work is needed with "the aim of construction after 2015".

So too are two junction improvements on the A19 near the second Tyne Crossing, with two other A19 junctions improvements cancelled indefinitely. And how the national network studies covering Access to Manchester and Access to Tyne and Wear are taken forward, and how congestion on the M6 south of Manchester and the A1 Newcastle Gateshead bypass will be dealt with remain unresolved.

On rail, while there were a number of good news headlines, we await the promised statement by the Secretary of State. Line speed improvements between Leeds and Manchester, rail electrification between Manchester, Liverpool, Preston and Blackpool, and enhancements to deliver faster and more reliable services on the East Coast and Midland Main Lines were all reconfirmed. What is much less clear is what will run on the track and under the wires. We eagerly await news of additional rolling stock for the North and the go-ahead for the Inter City Express programme – and the new manufacturing facility in the North that goes with it.

And what of the future of the Northern Way? The coalition's programme, and the abolition of the northern Regional Development Agencies, leaves the Northern Way with no funding from April 2011. Philip Hammond has said "the Northern Way has produced some extremely valuable work that has informed a number of the decisions that have been taken, and I look forward to its continuing to contribute to the debate."

As the new LEPs begin to establish themselves, there are rapid conversations talking place with the major cities in the North about how we might continue to apply economic evidence to help drive forward targeted fundamental future investments for the North like the Northern Hub and High Speed Rail.

John Jarvis is Transport Director for the Northern Way Transport Compact

An announcement on additional rolling stock for the North is awaited

London's settlement will boost the whole economy

Peter Hendy says the Government's support for continued investment in London's transport network supports not just the capital, but jobs in transport and manufacturing right across the UK

Over £1bn of savings have been found on Crossrail

The recent Comprehensive Spending Review negotiations with the Government over Transport for London's future funding were, of course, challenging. But at the end of process, it's clear the Government has listened and responded to the arguments made by the Mayor and TfL.

We argued two things: first, ill thought-out cuts in London would seriously impede this country's economic recovery and global competitiveness; and, second, that credit should be given for the massive programme of savings already being made at TfL, well over £5bn in the coming years.

Approximately one-third of TfL's funding comes in direct grant from the Department for Transport. Following the CSR, that's been reduced by £2.17bn in total over four years, or 21% in real terms in 2014/15.

However, the overall DfT grant is just one element of TfL's funding, which also includes fares, borrowing and other revenue, such as advertising and commercial partnerships. Put in context, by 2014/15 this cut represents less than 8% of TfL's planned expenditure on capital investment (excluding Crossrail) and frontline services.

The settlement achieved means we will achieve our twin objectives: continuing investment in London's transport infrastructure to increase capacity and improve reliability; and the protection of frontline services, without any reduction in the quality or overall mileage operated on the Tube and bus network.

In summary, we will:

- protect investment in the Tube upgrade and secure Crossrail, which together add 30% capacity to London's rail transport network and provide a £78bn boost to the UK economy
- complete major congestion relief schemes at Victoria, Bond Street, Tottenham Court Road, Paddington and Bank to current timetables
- maintain the capital's bus network, of such vital social and economic importance, particularly in outer London
- and complete the East London Line extension to Clapham Junction by the end of 2012.

> **Investment in London's transport directly supports jobs across the whole UK**

In addition, London's cycling revolution continues apace, with an extension to Barclays Cycle Hire by 2012 and completion of 12 Barclays Cycle Superhighways by 2015. TfL funding for key road schemes such as Henly's Corner is protected; and all our London 2012 Games transport commitments will be met.

Fare increases in 2011 will be kept to the overall level proposed by the Mayor last year, RPI plus two per cent.

However, we will also need to find further savings and become even more efficient in future. For example, following a review undertaken by Crossrail management, over £1bn in savings will be made. Improved stations and engineering solutions and a more efficient construction timetable will enable the Crossrail central section to be completed in 2018, followed by a phased introduction of the other sections and stations.

