

The South East and ‘Global Britain’: what role for transport infrastructure in underpinning Britain’s plan to trade and grow?

Inquiry by the All-Party Parliamentary Group for the South East on “expectations, requirements and concerns related to the Government’s transport agenda, particularly that providing access to and from UK Ports of Entry whether air or sea.”

A submission for APPG SE by Railfuture – a strategic partner in the South East Region

Getting Britain trading and growing – making South East transport infrastructure fit for the task

If APPG-SE’s first inquiry, to which we contributed, may be described as ‘inward-looking’ at domestic concerns around Levelling-Up and local government finance, this second inquiry may be described as ‘outward-looking’ around the region’s contribution to meeting the national challenges of trading and growing on the ruthlessly-competitive international stage.

The geography of APPG-SE encompasses several major UK ports of entry:

- ~ **by air** at Heathrow, Gatwick and Southampton and also Farnborough
- ~ **by sea** at Dover and Southampton and also Portsmouth and Newhaven plus the freight ports of Medway, Shoreham, Ramsgate, Whitstable, Sheerness, and London Thamesport
- ~ **by rail** via the Channel Tunnel at Folkestone.

The pivotal role of the APPG-SE region as Britain’s principal global gateway is fully recognised and strongly supported by the region’s main sub-national transport body Transport for the South East (TfSE), whose formation and policy development Railfuture has supported unwaveringly. As a member of its Transport Forum, Railfuture has been centrally involved with developing TfSE’s high level strategy and, most recently, in identifying key priorities for better transport connectivity in its draft Strategic Investment Plan which is due for final adoption by TfSE’s Partnership Board on 13th March 2023. We have also been actively engaged with the other sub-national transport body covering a part of the APPG-SE geography, England’s Economic Heartland (EEH) - which includes Oxfordshire - through our participation in its stakeholder events and our responses to its various consultations.

Railfuture has undertaken a programme of virtual ‘Chatham House’ consultations with key South East stakeholders to explore how investment in better connectivity can most effectively galvanise advances in economic growth, prosperity, social inclusion and environmental enhancement, promoting “*Better Lives through Better Journeys*.” In so doing we have formed a consensual relationship with the think-tank Localis and strongly supported their key advice to APPG-SE about the potential of the South East region’s economy to add further value to the UK’s international competitiveness, generating resources to enable other regions to strengthen their economic performance. We are enthusiastic to see the Localis model taken to its full potential of negotiating with central Government to provide additional resources aimed at further strengthening the South East region’s ability to play this vital “pace-setting role”. This to us is one potential source of the additional infrastructure funding which APPG-SE are seeking.

These regional and other national experiences have reinforced our view that all three of the nation’s net contributing regions to the national Exchequer - of which the South East is one - continue to require carefully calibrated messages into Whitehall, and those who seek to influence it, that the geography of investment inputs (capital expenditure on infrastructure) is in reality not more important than the geography of achieved beneficial outcomes (enhanced productivity, more efficient supply chains and distribution networks) – so contrary to think-tanks which focus narrowly, and misleadingly, on the spatial distribution of per capita spend.

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A couple of – probably glamour-free – rail examples across the APPG-SE geography directly related to this inquiry’s interest in the “*role for transport infrastructure in underpinning Britain’s plan to trade and grow*” through “*providing access to and from UK Ports of Entry*”:

~ the **Southampton** Freight Train Lengthening Project, begun in 2019 and completed in February 2021, was £17 million invested in rail transport infrastructure in the South East, but its beneficial outcomes resulting from longer trains now able to carry 20% more containers from Britain’s second-busiest container port are being felt in many other regions of ‘Global Britain’ – primarily the West Midlands but also further afield to the East Midlands, Yorkshire and Humberside, the North West, the North East, and also Scotland;

~ **Oxford Corridor** phase 2, part of the Oxfordshire Rail Corridor Study (ORCS) adopted across all stakeholders in June 2021, is seeing substantial investment in additional capacity through Oxford which will include an ability to accommodate a further 12 freight trains per day on the strategic south-north corridor between Southampton and those other regions further north. Again, there is scope for a potentially false and wholly misleading perception that infrastructure investment in ‘the South’ has no benefits beyond its point of spend.

If we may be allowed to stray briefly beyond, in this context, our natural habitat of APPG-SE / TfSE territory, East of England APPG members are grappling with the same issue. In their case the UK port of entry which is absolutely critical to ‘Britain’s plan to trade and grow’ is Britain’s premier maritime container port Felixstowe. Like Southampton it has rail links to all other parts of Great Britain, but they are under-used because of key choke-points in East Anglia north of Ipswich (Haughley Junction) and around Ely. The route has long been dubbed ‘F2N’ – understood generally to mean Felixstowe to Nuneaton but its use translates into Far East to the North. It is a perfect example of investment in another of the UK’s net-generators to the Exchequer spreading benefits to several other regions in Britain, and yet Network Rail still cannot secure the next tranche of essential project development funding from central government.

This inquiry has posed three specific questions:

*Is existing transport infrastructure in the South East region fit for purpose?* As the existing transport infrastructure in the South East region serves a different mix of transport purposes in different places the assessment will vary across the region, reflected in part by Network Rail’s coverage through six of its 14 routes in three of its five GB regions. There is also the wider issue of the socio-economic and environmental purposes served by transport – in our case rail – infrastructure. With TfSE setting a target of more than doubling rail passenger journeys by 2050 to meet the purposes served by modal shift, for example, the South East region’s existing rail transport infrastructure will undoubtedly be judged unfit for that purpose. If however different policy purposes are set, such as ‘better transport connections’ or ‘reducing transport-related carbon emissions to net zero by 2050’ – parts of the pre-inquiry briefing – then different investment interventions are likely to emerge as requirements.

