

EDDINGTON

A ROD FOR OUR BACKS?

The long awaited Eddington report: *Transport's Role in Sustaining the UK's Productivity and Competitiveness*, was released in early December. Disappointingly, there was little mention of railways; it was road charging that has grabbed everyone's attention, as Paul Clifton explains

After 18 months of study, the 366-page Eddington Report largely tells us what we already know. There were no big surprises; it reinforces current thinking.

But it brings road-user charging one step nearer. In Sir Rod's words, it is 'an economic no-brainer'. The Government's been saying that for the last four years, and the transport industry's been saying it for longer.

Still, it is a further indication that rail's business is going to grow steadily. Few doubt that forcing up the cost of motoring in peak commuting periods will encourage more people to try trains instead. But the report does not identify specific plans for increasing capacity. For that, we must wait for next summer's High Level Output Statement and Statement of Funds Available.

Eddington does not say whether public spending on transport should increase from the present level of 1.6 per cent of GDP. So the biggest question of all – how much we should spend to ensure a sustainable transport system for the long term? – goes unanswered.

'Do not be seduced by grand projects with speculative returns,' urges the report. 'Capacity enhancements other than roads often show relatively low returns. This, in part, reflects the very high cost of rail infrastructure projects.'

It says a number of schemes costing less than £1bn should be favoured over a new north-south, high-speed line – though it does, rather cautiously, endorse a need for Crossrail. 'There is a limit to what can be achieved by smaller scale, line-of-route upgrades,' counters Jim Steer of the high-speed pressure group

Greengauge 21. 'Schemes to remove bottlenecks will not handle the doubling of demand that is widely agreed to be expected by 2030.'

The Railway Forum calls the Eddington Report 'disappointing'. Its new director general, Paul Martin, refers to it as a missed opportunity: 'The forum is concerned at the lack of long-term vision, particularly concerning the role that high-speed rail could play. A new high-speed line could be built in stages.'

But the report emphasises that road charges alone will not cure congestion; considerable road widening and rail upgrades will continue to be necessary. A sustained, substantial level of investment is needed, particularly to the international gateways – air and sea ports.

'That's very welcome,' says Keith Gray of Freightliner. 'In 10 years' time there will be two million more containers arriving by sea. A fair proportion of them will come through Southampton. They will all be the higher 9'6" containers, and no one can accept the whole of that business going by road. In my view, the report shows again that upgrading the rail freight route out of Southampton is by far the most important rail investment for us.'

The Freight Transport Association agrees. 'Forty-five per cent of everything we spend on transport, we spend on moving goods rather than people,' comments James Hookham, the deputy chief executive. 'Protecting freight flows along our key trade routes should be a priority for government that cannot wait for the introduction of road pricing.'

Network Rail also claims the report made a

compelling case for increasing rail capacity. Chief executive John Armitt says: 'We have already predicted a 30 per cent growth in passenger numbers over the next 10 years. Eddington rightly proposes that each mode of transport pays for its own environmental impact in full. That would inevitably lead to higher costs for road and air, and therefore further strengthens the case for investment in the growth of the rail network.'

The rail unions are less enthusiastic in their praise. 'It has failed to recommend the massive increase in public transport capacity our economy and environment need,' says RMT general secretary Bob Crow. 'We need immediate go-ahead for Crossrail and a commitment to a new high-speed north-south railway – and a commitment that all road-pricing revenue is ring-fenced for investment in less polluting transport modes.'

The directing of road revenues into a separate transport fund is not mentioned by Eddington. He says that is a matter for government. But a separate pot, potentially containing £28bn a year, was supported by several environmental groups too. It seems unlikely. Successive governments have been unwilling to segregate large sums of money away from the general Treasury spending.

What may be the report's most significant recommendation comes well away from the headline-grabbing stories of motorists paying £1.30 a mile to drive to work. It concerns a reform of the planning system. Eddington says the Department for Transport has not taken a balanced view of all modes of transport. He says ministers should decide strategic objectives but transfer power to a new independent commission, which would then speed up the planning process on specific schemes.

This would require ministers to surrender a key authority with an impact on national spending. The idea draws support from transport organisations, which spend years battling to develop schemes only for the



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political climate to change, wasting millions of pounds. Examples include the proposed container port at Dibden Bay near Southampton, which jumped every planning hurdle only to be rejected by government against the advice of its own planning inspector. Likewise the A303 Stonehenge tunnel.

Within days there was a similar call from Kate Barker, a member of the Bank of England's monetary policy committee. She, too, wants a panel of experts to replace ministerial decisions over important but often unpopular public projects. She's thinking of nuclear power stations and incinerators, but the principle applies equally to transport infrastructure. She states what everyone knows: the current planning system is long-winded, bureaucratic and expensive, with inquiries that take years and decisions by government that are delayed until a politically-appropriate time.

But it seems unlikely that either ministers or the Treasury would be keen to give up such a significant part of their authority, particularly where schemes involve public funds, such as the £370m A3 Hindhead tunnel or M25 motorway widening. Would we be comfortable with the idea of removing our most controversial transport planning decisions from the hands of democratically elected politicians

for the sake of saving time and money? Campaigners say it would tip the scales clearly in favour of those seeking to develop our green and pleasant land.

To help commuters, Eddington calls for longer trains and platforms. He urges investment to ease pinch points on the network and new signalling to allow shorter headways between trains. But he gives no specific examples. He suggests rail unreliability can cost business some £400m a year.

The former British Airways boss also recommends that train operators copy airline pricing, with varying fares to encourage passengers to travel in the 'shoulder peak' and spread the most concentrated period of the rush hour. That's exactly what South West Trains has committed to in its new franchise and, to some extent, what First Capital Connect is doing by no longer accepting cheap day-return tickets in the evening rush.

So Eddington is recommending something that is happening anyway. 'If you choose to use a facility at peak time,' he says, 'you pay a peak price, the same as if you check into a hotel, go to the theatre or catch a plane.'

The Eddington report, really, is about roads. It has to be. Outside the London commuter zone – after the Netherlands and Luxembourg, the most densely populated region in Europe – rail is a niche travel market. With nearly nine out of 10 journeys made by road, Sir Rod's efforts are aimed primarily at reducing the long-term economic damage of road congestion. A five per cent reduction in journey time for all business travel, he calculates, would generate

£2.5 bn of cost savings. But public transport is ill-equipped to cope with more than a very small transfer by the number of people who drive to work.

Aslef says it will only support road user charging if the revenue is diverted directly into the rail industry. The Federation of Small Businesses and Transport 2000 also demand that the money should be ring-fenced for other transport spending, though one wants more roads and the other doesn't. FSB transport chairman Steve Collie says charges should only be applied to non-essential journeys, claiming three out of four firms believe there should be no increase in road taxation, and the same proportion do not agree with charging more to drive in peak times.

Will the report make any real difference? There was weary cynicism from Tom Winsor, the former rail regulator. 'In December 2004 I made a decision to allocate £22.2bn to Network Rail,' he told the BBC. 'But I came under enormous pressure from the Treasury not to do this. Even though to spend less would not have kept the railways in a steady state.'

'It is one thing to have the Government will. It is another to actually allocate the necessary resources, especially as transport planning takes longer than political planning.'

This is the eighth substantial report into the future of transport in Britain in the last 10 years. And how much really changed after each of the others?

Paul Clifton is transport correspondent for BBC South.