

National Infrastructure Commission
Finlaison House, 15-17 Furnival Street
London,
EC4A 1AB.



Via Email to NIA2.CfE_Responses@nic.gov.uk.

4 February 2022

National Infrastructure Commission Second National Infrastructure Assessment Consultation Response from Heathrow Area Transport Forum

The Heathrow Area Transport Forum (HATF) is a partnership between organisations in the private and public sectors with a shared goal of improving accessibility and increasing public transport use to and from the airport and the surrounding area. It operates in line with guidance set out by the DfT in their Aviation Policy Framework 2013. We have reviewed the NIC's baseline report for the next National Infrastructure Assessment and provide some answers below to those questions you have posed most relevant to our remit.

Question 1: Do the nine challenges identified by the Commission cover the most pressing issues that economic infrastructure will face over the next 30 years? If not, what other challenges should the Commission consider?

The Baseline Report identifies some progress since the first NIA (including on electric vehicles) but urban transport and transport emissions are areas where "there is more to be done". We would agree with that assessment.

Overall we believe the framework proposed is broad enough to capture most of the future challenges that our infrastructure will need to adapt to address, however we are concerned that the aviation market is excluded from the scope. Post Brexit, aviation will play an increasingly important role in the economic growth story of the country and to exclude this one form of transport from the assessment on the basis of uncertainty, which of course also applies to all the other subjects the NIC are looking to explore, is an approach that should be reviewed.

We are however pleased that you explicitly state that interurban connectivity to international gateways is in scope. We would also argue that airports have an increasingly important role as integrated transport 'hubs on the ground', largely independent of their role in facilitating aviation activities, and this will be key in tackling both urban mobility and congestion and providing solutions for interurban transport and connectivity. Further comment on this is provided in our answers to the questions below.

Question 2: What changes to funding policy help address the Commission's nine challenges and what evidence is there to support this? Your response can cover any number of the Commission's challenges.

The number one barrier to addressing the challenges defined by the commission, particularly in the transport sector, is adequacy, flexibility and consistency of funding. The current centralised system, where funding is largely distributed to local and combined authorities by inefficient competitions leading to boom and bust investment cycles must be reviewed. In this we endorse the NIC's own report into [Infrastructure, Towns and Regeneration](#) released in 2021 which artfully articulated a need for more devolution in funding. It is encouraging to see some positive moves in this space in respect to the City Regions Sustainable Transport Settlements which provide significant funding, to be allocated flexibly and in response to local priorities and need, over five year period. Applying this approach to the provision of all transport

investment across the country, including a long term settlement for London, will be key if the challenges the commission has identified are to be addressed.

Within this framework we will need to ensure effective funding for maintenance is provided and we agree with the point in the baseline report that good asset management will be crucial as the effects of climate change become more pronounced.

Question 5: What are the main opportunities in terms of governance, policy, regulation and market mechanisms that may help solve any of the Commission's nine challenges for the Next Assessment? What are the main barriers? Your response can cover any number of the Commission's challenges.

Specifically for the Heathrow area, HATF has raised several concerns about the economic regulation of the airport, undertaken by the CAA. There are significant question marks around the adequacy of this process in ensuring sufficient investment is available for improving surface access offer necessary to deliver on the decarbonisation agenda, but also to maintain Heathrow's international competitiveness as an aviation hub serving a world city.

Too often the current process seems to end up in an unhelpful compromise between airlines and the airport operator which serves neither party satisfactorily and does not give sufficient certainty to allow for transformative investment to be efficiently planned and delivered. The lack of a clear mechanism to ensure funding across regulatory periods is a good example of the need for reform and has been particularly exposed as a barrier to the efficient progression of Western Rail Access to the airport. HATF has called for economic regulation to be reviewed to make the need for environmental protection and decarbonisation a primary duty. This would allow for significant investment to be provided into a vital sub-regional transport hub, providing benefits for millions of local residents and businesses.

Challenges 8 and 9 – overarching comment

A comment on challenge 8 and 9 – these are presented under the banner of 'levelling up'. We think this is unhelpful as these challenges apply to all areas of the country and action is needed universally to tackle these, not just in areas which are receiving a focus as part of the current levelling up agenda. Decarbonisation in particular requires action across all geographies, and indeed the greatest 'bang for buck' in terms of addressing emissions from sectors like transport may come in areas of comparative advantage. Levelling up should not therefore be the only lens that these challenges are looked at through.

That said we accept that there should be an infrastructure investment response to levelling up, however would make the strong point that this should be based on clear data indicating a need to address inequality, not a simplistic compass point approach that draws artificial boundaries between the north and south of the country. Heathrow sits in a sub-region which has many areas of socio-economic challenge: improving transport connectivity and increasing sustainable access to jobs and opportunities can do much to help mitigate this.

Challenge 8: Urban mobility and congestion – the Commission will examine how the development of at scale mass transit systems can support productivity in cities and city regions and consider the role of congestion charging and other demand management measures.

Question 16: What evidence is there of the effectiveness in reducing congestion of different approaches to demand management used in cities around the world, including, but not limited to, congestion charging, and what are the different approaches used to build public consensus for such measures?

Heathrow sits on the edge of London, and the experience of those travelling to and from the airport vary significantly depending on their origin. We therefore have a wide range of experiences to draw on in terms of how to manage and influence travel demand.