*How will the delivery of transport infrastructure help or enhance the government’s ambitions for “Global Britain”?* In the specific context of this inquiry’s terms of reference – the “*role for transport infrastructure in underpinning Britain’s plan to trade and grow*” through “*providing access to and from UK Ports of Entry*” – and Railfuture’s particular interests, achieving high-capability connectivity by rail with the 10 seaports identified earlier for freight traffic must be a higher priority for helping or enhancing the government’s ambitions for “Global Britain.” For the most part this is unglamorous yet no-less vital work.

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Does the non-UK (foreign) ownership of essential transport infrastructure have a bearing? Railfuture does not ascribe significance to ownership, viewing leadership, management and structure as critical success factors.

The pre-inquiry briefing also identifies 10 'questions, queries and points which the APPG might wish to probe':

1. Is "Levelling-up" a threat or opportunity to Transport infrastructure for the South East? Just one indicator amongst many other possibilities suggests that it must be seen as an opportunity, that indicator being that for round 2 of the Levelling-Up Fund 11 (8%) of the 139 top-priority Tier 1 councils were in the APPG-SE region; that may not accord with the pre-conceptions of many. 'Levelling-up' as a policy purpose for transport infrastructure, though, does not necessarily sit comfortably beside 'underpinning Britain's plan to trade and grow.'

2. What should success criteria for transport-related measures in Levelling-up look like? We are reluctant to be drawn on this in view, as just expressed, of its weak policy linkage with a 'role for transport infrastructure in underpinning Britain's plan to trade and grow.' Clarity of policy objectives is an essential pre-requisite for any success, and its assessment criteria.

3. Must enhanced transport infrastructure be solely dependent on Government financial support? No.

4. Are there common transport pressure points in the South East? On the rail network and in the context of this inquiry's particular interest in a 'role for transport infrastructure in underpinning Britain's plan to trade and grow' through 'providing access to and from UK Ports of Entry' the common pressure points tend to be junctions at points in the freight network, such as at Basingstoke, Oxford, Redhill.

5. What are the funding prospects for proposed projects? a. Short term? b. Long term?

~ Short term – grim, unless central government decides to restore some investment certainty by for example publishing its next Rail Network Enhancements Pipeline update, and APPG-SE and other influencers are able to persuade Whitehall of the national benefits of investing in the South East region's transport infrastructure.

~ Long term – remaining challenging while enabling non-net contributor regions to 'level-up' is seen as necessitating spend only within those regions.

6. What "adequate freedoms" might help councils work with partners to deliver specific projects? We are unable to assist the inquiry on this point.

7. What alternative or new options could be explored to secure funding? Are there pure commercial options that could be sustainable for the long term? We are unable to assist the inquiry on these points.

8. Should local businesses pay more for enhanced transport infrastructure? How much and for what? Local businesses vary in such scale that only the very largest are likely to be able and willing to come to table to negotiate the necessary deals.

9. If greater transport infrastructure funding was available should it be under local authority control? In the context of this inquiry's subject matter, probably not.

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10. Any other thoughts or observations?

An enduring contraceptive to progress is central government's seeming aversion to publishing timely responses and updates and making decisions based on evidence-based recommendations. For example, the Commons Transport Committee currently shows two of its inquiries still awaiting government responses many months after their reports were published with an expectation of responses within two months, on Road Pricing since 4th April 2022 and on the Integrated Rail Plan (for the Midlands and North) since 27th September 2022.

For other examples, Network Rail's Strategic Outline Business Case for the Kent and East Sussex Connectivity Programme awaits a departmental reaction many months after its submission, and Network Rail's more recent North and East Kent Connectivity Study likewise we understand sits in the Department for Transport awaiting clearance for publication.

Most glaringly, a new process for better managing enhancements to Britain's railway in the wake of the November 2015 Hendy Review during the troubled 2014-19 Control Period 5, the Rail Network Enhancements Pipeline (RNEP) published in March 2018 and first updated in October 2019, has been awaiting its next 'annual' update for 28 months since October 2020.

Railfuture cannot therefore, in all conscience, make any specific recommendations to the APPG-SE or other bodies in the context of a near-vacuum of decisive action in key areas of policy from the responsible central government department. The rail industry and its users and advocates require clarity and certainty about central government's position on what rail is for – transport, economic development, decarbonisation, social inclusion / 'levelling-up'? Whatever the primary priority it must then read across explicitly and consistently into policy choices and practical decisions. Meanwhile the promised land of Great Britain's Railway remains a promise unfulfilled; the Williams Rail Review was established in September 2018.

And finally, we do recognise the difference between those decisions which are merely 'controversial' and those which are downright 'courageous'.

As one influencing organisation to another, Railfuture would be pleased to discuss with APPG South East the thoughts outlined in this submission.

Organisation: Railfuture – Britain's leading, longest-established, independent voluntary national organisation campaigning exclusively for a better railway across a bigger network for passenger and freight users, to support economic (housing and productivity) growth, environmental improvement and better-connected communities. This submission is on behalf of three of Railfuture's 14 regional branches across Great Britain: London & South East, Thames Valley, Wessex.

Contact: Roger Blake – Director for Infrastructure & Networks, national Board, and Vice-Chair London & South East regional branch – roger.blake@railfuture.org.uk M: 07538492501