

**Board**

**Date: 23 May 2018**

**Item: Annual Update on the Mayor's Transport Strategy**

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**This paper will be considered in public**

## **1 Summary**

- 1.1 This is the first annual update to the Board on the new Mayor's Transport Strategy. It sets out the latest position on the delivery of the strategy and the mechanisms we are putting in place to embed it in our business processes. The paper also highlights the significant challenges facing London and requests the Board's views on how these can be addressed in the formulation of next year's Business Plan and associated activity.

## **2 Recommendations**

### **2.1 The Board is asked to:**

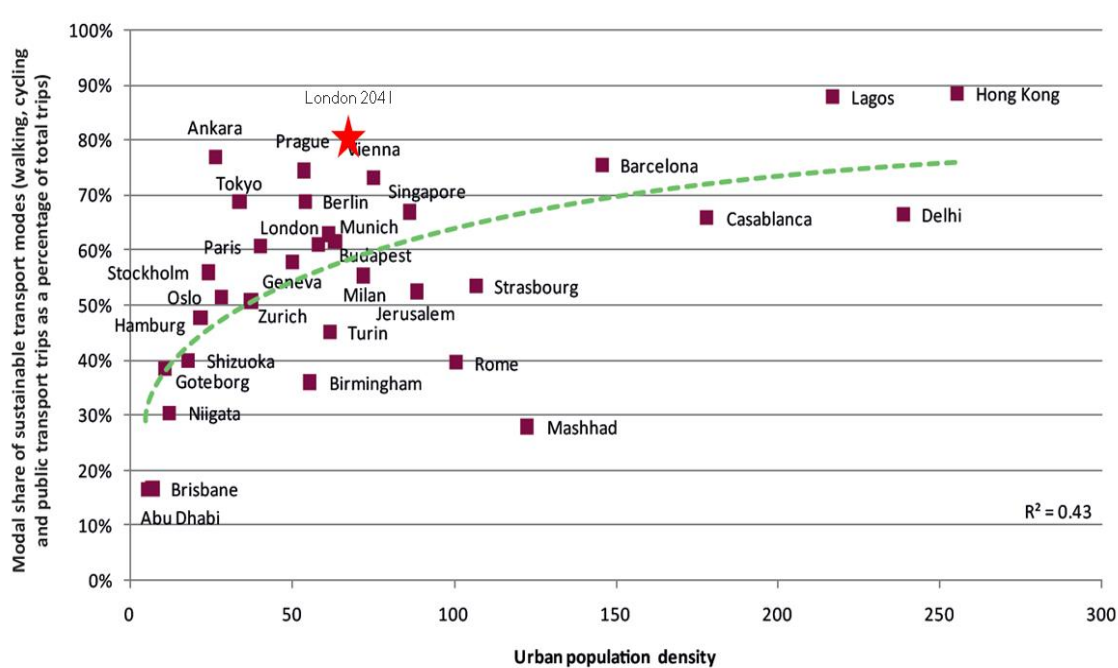
- (a) note the paper with regard to the formulation of next year's Business Plan;**
- (b) note the steps TfL is taking to secure the required funding for delivery of the strategy and that further effort will be required ahead of Spending Review 2019;**
- (c) agree that a similar update should be provided each year, at around this time, in order to help inform the planning round for the following year's Business Plan; and**
- (d) agree that quarterly updates should be provided to Board's Committees and Panels, as outlined in Figure 2 in this paper.**

## **3 The Mayor's Transport Strategy**

- 3.1 The Mayor's Transport Strategy was published for consultation in July 2017 and in final form in March 2018. The consultation demonstrated that the approach set out in the strategy was welcomed by the majority of stakeholders, including the London boroughs, the transport industry, and notably the health sector. Over 6,500 responses were received including almost 500 from stakeholders, with support for the strategic policy direction established in the document and a desire to see it delivered.