Patronage on the Tube, rail and bus services has bounced back this year with much greater strength than originally assumed. A combination of savings and efficiencies already being implemented, as well as stronger fare revenue, will provide a boost to our finances of around £800m over the period, or well over a third of the reduction in our DfT funding.

This bounce-back in TfL passenger numbers underlines the fact that it is London that is leading the UK back into growth. We must harness this for the benefit of the country as a whole. But what's perhaps less understood is just how much investment in London's transport directly supports jobs across the whole of the UK. The buses and ballast, signals and sleepers, tracks, trains and technology which make up the capital's transport network are quarried, smelted, built and assembled right across the country.

Talk of a north-south divide on this issue is, therefore, largely spurious. 40 of TfL's major suppliers are headquartered outside London, with dozens of suppliers and manufacturers spread more widely still. From Argyll to Ballymena, Chard to Chippenham, in Rotherham, Runcorn, Sandiacre, Scunthorpe and beyond, literally tens of thousands of jobs depend on keeping London moving, which in turn drives the UK economy forward.

However, having secured the projects currently on our books, we cannot rest. We need to turn our minds to what's next, so that every community can share in the capital's growth. Having secured Crossrail, we need to plan for Crossrail 2. We must focus on how to improve National Rail services in Greater London. And work on further East London river crossings to support regeneration and congestion relief.

In the next 20 years London will grow by 1.3m people. We will welcome them, but continued investment in transport infrastructure is vital to create the necessary jobs not just in London, but across the UK as a whole.

Peter Hendy is London's Transport Commissioner

Outer London has been left in the lurch

We should not allow the dismay following the CSR announcements to detract from the knowledge that the Tory administration of City Hall instigated a massive reduction in investment in London's public transport two years ago.

With a total cutback of about 20% of London's transport settlement, the development plan for London now looks skeletal. The two big heavyweight schemes – Crossrail and the London Underground upgrade programme – have survived slimmed but largely unscathed, but nearly everything else has gone. What Londoners will most notice from their experience of transport in London over the coming four years will be the annual inflation-busting fare increases.

Communities which will not benefit from the Tube upgrades – and millions of people live in areas not served by the Tube, in areas with less fashionable postcodes particularly in south and east London – will see more traffic congestion, while our existing public transport services, trains and buses, become more expensive and more crowded because the population is growing. Even basic road infrastructure will deteriorate with the cuts to investment for local boroughs by TfL. The previous mayor's plans for Tube and DLR extensions to these areas were unceremoniously dropped by Mayor Johnson over two years ago – well before the CSR.

Valerie Shawcross: "Plans for the suburbs have been killed"

Delivering for London has just got massively harder. Boris will undoubtedly be remembered for his active commitment to the bike as a mode of transport. But the schemes he has introduced – cycle superhighways and the bike hire scheme – are focused on central London commuter travel. The mayor being stripped of every other penny to spend on transport projects will mean that these schemes will stand like an accusation of failure from the outer London communities disconnected from them by the total lack of local cycle investment – those very same communities that are not benefiting from the Tube refit.

Does anyone remember the mayor's manifesto commitment to outer London? His only discernible legacy will be to have spent what money he has had in central London, put bus prices up and killed off absolutely everything new that was planned for the suburbs. Yet Boris has to smile and say he has saved London's transport and pretend not to notice the damage. The Tory government has just hung its mayoral wild child Boris Johnson out to dry.

Valerie Shawcross AM is London Assembly Member for Lambeth & Southwark

London must make the most of a good deal

Baroness Valentine: "A good but necessary deal"

The approach to public spending announced on 20 October, and the details that have emerged since, will shape the fortunes of a generation. Britain's ability to climb out of recession and on to a sustainable path to prosperity will depend on paying down our debt and renewing the critical infrastructure that will underpin our long-term growth.

On that count, decisions on the Department for Transport's budget were telling. Mission-critical projects such as the Tube upgrades and Crossrail remained funded, along with high speed rail, major strategic road schemes and key station upgrades around the country.

