

By email:

Rt Hon. Rishi Sunak MP
Chancellor of the Exchequer
CEU.enquiries@hmtreasury.gov.uk

19 October 2021

Dear Chancellor,

Ahead of the spending review, we are writing to you as an alliance of diverse organisations united behind the need for a sustainable and inclusive public transport network to keep London, and the national economy, moving.

Over the coming months, people will be making critical decisions on how they will travel in the post-pandemic period. The evidence is that a sizeable minority of people are delaying their return to the social and economic activities they have missed due to a wariness about public transport¹. It is important that when they do decide to return, London's sustainable and inclusive public transport network is still running the high-quality, high-frequency, services that make it an attractive option.

This challenge is particularly acute in the capital which is more reliant on public transport than any other region of the country. And those in London who are most reliant on public transport to access jobs and services are often those from some of the country's most deprived communities. These disparities and their effects on the wider economy are already being felt as private car use is returning more quickly than public transport use. This is increasing congestion and undermining the capital's attractiveness as a place to live, work, and play.

But it is not just London that is at risk. The national economic recovery from the pandemic will be slower without a strong public transport network in and around the capital. In normal times, London accounts for nearly a quarter of national GVA and every Londoner makes an annual net contribution to the Treasury of £4,350. This helps to fund vital public services across the country as well as core Government policies like levelling up and achieving net zero.

Your decisions in both the comprehensive spending review and the negotiations regarding continued operational support for Transport for London will shape these outcomes. We urge you

¹ <https://d3cez36w5wymxj.cloudfront.net/wp-content/uploads/2021/10/15100010/Travel-during-Covid-19-survey-15-October-2021.pdf>

to ensure there is adequate funding available so that public transport services are not prematurely cut². London needs a transport funding deal that:

1. Enables sufficiently inclusive, affordable, and **frequent bus, train and Tube services** so that public transport use can increase, especially as London recovers from the pandemic and patterns of demand change;
2. Incentivises **efficient, safe and reliable** transport services;
3. Helps the capital to achieve its **net zero** and clean air goals;
4. Provides **medium-to-long-term certainty** so that the capital investments London needs can be planned and developed; and
5. Maintains Transport for London as **an integrated transport authority** with the independence to make operational decisions and renewals investments.

These principles should inform a fair settlement for transport capital expenditure in the spending review period. This could help to unlock new growth areas and decarbonise transport – particularly buses – in the capital, especially if coupled with certainty over the extraordinary revenue support that TfL will require before returning to operational self-sufficiency in 2023. The short-term deals that have been granted so far hold back investment and absorb significant amounts of time and energy that could be better used delivering the public transport on which the city, and the national economy, relies.

Yours sincerely,

Rt Hon Norman Baker, Advisor to the CEO, Campaign for Better Transport
Richard Burge, Chief Executive, London Chamber of Commerce and Industry
James Cleeton, Sustrans London Director
John Dickie, Chief Executive, London First
Emma Gibson, Director, London TravelWatch
Oliver Lord, Head of Clean Cities Campaign (UK)
Katie Pennick, Campaigns Lead, Transport for All
Chris Todd, Director, Transport Action Network
Jace Tyrell, CEO, New West End Company
Abi Wood, Chief Executive Officer, Age UK London

CC: Rt Hon Grant Shapps MP, Secretary of State for Transport

Rt Hon Sadiq Khan, Mayor of London

² For more on the risk of catalysing a cycle of decline in London's public transport and reversing the progress of the last two decades, see: <https://www.londonfirst.co.uk/news-publications/blog/the-risk-of-public-transport-service-cuts-inducing-a-cycle-of-decline>