- 3.2 The strategy makes clear the success of London's future transport system relies upon reducing Londoners' dependency on cars and aims to increase walking, cycling and public transport mode share from the current 63 per cent to 80 per cent by 2041.
- 3.3 There has been a 12 per cent mode shift to sustainable modes (from 51 per cent to 63 per cent), since TfL was formed in 2000 and this is significant. However we should not underestimate just how ambitious this further mode shift to 80 per cent is. At 80 per cent, London would have the highest mode share of any city of comparable land use density, as shown in Figure 1, below:

**Figure 1: Mode share and density of selected cities (Source: UITP)**



### Delivering the Strategy

- 3.4 The challenges of delivering mode shift will vary between central, inner and outer London. Traffic dominance and overcrowding on pavements and public transport need to be addressed in central London to support economic growth. In inner London, an often hostile street environment needs to be addressed as well as provision of kerbside access for freight, accommodating buses and cycling and overcrowding on tube and rail. In outer London, lack of public transport links, road danger (particularly speed related) and increasing use of vans for home delivery are key issues. Therefore investment priorities to achieve a shift to sustainable modes of transport will also vary by area.
- 3.5 Delivery of the strategy commenced in TfL's current Business Plan and this covers the next five years. Beyond this our initial estimates are that it will require on average capital investment by TfL and others of around £3.3bn a year over the next two decades. This level of capital investment is greater than TfL's current anticipated income for capital investment and will be a focus for future work.

- 3.6 In terms of prioritising resources, we have focussed our business planning process on the Mayor's Transport Strategy. This is effectively in two levels:
- (a) prioritisation between investment portfolios – for example, greater funding has been allocated to the Healthy Streets portfolio; and
  - (b) prioritisation within investment portfolios – for example, step-free programme has been prioritised within the Tube programme.
- 3.7 Significant work has been undertaken to ensure the aims of the Mayor's Transport Strategy are clearly understood and embedded across the organisation. Assigning the outcomes to the relevant portfolio and programme boards will ensure we track progress against the outcomes they are delivering. Every project will need to express its contribution to Mayor's Transport Strategy outcomes in terms of specific, measurable benefits.
- 3.8 TfL is now embedding the strategy in our business processes by developing indicators, assigning these to portfolio boards, monitoring progress and ensuring benefits are realised. It has already taken steps to re-prioritise the current Business Plan to deliver programmes to support the aims set out in the Mayor's Transport Strategy.
- 3.9 In terms of this years delivery, we have adjusted our annual scorecard to reflect the Mayor's Transport Strategy (see TfL Board paper '2018/19 Scorecard', 20 March 2018 meeting). The scorecard tells us within year whether or not we are on track to fulfil our delivery commitments. Specific changes of note in this year's scorecard, include new measures covering mode share, step-free access and Healthy Streets scheme assessments. We have been mindful that the scorecard works best if it is focussed on things directly within TfL's control. So measures that are likely to be influenced by external changes (eg in the economy) are less suitable for the scorecard.
- 3.10 It is also essential that we understand the broader picture – of how London is faring as a city in transport terms, with changes in the overall levels of travel demand, population and economic growth, shopping and leisure travel trends, fuel prices and so on. This information, collated from broad and unlimited number of sources, is set out annually in our Travel in London report. Monitoring of these outcomes will inform annual adjustments of the TfL budget and Business Plan to ensure we remain on track to deliver the strategy.

## **4 Current Performance**

- 4.1 The strategy sets out where London should be in 2041. It provides the context for us to make decisions now about how we prioritise our resources to best make sure we are on track, whatever the current context and short term outlook, to achieve our longer term aims that are essential for London's success.
- 4.2 The information set out in this paper reflects evidence presented in annual Travel in London reports, which largely draws on data from the London Travel Demand Survey (LTDS). For the LTDS and some other data sources, there is a lag from when it is collected, analysed and validated to ensure it is representative. Other

key data, such as patronage of the various travel modes, are available more quickly, and can be used to construct quarterly indicators of progress and inform the business of trends at the earliest opportunity. This means that the latest results from the LTDS data may differ from more recent trends observed using other data sources. Work to collate the next Travel in London report, due to be published in late November 2018, is already underway.