Transport for London's funding settlement received a 14% cut, which is likely to translate into an 8% drop in TfL's total expenditure. The deal secured was a good but necessary one. The Government has sought, among other things, to prioritise investment in transport projects based on their long-term contribution to the wider economy.

If London is to continue to export up to £20bn in tax revenue to the Treasury, if it is to accommodate new jobs and the most productive workers in the country, if it is to continue to attract the brightest from around the world and house a growing economy whose benefits spill beyond the capital's borders, it will need a world class transport system.

The onus is now on TfL to harness the energy and ideas of the private sector and make the most of every hard-won pound.

The mayor recognises the need to squeeze down costs. He has agreed to provide public and political assurance that the Government's financial support delivers value for money for the taxpayer. A group of independent experts will give him advice and scrutinise TfL's large investment programme. Government funding will be conditional on milestones for delivery of the Tube upgrades.

And TfL will be held to account on the three E's: efficiency, effectiveness and economy.

London's transport settlement has come with strings attached, but Boris should take full advantage of them. Public confidence that TfL is performing as well as we are told will only strengthen the platform when time comes to making the case for continued substantial funding in four years' time.

Baroness Jo Valentine is Chief Executive of London First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A Deutsche Bahn ICE train visited St Pancras International last month. Experience in Europe has shown high speed rail

The next steps for high speed rail

A *Transport Times* conference last week addressed the question of how the momentum behind plans for high speed rail in the UK could be maintained. **David Fowler** reports

Transport Secretary Philip Hammond had initially looked at plans for a UK high speed rail network "through the sceptical eyes of a shadow chief secretary to the Treasury".

But, he said, "while I still held that shadow Treasury post, I convinced myself of the strategic potential of this project to transform the social and economic geography of Britain."

It would bring greater mobility and connectivity, slashing journey times and allowing rail to become "the mode of choice for intercity travel".

It offered the potential to reduce Britain's carbon footprint, shift demand from air to rail and transform the way the existing railway is used.

Above all, he said, it offered "the potential to tackle the North-South gap in economic growth rates, a prize that has eluded all modern governments, boosting economic growth across the whole UK and helping got secure our competitiveness in the global economy."

In short, he added, high speed rail was "a vital part of our plan to build a better Britain."

Mr Hammond told a *Transport Times* conference, Sustaining the Momentum on UK High Speed Rail, that the challenge for transport was "with limited resources, to support economic growth and rebalancing, and support greenhouse gas reduction."

"The success of high speed rail across Europe has shown how effectively such links can cater for journeys that had previously been dominated by aviation", he went on. That was why "a meaningful high speed network" must include a link to Heathrow.

High speed rail was not just about modal shift, however; it would also address rail capacity challenges facing Britain's congested inter-urban routes, at the same time releasing capacity on existing lines to meet "growing demand for longer-distance commuter travel and for services to intermediate towns".

"It is also key to our wider plans for securing sustainable economic growth"

High speed rail would be "an unbeatable option for inter-urban travel". But it was also a central plank of the government's transport strategy. "It is key to our wider plans for securing sustainable economic growth," said Mr Hammond.

"In the short-term it has the potential to create thousands of jobs planning, constructing and operating the proposed line. New high speed rail lines, on which construction would begin as Crossrail is completed, would form part of a predictable pipeline of major rail infrastructure projects, allowing the UK supply chain to plan for the long-term, reducing costs and building a skills base for the future."

The HS2 proposal in the medium term would lead to regeneration of brownfield sites in West London and Birmingham and later in Manchester, Leeds, the East Midlands and South Yorkshire.

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In the longer term, he said, "I firmly believe high speed rail would deliver a transformational change to the way Britain works and competes in the 21st century." It would free capacity to shift freight from road to rail, and it would "tackle the North-South divide more effectively than half a century of regional policy has done".

The preferred Y-route would reduce journey times to Leeds and Manchester to around 80 minutes and would almost halve the time taken to travel from Birmingham to Leeds.

