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London transport chief warns cuts endanger ageing Tube's upgrade

By Mark Odell and James Pickford in London



London's transport budget faces potentially "catastrophic" cuts in the government spending review, putting at risk the multibillion pound upgrade of the city's Tube network, transport and business leaders have warned.

Transport chiefs have told ministers that mooted cuts of 10 to 15 per cent would force them to take

the axe to the multibillion pound upgrade of the Central, Piccadilly and Bakerloo Lines as well as other schemes planned for the capital.

"Cuts to capital investment in London's transport network could put at risk our ability to cope with booming population growth and London's position as the productive heart of the UK economy," said Sir Peter Hendy, London's transport commissioner.

London business groups have said continued investment is vital to the city's business appeal. Colin Stanbridge, chief executive of the London Chamber of Commerce and Industry, said: "The kind of cuts proposed would be catastrophic for London. Transport is one of the key elements of the city's economy."

The transport network was consistently a top priority for his member companies, he said.

Mr Stanbridge, who has also voiced his concern in a letter in Monday's Financial Times, pointed to Paris's planned investment in transport as a warning that London could fall behind international rivals. "We're an attractive place but if the transport infrastructure isn't good enough people are going to start thinking maybe it's not the best place to be located," he said.

The French government has committed funding of €30bn until 2030 for the upgrade and extension of existing networks as well as new lines.

Some £1.8bn of TfL's £9bn annual budget comes from its government grant – a subsidy level the transport authority and London First, a business lobby group for the capital, are fighting to protect. Fares income amounts to £4bn, with other sources of income and borrowing

making up the rest. The network received substantial investment ahead of the London 2012 Olympics but signalling, track and rolling stock in some parts of the system remain antiquated.

The Tube upgrade programme is seeing £1.25bn invested annually in infrastructure and trains. Work on the Victoria and Jubilee Lines is complete. The upgrade of the older, so-called “subsurface” lines – the Metropolitan, Hammersmith and City, Circle and District – as well as the Northern Line is under way.

The focus is due to switch later this decade to the other three so-called deep-level lines. If this is delayed, by 2030 London’s commuters face the prospect of travelling on 50-year-old trains at a time when the city’s population is expected to have reached 10m.

TfL may also be forced to cut back on plans to upgrade the capital’s road traffic management system aimed at easing congestion. It is understood the ambitious £900m plan by Boris Johnson, the mayor, to improve cycling in London over the next 10 years would also be threatened.

The Department for Transport said no decisions had been taken but added: “Government recognises the need to invest in London’s transport infrastructure to support economic growth – that’s why TfL will receive more than £10bn of government funding during this parliament.”

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