- 4.3 The section of the report below summarises the current context as observed plus some modelled forecasts, and what action is proposed in the strategy. At the end of each section is a summary box and the colour of the border of this box is in effect a traffic light system of whether we are on or ahead of target (green), slightly off target or further acceleration is needed (amber), or behind target/going in wrong direction (red).

### Mode Share

- 4.4 The long-term trend of a shift to sustainable modes in London is consistent with the Mayor's Transport Strategy outcome of an 80 per cent sustainable mode share by 2041. However, in 2016, the trend of increasing relative public transport use, and decreasing relative car use, was interrupted, with a 0.5 percentage point swing towards car use. This primarily reflected static or falling patronage on the public transport networks alongside wider socio-economic conditions that favoured car use. The extent to which this trend persists remains to be seen. However, whilst intensifying the challenge of achieving the Mayor's Transport Strategy outcome, it is not, in the historic context, necessarily incompatible with the long-term Mayor's Transport Strategy outcome.

The recent decline in public transport trips should be seen in the context of current economic climate and changing retail trips. However, forecast population growth means to achieve mode shift we need to:

- deliver further significant improvements in public transport, walking and cycling as attractive alternatives to the car
- ensure new development is car-free or car-lite and is designed around walking, cycling and public transport
- support the boroughs 'traffic reduction strategies'

### Healthy Streets and Healthy People

- 4.5 **Active people:** The proportion of Londoners achieving the recommended daily active travel (of 2 sessions of walking or cycling for at least 10 minutes) has ranged from 30 per cent to 34 per cent over recent years, and the most recent results indicate it is now 31 per cent. The Mayor's Transport Strategy seeks to reach 70 per cent by 2041. Analysis indicates that the proportion of people who are active varies significantly by borough and it is generally higher among inner London than outer London residents, reflecting the more car dependent environment of outer London.

The future focus needs to address car use for short journeys that can be done on foot, by cycle and by public transport, for example by:

- Delivering the Healthy Streets portfolio of investments to support regular sustainable choices eg a better walking environment linked to more regular bus trips etc
- Promoting the benefits of walking and cycling, particularly in locations where infrastructure improvements are being made and targeting key audiences e.g. school children
- Encouraging boroughs to develop policies, such as parking restrictions, which reduce the attractiveness of cars for short journeys

4.6 **Vision Zero for road danger:** Fatalities in 2016 in London were at their lowest level ever – at 116, and the overall downward trend visible in recent years continued. The same was true for persons killed by, or travelling on, a bus. The number of slight casualties also fell significantly amongst motorcyclists. Despite these positive trends, pedestrian casualties increased, in particular those involving cars and motorcycles. On the rail networks, 2016 of course saw the tragic Sandilands tram derailment, in which seven people lost their lives and 19 were seriously injured. Nevertheless, the continuing falling trend in fatalities and serious injuries to those travelling on London Underground was in line with the reducing trend seen over recent years.

Reducing road danger and improving public transport safety remain priorities. We are developing a comprehensive Vision Zero Action Plan for publication this summer and this will include proposals to:

- Implement 20mph limits in central London as a priority, with implementation being widened across inner and outer London as soon as is practicably possible
- Deliver transformational Healthy Streets schemes at high risk locations
- Introduce the direct vision standard for lorries and bus safety standard

4.7 **Efficient use of street space:** London's roads are already some of the most congested roads in the UK. Peak traffic speeds are currently little more than 10 kph in central London and 25-30 kph in outer London. In this context, any increase in traffic levels can be expected to increase congestion and threaten London's economy, increasing costs for freight and servicing trips, and delaying bus users further.

4.8 It is therefore of concern that overall road traffic volumes in London increased by 1.6 per cent in 2016. This is only the second year this has happened since 2000. There was significant variation across London, and in central London traffic was down by 0.9 per cent, despite significant recent growth in the numbers of licensed private hire vehicles here; in inner London it was up by 0.9 per cent, and in outer London it was up by 1.9 per cent. There was a decline in HGV kilometres across

London, offset by an increase in van traffic in outer London. We know that further action to manage demand and offer genuine transport choices is required beyond our Business Plan. Without action traffic levels could rise further across much of London. A new measure is under development to reflect the efficient use of road space, taking into account the throughput of cyclists and bus passengers, alongside general road traffic.