Mr Hammond acknowledged that the plan had its critics but took "head-on" the challenges of opponents that the project would damage the environment, that the business case didn't stack up, and that the Government would never get the plans through Parliament.

Acknowledging that that national benefits of high speed rail have to be balanced against the impact on local environments, he had been visiting communities that would be affected. He had personally been over "every mile of the route with HS2 engineers, looking at the stress points, challenging the alignment and exploring different approaches to mitigating the most intrusive impacts. I intend to personally monitor the mitigation proposals – visual and acoustic – of every mile of this railway," he said.

Regarding the business case the question was not whether demand would increase, but what were the options for dealing with it. Another upgrade of the West Coast main line was not credible, would not offer value for money and would not provide the benefits of high speed rail.

He did not underestimate the scale of the task of getting a hybrid bill through Parliament. The key to success was cross-party consensus. Acknowledging the support of the opposition, he said: "This is a plan for a generation, and we can only invest in it if we are clear that it will proceed over four or five Parliaments."

The next steps would be the announcement for consultation of the Government's strategy, a preferred route from London to the West Midlands, a corridor preference to Leeds and Manchester, and detailed plans for links to Heathrow and High Speed 1, later this year. Consultation would start in the New Year and run till summer after which the Government would announce its proposed way forward next December, aiming to get a hybrid bill for the London-Birmingham route to Royal Assent by the end of the current Parliament.

Speakers at the conference included Ailie MacAdam (left), Sir Brian Briscoe (top) and Stewart Stevenson (bottom)

Sir Brian Briscoe, chairman of High Speed 2, the company formed to develop proposals and advise the Government on the high speed project, said the company is currently undertaking preparatory work for the coming consultation. It has been meeting local authorities and action groups along the route and will be seeking to develop partnerships with councils.

Mitigation "has already begun", with some changes to the alignment, and the addition of some tunnelling in inner London and the Chilterns. HS2 is looking into reducing the impact of noise through barriers and earthworks, while technological advances in train design will reduce noise at source.

A code of construction practice will be developed to cover temporary impacts during construction. An appraisal of sustainability will be published for consultation in the New Year.

Development of the design of the Y-route has begun using the same approach as for the London-Birmingham section. The company is talking to local stakeholders and seeking to tap into local expertise and knowledge, and seeking advice on where to locate stations. A route will be recommended to the government in the same level of detail as the current proposals for London-Birmingham by December next year.

Sir Brian acknowledged that there are "negative impacts along the route which are not compensated for by direct benefits", notably through the Chilterns. "We are committed to a full debate of the national interest versus the environmental impact and what can be done to minimise it if the project goes ahead," he said.

Jim Steer, director of the high speed rail lobby group Greengauge 21, made the case for investment on the conventional rail network to complement the development of high speed lines.

"Most of the benefits of HS2 to Birmingham stem from services that run north of the West Midlands on the West Coast main line," he pointed out, "so planning has to be directed there as well." There was no business case based only on high speed services between London and Birmingham. "We need to be planning seriously about how we make HS2 work," he said, not something the UK was normally good at, he added.

Environmental gains would not just come from solving problems on the existing rail network but from "re-positioning rail and attracting users from car and air."

"We have to find way to use the new infrastructure to make it attractive to users where those modes dominate, he continued, adding that it was "too easy to do the wrong way round – build the infrastructure and then work out what it will do".

This required thinking seriously about extending high speed services over conventional lines, and the accessibility of high speed rail stations: car and air users will not contemplate using complex routes to the station by the Underground, for example. Of four proposed stations on the new high speed line (Euston, Old Oak Common, Birmingham International and Birmingham Curzon Street) only Birmingham International would be accessible by car.

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KPMG partner Lewis Atter outlined the arguments for a new method of appraising transport and other projects on a consistent basis in a way that took into account benefits to the wider economy (outlined in last month's *TT*).