There is clearly no silver bullet for dealing with congestion, and interventions need to be part of a well thought through set of measures that together form an integrated system. Some key reflections that have emerged from our work and reviewing the context in which the airport sits:

- Parking controls are key to managing vehicle demand. This is too often overlooked by strategic policy makers and dismissed as an operational matter. More attention should be given in the role of parking in influencing demand on urban and interurban networks.
- The idea of a national pay per mile road user charging scheme as a panacea for managing congestion is pervasive but potentially a dangerous gateway to procrastination. Congestion is not a national issue, it is predominantly an urban phenomenon and one that is also bounded in time. Whilst there would clearly be some advantages in a national approach vs a patchwork of local solutions, there are also clear disadvantages, particularly on the political side. Working with existing approaches and technologies such as Low and Zero Emission Zones, drop off charges such as Heathrow introduced in late 2021 and parking controls like workplace parking levies may be a better way of tackling the problem in the short term. Heathrow is a perfect laboratory to explore this, sitting as it does in a unique geography - at the intersection of London and out of London with lots of potential learnings possible for other areas.
- The role of active travel in removing demand in local areas is not trivial and has very important co-benefits. This once again often lacks focus in strategic decision making.
- Heathrow has a strong tradition of influencing travel demand and has seen real achievements in this space, particularly in respect to employee travel. Through proactive and consistent promotion of alternatives to private car, including car sharing schemes; cycle promotion and a 'cycle hub' and; discounts on public transport the airport has reduced colleague private vehicle mode share from a high of 82% in 1991 to 66% in 2017 (latest available data).
- Maximising connectivity of public transport is key and sub-regional hubs like airports could have a really important role in cost effectively facilitating enhancements in public transport accessibility for local people and those travelling from further afield. This could mean that relatively modest interventions such as Southern and Western rail that plug connectivity gaps to Heathrow and enhance its role as an integrated hub are more than the sum of their parts - and could deliver significant 'bang for buck' in terms of increasing the reach and attractiveness of public transport.
- The importance of the bus network is often also overlooked in such calculations, and whilst this has received welcome focus in recent months with publishing of the National Bus Strategy and the need for authorities to deliver Bus Service Improvement Plans, the funding available has not necessarily matched the level of innate ambition that clearly exists in this field. Bus/coach mode share c.11% for passengers and c.19% for colleagues so has a key role to play. Bus/coach links can be implemented relatively quickly and deliver direct sustainable travel options between passenger/employment catchments and the airport where journeys would previously have been made by private vehicle. Previous studies have suggested around 25-30% of travellers in the Heathrow bus station are simply interchanging between services rather than having accessing flights. Such 'hubs on the ground' can therefore also play an important role in supporting enhanced urban mobility and tackling congestion through cost effectively aggregating demand across different sectors and providing access to greater connectivity by public transport modes than would otherwise be the case.
- NIC should explore an approach where urban centres maximise the spread and geographical coverage for integrated transport hubs like Heathrow as a way of supporting interurban modal shift and tackling congestion in peri-urban areas where car use remains high.

Challenge 9: Interurban transport across modes – the Commission will consider relative priorities and long term investment needs, including the role of new technologies, as part of a strategic multimodal transport plan.

Question 17: What are the barriers to a decision making framework on interurban transport that reflects a balanced approach across different transport modes?

It is concerning that this consultation takes place at a time where there are a range of modally specific strategic conversations going on – around the GB Railways Whole Industry Strategic Plan, the kick off of thinking on National Highways Road's Investment Strategy 3 and ongoing conversations on the local response to Bus Back Better etc. Whilst these are all important conversations to be having there is a need to think beyond one specific mode when determining what the most appropriate solution may be for tackling transport challenges. The example of RIS3 and how this may apply to the Heathrow area is key – infrastructure investment to increase capacity of the strategic road network is highly unlikely to be cost effective and should therefore give way to the idea of strengthening local networks and extracting highway demand onto public transport. However there is little scope for making these sorts of recommendations within these modally specific consultations.

It is therefore heartening to see National Infrastructure Commission pick out a need to think across modal silos and to develop a more nuanced and holistic approach to national strategic transport planning.

There is a need to provide a consistency of approach that accepts induced demand makes capacity enhancements difficult and managing demand is therefore often a far better 'bang for buck'. As much resource and effort should be placed on this as determining what new infrastructure is required, indeed in the context of decarbonisation we believe there is merit of adopting a 'demand management first' approach.

Levelling up important, but also need to deliver carbon savings as quickly as practicable and need therefore to accept that the biggest 'bang for buck' in terms of reducing emissions may be in areas of comparative advantage.

In developing local solutions, we need to consider further ways of breaking down organisational and geographical silos in order to determine the most effective way forward in addressing transport challenges. The experience from the Heathrow Area Transport Forum in bringing together stakeholders from statutory transport agencies, businesses and local communities active within a functional economic market area, but independent of any formal organisational structure in terms of spatial governance, may be helpful in this regard.

I hope this response is helpful. Please do let us know if you require any further information. I look forward to being kept informed about the second National Infrastructure Assessment as it progresses.

Yours Faithfully,



Valerie Shawcross CBE
Independent Chair, Heathrow Area Transport Forum