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Interim Chair
UK Infrastructure Commission

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Website: www.lbbd.gov.uk

Reference:

Date: 24 December 2015

Dear Andrew Adonis

National UK Infrastructure Commission call for evidence - London's transport infrastructure

Thank you for giving the London Borough of Barking and Dagenham the opportunity to provide our views on London's long term infrastructure needs. Barking and Dagenham is London's Growth Opportunity with the potential for 35,000 new homes and 10,000 new jobs over the next fifteen years but this is only possible with significant investment in transport infrastructure. Therefore please find at Appendix 1 the Council's response to the questions set by the Commission which we would be delighted to discuss further.

Yours sincerely

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Appendix 1

National UK Infrastructure Commission call for evidence - London's transport infrastructure

What are the major economic and social challenges facing London and its commuter hinterland over the next two to three decades?

- 1.1 London's population is forecast to increase to over 10 million people by 2030. Within this Barking and Dagenham's population is forecast to grow by 30% and is only second to Tower Hamlets in terms of population growth. It also has the country's youngest population. Barking and Dagenham is London's Growth Opportunity with the potential for 35,000 new homes and 10,000 new jobs by 2030. It is at the epicentre of the Royal Docks, Upper and Lower Lea Valley, London Riverside and Thames Gateway Growth Areas. The Council is committed to growth, to playing its role in London and delivering for its community. It has ambition and aspiration to become a destination of choice, where people stay and feel welcome.
- 1.2 The major economic and social challenges facing London over the next two to three decades are meeting housing need, access to jobs, health inequalities and ensuring people have the right skills to compete for tomorrow's jobs. As evidenced by the Marmot Review "Fair Society, Healthy Lives" these issues are interlinked.
- 1.3 Nowhere in London are these issues collectively more pronounced than in Barking and Dagenham. At the same time nowhere in London is there the scale of opportunity to address these challenges provided the right investment in transport and social infrastructure is secured.
- 1.4 The major issues for Barking and Dagenham are:
 - Ensuring 35,000 are delivered and that these are real homes for real people i.e. homes that people working in London can afford and chose to live in.
 - Ensuring that transport connections enable these people to access jobs in growth areas of Central London, Royal Docks and the Lower and Upper Lea Valleys.
 - Ensuring that new communities have the prerequisite social infrastructure and are designed to enable people to lead healthy lifestyles and access high quality lifelong learning opportunities to give them the skills and confidence to compete for London's jobs.
 - To deliver growth in a way which empowers people to do more for themselves whilst strengthening the institutions which support local communities. This includes ensuring the proceeds of growth are maximised to sustain vital local services.

- 1.5 If these issues are not addressed London's economy will suffer as businesses will not be able to attract employees as they will be priced out of the capital due to the double whammy of not being able to afford to either live in London or afford to commute into London from cheaper areas.
 - 1.6 There exists an opportunity to prove that London can still be a place where people on low to medium incomes can afford to live and chose to live; a city which still functions as a place; a smart place which embraces technology and real time data to enable people to live healthy and sustainable lives and to access lifetime learning opportunities; a place where development is designed to meet the needs of people of all ages, which foster social interaction, and where walking and cycling are the default options for short journeys. That place is Barking and Dagenham.
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What are the strategic options for future investment in large-scale transport infrastructure improvements in London – on road, rail and underground including, but not limited to Crossrail 2?

How should they be prioritised, taking account of their response to London's strategic transport challenges, including their impact on capacity, reliability, journey times and connectivity to jobs?

What might their potential impact be on employment, productivity and housing supply in London and the south east?

- 1.7 Improved transport infrastructure is vital to London's future global competitiveness.
- 1.8 The Council is concerned that the traditional cost benefit ratio using the WebTag business case methodology fails to capture the economic benefits of the development that new transport infrastructure can unlock. For this reason the Council considers that the Gross Value Added generated by new homes and jobs must also be taken into account.
- 1.9 The Council is also concerned that the focus on funding sources such as Community Infrastructure Levy and Tax Increment Funding can work against low value areas such as Barking and Dagenham. This results in transport investment being focused in high value areas where the proceeds of development are higher and where transport schemes rely less on Government funding. However this accelerates the delivery of unaffordable homes out of the reach of normal Londoners and frustrates the delivery of real homes for London's workers in affordable places like Barking and Dagenham. These are homes for workers on low and medium incomes who are vital for the functioning of London's economy. To address this, the Council as part of the

North East London Strategic Alliance, has been making the case for the devolution of stamp duty receipts to help fund strategic transport schemes and this should be considered in the Commission's review.