The Comprehensive Spending Review and National Investment Plan made it clear, he said, that Government thinking was "moving in this direction". The new Regional Growth Fund would be "the first big test" of whether it followed the logic through. Applying this to the effect of a high speed line to North West England, measuring the benefits of sectoral change, the redistribution of employment, and the productivity impact of this redistribution in addition to the benefits measured by traditional appraisals, an additional £1bn gross value added would be generated annually. This is about four times as much as the benefits according to the traditional approach. If looked at nationally rather than regionally the net benefits are about half this, but are still much bigger than the traditional approach suggests.

BAA chief executive Colin Matthews surprised delegates with his enthusiasm for high speed rail. "Heathrow cares about high speed rail. We want it to come to Heathrow," he said..

Explaining that to fill long-haul flights, feeder services from other transport modes were needed, he said BAA would like more passengers to arrive by train, High speed rail would attract people who currently arrive by short-haul flights, freeing slots for more long-haul flights.

Currently someone in Leeds travelling to a long-haul destination would be more likely to fly from Leeds-Bradford airport to Schiphol and transfer. What would high speed rail have to do, he asked, to attract such passengers?

Three critical success factors were the passenger experience – no awkward changes or the need to carry bags up stairs; journey time (experience suggests passengers will be attracted from air if the journey time is less than three hours); and frequency of service, which he suggested needed to be at least two trains hourly and preferably four.

Charles de Gaulle and Frankfurt airports were already served by high speed rail and Heathrow wanted to join them. "Integrated transport means rail and aviation working together," he said.

Bechtel project manager Ailie MacAdam considered what had to be done bring a high speed project in on time and budget.

High speed rail projects were unlike, say, power stations because they were one-offs, very large, and had generally had interfaces with existing operating infrastructure.

However with good project management at the centre, they could be completed successfully.

She highlighted a number of key factors. First was to "crystallise objectives" and make sure they were understood by everyone from senior management right down the supply chain. Second, health and safety: "if you don't get health and safety right you won't get time and budget right". Similarly, "if you lose quality it's hard to get it back".

It was important to remember that the ability to influence the project decreased as it progressed. Hence it was important, for example, to bring in contractors early to get their input on how things could be built efficiently.

Bad projects, she said, have characteristics such as a bad deal for suppliers, a lack of governance, unclear organisational structures and poor communications. Good projects need "relentless proactive management" and systems which reacted quickly to any deviation from the plan.

Scottish minister for transport, infrastructure and climate change Stewart Stevenson pointed out that there was still a Eurostar lounge at Glasgow Central station, a vestige of early plans to extend Channel Tunnel rail services north, which never happened.

The Scottish Government "shared Westminster's aspiration for a high speed UK network", he said, "but we haven't seen the degree of commitment that we want on including Scotland in the plan." He pointed out that the cost of taking HS2 to Scotland as a proportion of UK capital spending was less than the third Forth crossing as a proportion of Scotland's.

Scotland is disproportionately affected by disruption to aviation such as the volcanic ash cloud. Cutting the London-Edinburgh or Glasgow journey time to two and a half hours "could remove 50 flights at a stroke". Unfortunately there was little prospect of Scotland starting to build a high speed line southwards: "The Scottish Government can't borrow money so we have limited options to bring anything forward," he said.

Transport director of the Northern Way John Jarvis said: "A resurgent Northern economy will accelerate growth in intercity trips, and there is limited scope to improve capacity on existing lines."

He said that a 2009 Northern Way position paper still applied: this said that HS2 would accelerate growth and help to close the north-south gap but it must serve both sides of the Pennines and there must be through running on conventional lines to northern destinations. "A well-designed network will benefit the north rather than the south and help to close the productivity gap," he said.

Issues for the consultation included: how can Yorkshire and the North East benefit immediately from High Speed 2 to Birmingham; and the timing and phasing of construction of the Y-route and how it would affect business investment decisions.

But not everyone is in favour of high speed rail.

