

TRANSPORT Briefing

Yes for Anglia devolution and Gospel Oak wires

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West Anglia routes proposed for devolution to TfL in May 2012

Ministers have given the go-ahead for Greater Anglia train services currently operated by Abellio to be devolved to Transport for London and the Gospel Oak to Barking line to be electrified.

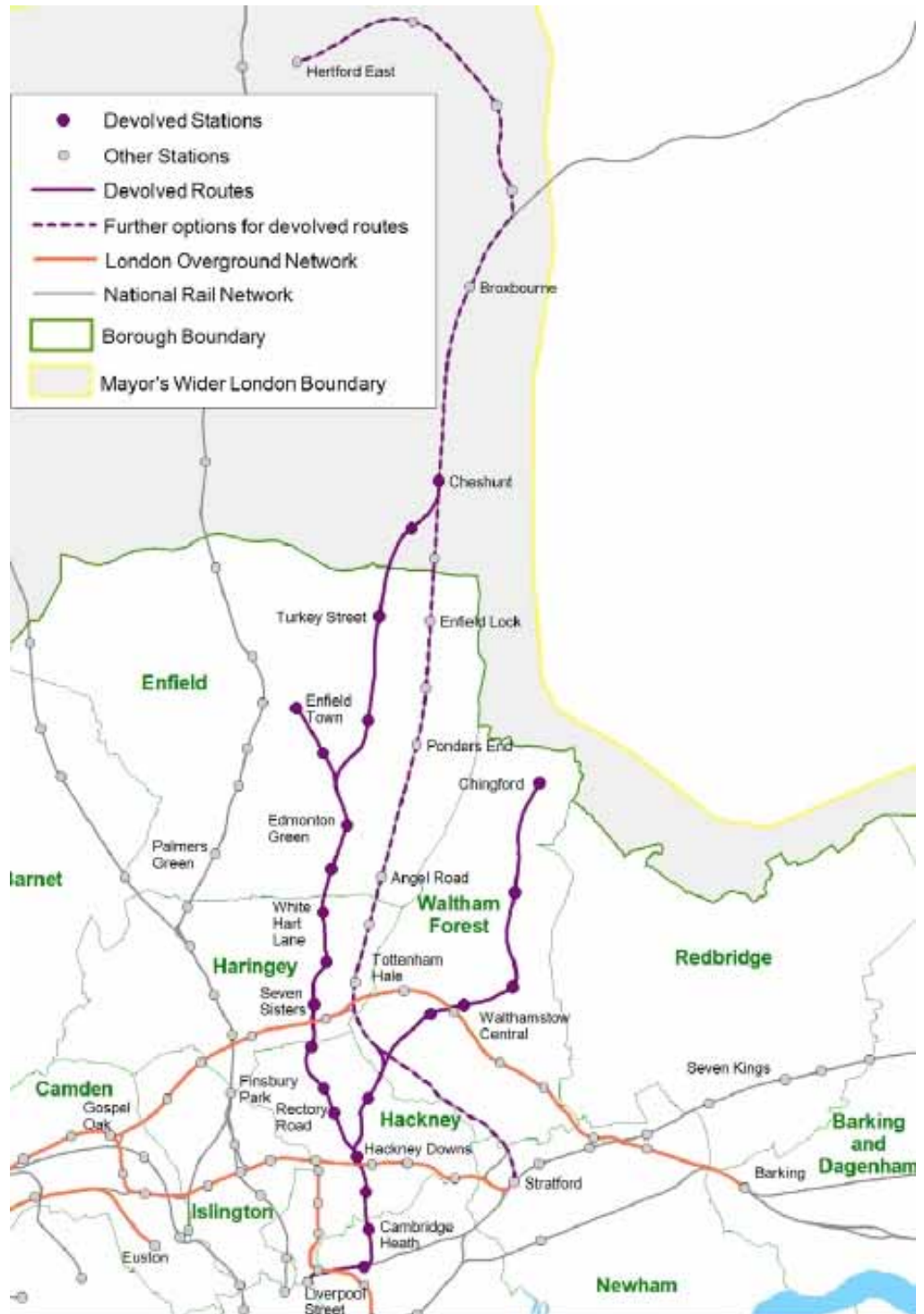
Following Chancellor of the Exchequer George Osborne's Spending Round announcement in parliament on Wednesday, the Mayor of London's office has published details of the transport settlement for the capital and infrastructure investment which Chief Secretary to the Treasury Danny Alexander is expected to set out on Thursday.

Although the Spending Round is focused on departmental spending for 2015-16, a six year settlement for Transport for London has been agreed to 2021. The capital funding commitment begins with an investment grant of £925m in 2015-16 rising to £1,007m in 2020-21, alongside annual borrowing limits of £600m+ to finance capital investment into transport infrastructure. It will depend on the government elected in 2015 honouring this week's commitment.

The Mayor's office says this funding package will enable the continuation of Tube upgrades, investment into roads and cycling as well as improvements to bus, Docklands Light Railway, London Overground and Tramlink networks. It will also allow the delivery of transport projects which the Mayor has called for to support regeneration and jobs as well as greater devolved rail powers.

In addition to the long term revenue settlement the following commitments are said to have been agreed by the Chancellor and Secretary of State for Transport Patrick McLoughlin.

- West Anglia suburban rail services are to be devolved to the Mayor and



Transport for London for possible inclusion in Overground or Crossrail networks. However, London's transport commissioner Peter Hendy admitted this week that suburban rail services in south east London will not be devolved for the time being.

- A £500m borrowing guarantee will be provided to support housing and transport infrastructure in Tottenham. This will include improvements to train services and stations between Stansted, Liverpool Street and Stratford.

- A £90m commitment has been made to carry out the long-campaigned-for electrification of the Gospel Oak to Barking Overground line which will modernise the last remaining diesel passenger train route in the capital. This investment is described as a first step towards the extension of the line to Barking Riverside to support construction of thousands of homes.

- Government has made an initial commitment of £2m to fund feasibility studies for Crossrail 2.

Mayor of London Boris Johnson said: "This settlement gives us a far greater level of financial certainty in line with measures we have lobbied for and to deliver vital infrastructure. I am pleased to also welcome specific commitments to a series of projects set to trigger significant development and regeneration in areas that need it most, helping to unleash the delivery of homes and jobs.

"Transport for London will continue to drive its major programme of efficiencies and savings to demonstrate value for the taxpayer. We are confident that this can be achieved without compromising the priority projects London so urgently needs."

The Mayor has already committed to TfL efficiencies totalling £9.8bn to 2017-18. Savings are being achieved through better maintenance practices, competitive tendering of the bus network, the re-let of the Congestion Charge contract, cuts in marketing spend and the disposal of property assets.

This week's confirmed government grant settlement for 2015-16, when all funding streams for this period are taken into account, represents a reduction of support for Transport for London of 8.5%. The government reduction to TfL's transport grant by £222m works out as 2.2% less in TfL's total capital and revenue budget based on 2013-14.

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