- 1.10 Therefore investment in large-scale transport infrastructure improvements should be prioritised taking into account not only how much growth they will unlock but what sort of growth, who ultimately will benefit from the investment? Investment in Barking and Dagenham will benefit Londoners as it will unlock the delivery of homes within reach of the average London worker enabling them to live near to where they work. Unlike higher value areas the investment is also more critical as other sources of funding are less readily available.
- 1.11 There are four large scale strategic transport improvements in London which Barking and Dagenham consider are crucial to the success of London's economy as they will unlock the 30,000 new homes planned in London Riverside and connect them to the 215,000 new jobs planned in Canary Wharf, Royal Docks and Upper and Lower Lea Valleys. These improvements will allow people living in these new homes to enjoy relatively short journeys to work thus addressing a major factor in London's poor productivity. They will also alleviate pressure on already overcrowded transport infrastructure which is harming London's economic competitiveness.
- Crossrail 2 eastern spur
 - Riverside Tunnel and Castle Green
 - Gallions Reach River Crossing and DLR extension to Barking Riverside
 - London Overground Extension from Barking Riverside to Abbey Wood
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Crossrail 2 eastern spur

- 1.12 There is a strong case for a Crossrail 2 eastern spur which clearly delivers significantly greater regeneration benefits than an extension to New Southgate.
- **Regeneration potential of London Riverside and wider Thames Gateway area** – Over 30,000 new homes and 10,000 new jobs are forecast to be delivered within London Riverside by 2030. This growth will inevitably lead to further pressure on already overcrowded rail services. Crossrail 2 would have a transformative affect on Barking Town Centre connecting Stratford which is East London's largest growth centre and the Thames Gateway which is the region's largest growth corridor. It is clearly an anomaly that as it stands neither London Riverside or Thames Gateway Essex is due to be served by Crossrail.
 - **Supporting population and employment growth** – In TfL's own sensitivity testing of route options for population and employment growth, it

was suggested that a Crossrail 2 eastern branch option could generate 52% of all population growth and 79% of all jobs growth in the Greater London Authority (GLA) area between 2031 and 2041 (equating to some 100,000+ extra people and 85,000+ additional jobs in that period). Whilst the borough's proposals for a Barking Town Centre Housing Growth Zone would deliver 5000 new homes over the next ten years ultimately Crossrail 2 could provide a catalyst for double this in the longer term. Moreover beyond the sites currently indentified in the London Riverside Opportunity Area Planning Framework, Crossrail 2 could reshape the industrial areas along the line by raising land values and transforming the prospects for new jobs and homes in areas currently undervalued and underutilised. These areas include Rippleside and parts of the Ford estate. The economic case for an eastern spur to Crossrail 2 is therefore extremely strong.

- **Benefits for passengers and train operations** – After Stratford, Barking is the best connected town centre in East London so it makes sense for it to be served by Crossrail 2. An eastern spur would transform Barking by providing an interchange between rail services from London Riverside and the Thames Gateway Essex growth areas. An eastern spur would provide, for people travelling from London Riverside and the Thames Gateway Essex growth areas, an interchange between Crossrail 1 and 2 services at Stratford a link to High Speed 1 and 2 at Euston St Pancras and interchange onto London Overground and London Underground services at Barking. Network Rail's long term demand projections indicate an increase in peak hour passenger demand in the range of 24% - 46% on services into London Fenchurch Street station to 2043.

- 1.13 The London Boroughs of Hackney, Newham and Havering and Essex County Council, have recently commissioned a joint study to explore the feasibility of an eastern Crossrail alignment and to present an outline business case for its development. It is the intention that the study, due to be completed by the end of February 2016, will provide a sound basis for further discussions with the Mayor of London, TfL and other relevant stakeholders.
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Riverside Tunnel and Castle Green development opportunity

Background

- 1.14 The Roads Task Force Commission (RTF) was set up by the Mayor of London in 2012 to tackle the challenges facing London's streets and roads. This independent body brought together a wide range of interests and expertise, united in the belief that the Capital needs a long-term strategy for roads and a commitment to major investment in street management and urban design. The RTF report, published in July 2013, sets out a vision of how London can cope with major population growth and remain one of the most vibrant, accessible and attractive world cities.
- 1.15 Based on experiences of other major cities across the world it recommended undergrounding roads to reduce traffic congestion and attendant impacts and enable regeneration. In response the Mayor and TfL considered more than 70 locations across the capital for tunnels, flyunders and decking. In February 2015 the Mayor identified the A13 tunnel, between Lodge Avenue and Gale Street, as one of the top 5 locations for further feasibility. In developing business cases for these five tunnels the A13 was identified as most feasible and is now TfL's preferred scheme. TfL see this as a demonstration project with potential for application across London. It is untenable not to deal with the problems of air quality, severance and blight and inefficient land use that surface trunk roads cause across London.