Valerie Letheren, cabinet member for transport at Buckinghamshire County Council, urged delegates to "stop and think" about the implications of routing HS2 through the Chilterns. "Is it the right route, is it worth putting it where it is, and is it in the national interest?" she asked. Development in the Chilterns, an Area of Outstanding Natural Beauty, can only be permitted if it can be shown to be in the national interest.

HS2's benefit-cost ratio was only 2:1, she said, compared with 6.4:1 for the East-West Rail project intended to link Oxford to Cambridge.

There were no gains for Buckinghamshire from construction of the high speed line, while she was concerned that West Coast main line services would turn into slower stopping services once the new line was open. Was WCML capacity really saturated, she questioned.

She also queried the environmental credentials of High Speed 2. "HS2 only says it will be neutral," she pointed out, and 28% of trips would be new rather than transferring from elsewhere. She added that by 2026, when the line should be open, improved IT communication might mean predictions of increased travel were not met.

Why, she asked, could not HS2 follow existing transport corridors, as HS1 does through Kent, and be located alongside the West Coast main line or the M1?

"I think it could be located elsewhere, and it should be," she concluded.

Ralph Smyth, senior transport campaigner of the Campaign to Protect Rural England, set out five tests for high speed rail. CPRE believed HSR should protect the local environment; tackle climate change and minimise energy needs; shift existing trips rather than generate new ones; improve local transport and integrate with land use planning and regional regeneration.

High Speed 1 follows existing transport routes such as the A20. Why can't HS2 do the same, ask critics

Behind every suicide is a human tragedy. Each year in the UK around 5,000 people take their own life. Each a tragic waste, many could have been prevented. Of those 5,000 troubled people, around 230 of them choose to take their lives on the railway. As a responsible company, Network Rail has pledged to do anything it can to prevent this loss of life on its infrastructure.

Earlier this year Network Rail announced a pioneering partnership with the Samaritans. Network Rail wanted to tap into the charity's expertise and insight in dealing with the difficult subject of suicide and then formulate a plan of action to reverse a growing trend.

The result was a five-year programme that aims to reduce the number of railway suicides by a fifth by 2015. The £5m scheme, delivered jointly by Samaritans and Network Rail with full support from industry partners, features integrated activity in three core areas:

• Training: Bespoke training for industry staff in how to identify potentially suicidal people and how to make an intervention with a vulnerable person. Dealing with the impact of suicide on railway staff, passengers and relatives is vital. Providing emotional support and preventing copycat incidents is part of the programme.

• Communications: Raising awareness of support services for people in distress or suffering mental health issues. Males between 30 and 50 are the key target audience. This is traditionally the group that is reluctant to use support or professional services and engaging them is critical in a rail suicide prevention programme.

• Outreach: Developing a call-out and response service with Samaritans branches to provide support when a vulnerable person needs help, or in the aftermath of a suicide.

The introduction of the programme will be phased, initially focusing on over 200 priority locations jointly identified by Network Rail, British Transport Police and train operators. By the end of 2010 the project will be fully introduced over the rest of the country.

As well aiming to reduce the loss of life there are sound operational reasons for this programme. Suicides on the railway not only leave a legacy of grief and sorrow for the families concerned, but also traumatise train crew, station staff, trackside workers and passengers.

A plan to end this tragic waste

Network Rail has formed a partnership with the Samaritans to reduce a tragic loss of life on the rail network. **Martin Gallagher** explains

There is also a financial cost that Network Rail cannot ignore. Solely in compensation payments to train operators, Network Rail pays out £15m a year as a result of railway suicide-induced delays. In that context the £5m investment in the partnership with the Samaritans has to be seen as a value-for-money intervention.

Network Rail takes seriously its duty as the only organisation with the scope and scale across the whole network to lead industry initiatives such as this. Already 16 train operating companies are actively engaged in the programme – along with ATOC and the BTP – and are already reporting successful interventions.

