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To Whom It May Concern,

Please find below my submission to the National Infrastructure Commission's call for evidence in relation to London's Transport Infrastructure.

Yours sincerely,

Rt Hon David Lammy MP
Member of Parliament for Tottenham

1. What are the major economic and social challenges facing London and its commuter hinterland over the next two to three decades?

London faces a wide range of economic and social challenges like any metropolitan city. But there are three specific areas where the challenges are so great that urgent action is required.

HOUSING: The housing crisis has been well documented, yet since 2010 no politician has implemented real solutions, either at national or mayoral level. Shortage of supply, driven by very low levels of house building, plus soaring demand, mean that the average property in my Tottenham constituency now costs more than £350,000, with prices up almost seven per cent in the past year. This not only means that far too many people will be denied the dream of home ownership; as prices and rents rise ever higher, it will also start to damage London's economy, as workers from all sectors and at all skill levels are priced out of the city's Labour market.

ECONOMIC DEVELOPMENT: We also need economic development and new jobs in relatively deprived areas such as Tottenham. The prosperity of the City still masks the acute problems for some people in my part of north London. Economic development here and elsewhere in London within commuting distance and north into the Stansted-Cambridge corridor is essential.

TRANSPORT: Clearly the pressures of population growth on the transport network are closely related to both housing and economic development. In Tottenham, pressure on the Victoria line and on rail services lengthens commutes for my constituents, causes delays and makes their journeys more crowded and stressful. Better transport systems would drive growth and jobs, as well as unlocking

significant new housing development and importantly would greatly improve the quality of life for many of my hard working constituents.

2. What are the strategic options for future investment in large-scale transport infrastructure improvements in London - on road, rail and underground - including, but not limited to Crossrail 2?

I write this consultation in my role as Chair of the All Party Parliamentary Group on Crossrail 2. London needs full funding of its transport network – not the latest round of cuts imposed by the Chancellor. We need proper funding guarantees for Tube upgrades, including the Piccadilly Line, which some people in the western part of my constituency depend on. We also need network rail to upgrade the West Anglia Main Line to improve capacity, resilience and frequency across the area.

However, such transport projects alone will not be enough. Even though Crossrail will add around 10 per cent to the capacity of London's transport network when it opens from late 2018, we need a similarly transformative project to cope with the increase in demand a decade and more beyond that. Crossrail 2 is the obvious answer, and indeed the only scheme currently proposed which delivers a similar step-change in capacity. We need to get moving on making Crossrail 2 a reality.

Infrastructure should enable growth, and therefore projects should be assessed on their ability to payback the original investment. Static assumptions about how a place will function in future have been debunked by the Jubilee Line extension which transformed Canary Wharf. Our assessments should focus instead on a project's ability to create jobs, grow the economy and generate new tax receipts, allowing us to develop a more realistic view of the benefits of infrastructure investment. This would support investment not just in London but in other cities around the UK too.

3. What opportunities are there to increase the benefits and reduce the costs of the proposed Crossrail 2 scheme?

The benefits of Crossrail 2 could be maximised by the project working closely with the boroughs and with local communities to make sure that it helps deliver the kinds of increased numbers of homes – and jobs – that it is capable of. We need to strike a balance between preserving communities and allowing development which makes their futures viable in a London of 10 million people.

In addition, it is vital that while Crossrail 2 will inevitably cause disruption to communities while it is being constructed: we must listen carefully to the communities affected about the impact the disruption will have and respond to those concerns where possible.

4. What are the options for the funding, financing and delivery of large-scale transport infrastructure improvements in London, including Crossrail 2?

Delivery of Crossrail 2 and other large projects in London needs first of all to be as speedy as possible. We can't afford to delay the project any longer: we just need to get moving. The transport network is already under strain and even on the most optimistic projections, Crossrail 2 will not be in operation for another 15 years. Starting construction as soon as possible will mean lower prices, avoiding costly construction inflation.

That delivery can be ensured in the first instance by awarding the scheme substantial development funds in order to complete technical development and get planning consents through Parliament

before 2020. The majority of the wider funding package is already predicted to come from London, including contributions from the business rate supplement and Community Infrastructure Levy. I would like to see this augmented by fair devolution of business rates, as signalled by the Chancellor this autumn, and by radical new measures such as, for instance, the hypothecation of Stamp Duty in the capital, or a portion of it, for London to spend on such projects. Infrastructure projects such as Crossrail 2 have the potential to make a huge contribution both to the UK economy and to Treasury revenues, and funding of them should reflect that.

5. How have major metropolitan areas in other countries responded to similar challenges and priorities? Are there any lessons to be learned and applied in London?

I would like to see Transport for London take a more aggressive approach to using the profits of development to fund transport improvements, on the lines of that taken by Hong Kong metro operator MTR. Developers along Crossrail's route, for example, have already made a killing: we should be capturing much more of that to fund the transport projects transforming property values. But we also need to take a more long-term view of transport investments, as for example Paris does. There, the ambitious Nouveau Grand Paris project for extension of metro and suburban rail lines has funding for decades into the future, allowing much better planning – and value for money – of this kind of fundamental investment in the city's future.