Benefits

- The Riverside Tunnel unlocks land for over 5000 new homes and 1000 jobs on a development site known as Castle Green. These are additional homes to those identified in the London Plan and therefore help bridge the capacity gap the Mayor needs to cover between housing need and supply.
- This is the most prominent site in Barking and Dagenham, 100,000 vehicles pass it each day as well as thousands of commuters on the trains into and out of London. They form their image of the borough and East London from this site. The tunnel unlocks redevelopment enabling old, tired and eyesore industrial buildings to be replaced with modern visually stimulating development providing a fitting gateway to the 16,000 new homes planned at Barking Riverside, Thames Road and Creekmouth, 5000 at Barking Town Centre and 3500 at Beam Park and Ford Stamping Plant, enhancing values and increasing viability of development in these locations.
- The A13 is one of the 5 most polluted roads in London and breaches EU limits. The tunnel would be fitted with filtration system to remove pollutants significantly enhancing air quality for communities either side.

- The Riverside Tunnel overcomes the severance caused by the A13 which is a monumental psychological and physical barrier separating communities north and south and enables public transport to run between them.
- It improves journey times by removing the Renwick Road lights and Lodge Avenue flyover bottlenecks and improves resilience as the Lodge Avenue flyover is an accident hotspot and common location for breakdowns

Business case

- By 2036, more than 40% of East London's housing and 60% of jobs growth are due to be delivered within 2 miles of the A13 and the DP World port and logistics park continues to grow.
 - The Tunnel will cost £700m to construct and £260m to acquire land at today's prices. There is the potential for Community Infrastructure Levy, New Homes Bonus, road user charging and land value uplift to cover a significant proportion of the tunnel cost. This proportion could increase if stamp duty is devolved. The majority of the tunnel cost therefore is directly generated by the tunnel itself and would not be available otherwise.
 - Over the 60 year appraisal period using TfL's London Value of Time (VoT), the net present value (NPV) of the tunnel scheme is estimated at £617m due to journey time savings. These are highest for journeys of 20km plus which is why there is support from Essex MPs and it also has a positive impact for freight from Essex including London Gateway. The Riverside Tunnel generates a Gross Value Added of £791m due to the additional jobs and homes it unlocks.
 - In a 'with development' scenario, the scheme has a Benefit Cost Ratio of 1.85 representing "medium" value for money. However this doesn't account for the wider regeneration and strategic benefits that this development would unlock for London, which would include thousands of much needed homes.
 - This is not radical. It has been done in Oslo, Paris, Madrid, Boston and many other cities but it will be first of many in UK. TfL will use tunnelling expertise from major projects such as Crossrail and TfL is committed to CPO powers to assemble land at Castle Green.
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Gallions Reach River Crossing and DLR extension to Barking Riverside London Overground Extension from Barking Riverside to Abbey Wood

- 1.16 Following the Mayor of London's decision in 2009 to abandon the Transport and Works Act for the Docklands Light Railway Extension from Beckton to Dagenham Dock the Council has worked hard with Transport for London to secure the future of the 10,800 homes at Barking Riverside by progressing the London Overground Extension as an alternative. This extension also provides passive provision for a station at Renwick Road to serve the 5000 new homes planned at Castle Green.
- 1.17 The Transport and Works Act (TWA) application for the London Overground Extension from Barking Station to Barking Riverside is due to be made in 2016 and the service is due to be operational in 2020. The S106 for Barking Riverside does not allow more than 1500 homes to be occupied until the TWA is authorised. Therefore the London Overground extension unlocks 9300 homes. However there exists capacity for a further 10,000 homes on former industrial land around Barking Riverside but this requires further transport improvements to unlock it. The Council considers that there remains a strong business case for extending the Docklands Light Railway across the River Roding to supplement the London Overground Extension and to deliver a further 10,000 homes.
- 1.18 Transport for London recognise this and as part of the current consultation on River Crossings have put forward a number of options for future extensions of the DLR including options across the River Roding to either Barking Riverside or Barking.
- 1.19 This would provide a convenient link to the 1000s of new jobs planned at the Royal Docks and the Crossrail Station at Custom House as well as potentially provide a link to growth areas south of the River and allow the London Riverside and Royal Docks Opportunity Areas to be planned and to function as one integrated growth zone.
- 1.20 The Mayor's Infrastructure Plan and his recent publication "Connecting the Capital" supports the proposal for a further extension of the London Overground line from Barking Riverside to Abbey Wood Crossrail Station. This is the missing link in the Mayor's aspiration to create a London orbital railway and would unlock the growth potential of the Thamesmead and Bexley Opportunity Area which has capacity for 21,500 homes and 8,500 jobs and also provide a convenient link from Barking and Barking Riverside to the Abbey Wood Crossrail Station.
- 1.21 Collectively the London Overground Extension with new stations at Renwick Road and Barking Riverside with an interchange at Abbey Wood and a DLR Extension to Barking Riverside and potentially Dagenham Dock would serve

50,000 new homes a similar number of homes to those planned in the Upper and Low Lea Valleys combined.