Lisa Clay, a customer service assistant with London Midland, recently reported spotting a woman on the platform at Great Malvern station in a highly distressed state. Lisa had recently received the specialist training from the Samaritans and decided to approach and offer assistance. The woman indicated immediately that she did not want to continue with her life and that she wanted to end it all. Lisa spent 20-30 minutes listening and talking and eventually referred her to the Samaritans and made sure that she left the station for a place of safety.

She said: "I did a day course at Birmingham New Street with the Samaritans on how to handle this type of situation. Before that I probably wouldn't have even approached this woman for fear of saying the wrong thing. The course has equipped me with the skills, ability and understanding of how to help and what to say in these difficult situations."

It is not just frontline operational people who work closely with the Samaritans. Network Rail's communications team has an important role to play too. The Samaritans has provided training to Network Rail's media relations team so that they can provide journalists with proper guidance about sensitive coverage of railway suicides, so best not to encourage copycat behaviour. The over-illustration of method and overly graphic descriptions of suicide have a direct link to further incidents. This also covers the appropriateness and consistency of passenger announcements.

Thanks to external expertise, much wider thinking is being adopted by the programme on many related issues, such as the placing of tributes and development of "shrines" and memorials. It is not just the constant reminder for staff but the negative consequences of attracting people, often in a highly emotional state, to the operational railway. Those who feel that they have had little recognition in life can see things like mass tributes on social networking sites or memorials at a level crossing as having an appeal that is difficult for many to understand.

The partnership is still in its early stages, but early feedback from Network Rail and train operator people has been positive. As Network Rail, the Samaritans and other industry partners work together, all will learn from each other to finely hone the suicide prevention strategy. Preventing any suicides on the railway is a job worth doing and anything Network Rail can do to achieve that, it will. Network Rail will also do what it can to protect railway people and passengers from the trauma of suicide on the network and reduce the high cost of delays and compensation. This is the right thing to do.

Martin Gallagher is head of community safety at Network Rail

Go-Ahead's Ludeman to step down after 40-year career


Keith Ludeman

Keith Ludeman is to retire as group chief executive of Go-Ahead after 15 years with the company. He will retire on 4 July next year, when he will be succeeded by **David Brown**, currently managing director for surface transport of Transport for London, Mr Brown will join the company as deputy chief executive next April.

Mr Ludeman has had a 40-year career in the transport industry, starting with Greater Manchester Transport, moving from transport planning to operational line management in 1978. He worked for the Hong Kong Government in the early 1980s, returning to the UK via transport consulting in 1985. He spent eight years leading two bus companies as managing director – Burnley & Pendle in Lancashire and London General in the capital – during deregulation and privatisation of the bus industry. This culminated in the £28m management employee buy-out of London General in November 1994, which was sold 18 months later to the Go-Ahead Group for £46m.

Mr Ludeman has spent the rest of his career at Go-Ahead, initially leading the London Bus division, before moving across to manage the rail division in 1999. Rail turnover grew from £250m to £1.2 billion, and he secured the Southern, Southeastern and London Midland franchises for the group. He was appointed a main board advisor in 1998, and became group chief executive in 2006.

people

Bill Emery is to step down as chief executive of the Office of Rail Regulation in June 2011 after five years. He said: "I have had a great five years at ORR and it has been a privilege to lead it through a period of significant change. During this time the rail industry has achieved best-ever levels of performance and safety and we have made substantial improvements to the regulatory regime to enable Network Rail and its industry partners rise to the challenges that lie ahead."

He was previously director of costs and performance and chief engineer at Ofwat, joining in 1990. Before then he worked for Yorkshire Water.

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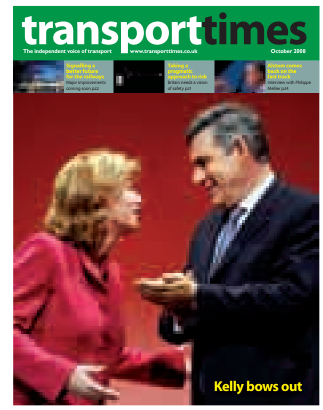

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