

# JONATHAN BRAY



## Brexit is reframing the transport debate

The party conference season offered an opportunity to survey the changing political landscape - and Brexit looms over everything

▶ With the party conference season over we are now getting some clearer signals of what the priorities for the new government are and to what extent they dovetail with the transport priorities of the city regions. Having said that it's early days for Theresa May's new team - with the Autumn Statement the next big opportunity to show how her government is different. But on the basis of what we learned in Birmingham here's my take on some of the key themes.

On mega infrastructure there's a sense that the government is in a mood to knuckle down and take some of the big decisions that have been previously deferred - in particular on south east runway capacity - as well as cracking on with those that are committed, such as HS2. There's less certainty about what happens for the wave of mega projects after that - partly perhaps because there is less certainty about how Brexit is going to affect the economy in the short and medium term, and therefore whether or not there is a need to accelerate infrastructure commitments.

But commitments to new mega infrastructure don't translate into a boost to jobs and investment immediately - they take time to plan. Hence there's an interest within government on what tactical shorter term, small to medium size investment in transport schemes could unlock in short order, in terms of both direct and supply chain employment, as well as additional capacity. It will be interesting to see what balance Hammond strikes.

Either way, local transport authorities crave more certainty and less of the short term competition funding that Ministers have had a tendency to subject local government to. Competition funding may be better than block funding in terms of generating Department for Transport press releases - but it can be a nightmare for local government under revenue spending pressure as they try to construct quality funding bids quickly, not knowing whether the result will be feast or famine for them in terms of bid success. Transport authorities will also be hoping for some respite on the revenue funding squeeze because not only does revenue support services that use infrastructure, it also pays the salaries of officers to develop the infrastructure schemes the government wants in the first place.

On devolution the prime minister, the chancellor and most relevant secretary of states have been seeking to steady the ship and reinforce that the new government is committed as its predecessor. The loss of George Osborne at HMT, who was effectively the CEO of the Cameron Government, and his persistent championing of his idea of devolution, was bound to leave a vacuum of sorts. To what extent the pro-devolution

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rhetoric will be reflected in momentum being maintained on devolution we shall have to see, but with three of the city regions now signed on the dotted line for mayoral Combined Authorities (with more due to confirm or not) these contests should make dry discussions about devolution into more vivid reality. Especially given that in all of the three there are some serious heavyweight candidates. This will also filter back into transport policy given that candidate after candidate is identifying transport as a key area where they need the levers to shape how their city region develops, and the growing sense that buses are an area where a mayor can make an impact across the whole of their patch and at timescales (relative to other policies) which the electorate will notice.

As part of that, a fares offer is also becoming a must have for a mayoral candidature - with young persons concessions a stand out. It's often forgotten but Ken Livingstone gave the entire mayoral concept credibility and impact by throwing everything at buses as soon as he got the job, a strategy that worked. It's perhaps not surprising that transport is a big issue for existing and prospective mayors, but what's perhaps more surprising is the crossover between May's talk of an economy that works for the many, not the few, and the focus of some of the Labour mayoral candidates on spreading the benefits of growth beyond revitalised core city centres to the secondary centres in their conurbations (the Rochdales and the Bootles).

The focus on industry and skills is also something that Andy Burnham shares with Theresa May's plans for industrial strategies and a better skilled Britain. What does all of this mean for transport? On skills, the government is doing some solid work in the transport sector given that in key areas the workforce is aging, does not reflect the diversity of the society it serves and is coming up short in some areas of professional expertise. At the Urban Transport Group we are encouraging the government to extend its existing work on skills in transport beyond the largest entities (like Network Rail and Transport for London) and down into the next tier (which includes transport authorities). We are also asking if there is potential too for more fluid inter-working between transport bodies to provide for more varied and attractive career paths. More widely across the sector it's an issue that every major player needs to

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Theresa May addressing last week's Conservative Party conference: There is crossover between May's talk of an economy that works for the many, not the few, and the focus of some of the Labour mayoral candidates on spreading the benefits of growth beyond revitalised core city centres to the secondary centres



address. What are we all doing to ensure we bequeath our successors a more diverse and better skilled workforce as part of a sector that people positively want to work in?

On the growing consensus around the need to spread the benefits of growth beyond the most successful urban centres, and more widely through society, this poses some tough challenges as it's not as if PTEs (and successor bodies) and TfL haven't been investing in heavy rail, light rail and bus rapid transit systems that serve the totality of their conurbations. Indeed, in some struggling town centres, the tram system or high end bus station can be the most impressive modern facility on show. The challenge will be the cross-sector and cross-agency working needed to get the most from these transport investments through linking them to investment in housing, into new uses for former retail, better urban realm, local economic development and support for skills. It also feeds back into the buses debate given that it's those with the least who use buses the most. Inclusive growth is the new buzz phrase for all of this - likely to

become even more so given the major RSA commission currently underway.

Looming over everything is Brexit, of course. A while back I flagged up housing as the new transport in terms of London politics (PT121) - as in 10 years ago transport was the big problem that hadn't been fixed and now housing has that mantle. I wouldn't say this was yet the case in the rest of the country, but at the same time it's clear that the need for more housing, more quickly, is going to be a big theme - it was certainly the most animated section of the speech by Sajid Javid, secretary of state for communities and local government, to the Conservative Party conference. For transport, this will up the pressure to release transport land (whether it has future operational potential or not) for housing whilst at the same time opening up opportunities for advancing the case for better linkage between transport provision, land use planning and housing including better integrated funding packages. These packages must address the chicken and egg dilemma - that housing can't go ahead without transport,

but funding for transport schemes doesn't relate to the housing opportunities it unlocks.

But looming over everything is Brexit. From the ramifications for the economy to the focus on policies that offer something to those Brexit voters who feel they never signed up for globalisation and have only experienced, or can only see, the downsides. It's Brexit that is reframing the transport policy debate as it is reframing every other policy debate. To what extent either the economic realities of Brexit, or the changed language and priorities of the politicians that have come in its wake, will lead to real and significant policy change for transport is not yet clear. However I suspect a turbulent 2016 hasn't finished with us yet. ■

### ABOUT THE AUTHOR

▶ Jonathan Bray is the director of the Urban Transport Group. Throughout his career in policy and lobbying roles he has been at the frontline in bringing about more effective, sustainable and equitable transport policies.