

James Heath

Chief Executive

National Infrastructure Commission

By email

Date: 09 February 2022

Dear James,

The Second National Infrastructure Assessment: Baseline Report

Thank you for the opportunity to respond to the National Infrastructure Commission's (NIC) Call for Evidence on the Second National Infrastructure Assessment: Baseline Report.

The Greater London Authority (GLA) is London's strategic authority, led by the Mayor of London. Transport for London (TfL) is the integrated transport authority responsible for the day-to-day operation of London's public transport network, road management and the strategic delivery of transport objectives to make London a welcoming place to live, work and visit. The Mayor has set out his mission to rebuild London as a greener, fairer, safer, and more prosperous city after the pandemic. Infrastructure will play a critical part in this mission.

We welcome the strategic themes underpinning the second National Infrastructure Assessment (NIA). Achieving net zero by 2030 and improving the quality of our environment are key priorities for London. The Mayor has already taken groundbreaking action to tackle toxic air, carbon emissions and congestion in the capital, including introducing and expanding the Ultra Low Emission Zone – a world-leading air pollution charging zone. The Mayor has also set out his support for the Government's levelling up agenda but has emphasised that this must include at its heart a recognition of the inequalities that exist within as well as between regions. The GLA has already sought to make use of the opportunities for improved infrastructure delivery offered by new digital tools, including for instance through the ongoing development of the National Underground Asset Register with the Cabinet Office's Geospatial Commission.

London has a pivotal role in the UK's future prosperity. Investment in London's infrastructure and public services also generates jobs and growth across the UK, and, likewise, London benefits from similar investments elsewhere. The complexity and interdependent nature of the UK economy must be reflected in the second NIA.

The GLA welcomes the NIC's recognition of significant level of investment required to meet the UK's infrastructure challenges. TfL has a critical role to play in driving the economic

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recovery in the capital, the wider South East region, and the rest of the country. However, to do this, TfL needs a sustainable, long-term funding settlement including additional capital funding. The Mayor has sought multi-year settlements, alongside existing funding sources, to provide the funding stability needed. However, TfL has instead had to rely on a series of short-term funding arrangements, each of which has required a time-consuming process of negotiation and agreement; it is critical that this changes. Without this support, tube and bus services will face significant and damaging cuts and critical investments in road and rail will be postponed or cancelled; this also means worsening roads for essential freight journeys and less support for walking and cycling. This will be costly in terms of economic loss (worth £12bn over the next decade) and increased carbon emissions; together this will make resolving the challenges identified by the NIC harder.

We share the NIC's view that further devolution is key to enabling local leadership in addressing infrastructure challenges. National government should work with the GLA to agree fiscal tools that would enable London to generate resources itself and target them where they are needed including in support of a world-class transport system, infrastructure and land assembly. This could include greater devolution of business rates and expansion of tax increment financing.

However, local leadership still requires policy action and financial support from Government to meet challenges, scale up and embed coordination and collaboration where powers will remain national-level competencies (such as utilities regulation).

The Mayor supports the government ambition of decarbonising the power sector by 2035 and has gone further by setting a target for London to be net zero by 2030. The power sector will only be decarbonised by deploying more zero carbon generation, both to replace fossil fuel generation and to replace retiring nuclear generation. The net size of the power sector must also increase as heat and transport are electrified. Given these enormous changes to the power sector, which will be primarily driven by national policy, a range of actions, including those set out in Appendix 1, need to be taken at local level. These needs to be supported by national policy and funding.

Improved infrastructure coordination is also crucial to facilitating decarbonisation whilst minimising disruption and planning effectively for growth. The Mayor, working with industry, has established a pilot Infrastructure Coordination Service (ICS), which has used an innovative approach: 'dig once' for utility streetworks; streamlining the complex connections process for new developments; and undertaking proactive, up-front infrastructure planning for high growth areas. These activities - underpinned by data and digital tools - can help to improve air quality, work toward decarbonisation, and unlock housing delivery. However, to spread the benefits further, this requires support from the Government to embed collaboration into the sector's business-as-usual activities, particularly through utility regulation.

While we agree with the NIC's assessment on digital connectivity progress in recent years, significant challenges do remain to fill in the connectivity 'not spots' where a lack of commercial viability deters private investment. Difficulties remain in relationships between

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site providers and operators, and boroughs are insufficiently resourced to support operators through the required processes. In particular, London boroughs do not have access to telecommunications expertise which would support greater and faster use of public sector assets for mobile upgrades. This situation could be improved by improving local government access to granular fibre and mobile data to better track coverage and target interventions; capacity building for local councils including expansion of the WM5G telecommunications expert pool to include cities; and a greater focus on supporting digital inclusion, including the promotion of qualification programmes for digital skills and marketing of social broadband tariffs.

The GLA and TfL look forward to engaging further with the NIC on the second NIA and future specific studies and analysis. Detailed responses to the consultation questions are included in Appendix 1.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Philip Graham', is written over a light grey rectangular background.

Philip Graham
Executive Director, Good Growth
Greater London Authority