

## OPEN LETTER

17 June 2022


### **Rt Hon Grant Shapps MP**


Secretary of State for Transport  
Great Minster House  
33 Horseferry Road  
London SW1P 4DR

### **Sadiq Khan**


Mayor of London  
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### **Re: Multi-year funding for Transport for London**

Dear Secretary of State, Mayor of London

With the recent opening of the Elizabeth line, London has a transport system which is globally competitive and connects millions of people around the capital. It is seen as a model for other UK cities. Furthermore, the Elizabeth line will boost the national economy by over £42bn, with a supply chain that touches every part of the country.

So, with the Government and TfL currently planning future funding for transport in the capital, now is not the time to stop investing. Both DfT and TfL figures show passengers are coming back just a few months since Covid restrictions were eased; and with the need to achieve Net Zero, there is an imperative to maximise the value and potential of public transport.

Transport is a public service and – as the Coronavirus response showed – when economic shocks hit, Government steps in to continue critical services. In normal times, London transport is more self-sufficient than other comparative global cities, and it leads the way on innovative funding and finance models<sup>1</sup>. Taxpayers in the capital are significant net contributors to the UK economy – with the right levels of investment, the city will bounce back.

A short term, 'boom and bust' approach to funding, as is the case currently however, not only impacts services, but it also hits jobs, skills, innovation and investment around the UK. It makes infrastructure more expensive and damages productivity. So instead of a stop-gap approach, RIA – on behalf of its more than 300 members in the rail supply chain – urge the Government and TfL to agree a properly funded multi-annual deal. Without such an agreement, necessary rail upgrades – for example Piccadilly line signalling or new trains for the Bakerloo line – risk being deferred or scrapped, ultimately affecting passengers.

Alongside a multi-annual deal, rail suppliers recognise the need to focus on efficiency, whole life value and return on investment to ensure maximum value for the taxpayer. And we welcome opportunities to contribute to practical discussions on how to reduce costs and save time in rail project delivery, as we are doing with Network Rail Project SPEED<sup>2</sup>.

We appreciate that there are immense pressures on the public purse in these difficult times. However, by coming together to agree a multi-year funding settlement for transport in the capital, Government, TfL and the rail industry really can ensure that not only will passengers get the services they deserve, but that the taxpayer will also get the greatest bang for their buck whilst creating jobs and wider investment in both London and the national economy.

Kind regards

A handwritten signature in black ink, appearing to read "Darren Caplan".

**Darren Caplan, RIA Chief Executive**

<sup>1</sup> Rethinking Transport Finance and Funding: <https://www.ltmuseum.co.uk/corporate/interchange>.

<sup>2</sup> <https://www.networkrail.co.uk/industry-and-commercial/supply-chain/existing-suppliers/rail-speed/>