The increase in traffic volumes is a cause for concern and threat to London's economy. To ensure efficient use of street space, we need to:

- Continue to work with business to reduce and retime deliveries in central London from the morning peak
- Deliver the £2.2bn Healthy Streets programme and promote walking and cycling, and focus on revival of bus use
- Support borough 'traffic reduction strategies'

- 4.9 **Air quality and zero carbon city:** Emissions of NO<sub>x</sub> from road traffic were down by eight per cent in 2016 against 2015. The equivalent reduction for PM<sub>10</sub> was 0.4 per cent, the relatively smaller proportionate reduction reflecting the now very small contribution to road traffic emissions from vehicle exhausts to ambient levels of this pollutant (the large majority – 88 per cent – arises from tyre and brake wear and resuspension, which are not currently addressed through technical measures). Continued reductions to NO<sub>x</sub> and PM<sub>10</sub> are required to achieve legal air quality limits and wider public health goals. CO<sub>2</sub> from road traffic reduced by 0.7 per cent in 2016, in this case technical improvements in the fuel efficiency of the vehicle fleet were partly offset by the increase in road traffic levels referred to above.

Continued progress is required to achieve legal air quality limits. We need to:

- Introduce the Ultra Low Emission Zone (ULEZ) and plan for Zero Emission Zones (ZEVs)
- Deliver on street rapid and other charging infrastructure for electric vehicles, working with the private sector to develop further roll out
- Electrify the bus fleet, procuring only zero-emission buses from 2025

## **A good public transport experience**

- 4.10 **Public transport capacity and connectivity:** Both public transport capacity and connectivity showed small-scale incremental improvements in 2016. The opening of the Elizabeth line from late 2018 will result in a step-change improvement in these measures. However, crowding is still a significant issue. Currently about 40 per cent of Tube passenger kilometres travel on links with more than four passengers standing per square metre. With the currently funded schemes only, this would increase to over 55 per cent by 2041. Furthermore, the increased crowding would be felt by the early 2020s. With the funded programme alone, the

Elizabeth line will relieve crowding on National Rail services in the short term, but by the mid 2020s crowding will have returned to current levels. On the Tube, the funded programme is not able to provide relief (network-wide) from increased crowding. These impending levels of overcrowding are not therefore problems that will take a long time to manifest but rather a prospect that demands solutions begin to be implemented within the next few years.

It is essential we continue to deliver the programme set out in the Mayor's Transport Strategy, focussing on:

- Completing the modernisation of the entire Tube network by completing the digitalisation of the District, Circle, Hammersmith & City and Metropolitan lines and starting the Piccadilly line upgrade as part of the upgrade to the Piccadilly, Central, Bakerloo and Waterloo & City lines
- Delivering the further infrastructure identified in the Mayor's Transport Strategy vision: Crossrail 2, London Suburban Metro, Bakerloo line extension and other opportunities for better connectivity
- Reshaping the bus network and developing new bus services

- 4.11 **Accessibility and inclusivity:** The additional time to make journeys if using just the step free network as opposed to the whole public transport network was, on average, 11 minutes (or 14 per cent) in 2016. The Mayor aims ultimately to reduce this to zero. Whilst the mode shares of mobility-impaired travellers were not dissimilar to the mode share for all Londoners, the trip rate (average number of trips per person per day) was substantially lower, at 1.67 compared to 2.22 – this also at least partly reflecting wider societal disadvantage. In terms of perception of travel experience, around 50 per cent of disabled respondents agreed with the proposition that 'TfL is making it easier for disabled customers to get around'.

We are investing £200m in step free stations and the Elizabeth Line will transform the accessibility of Central London for older and disabled Londoners. For all Londoners to be able to travel spontaneously and independently, we need to continue making improvement to:

- Customer service and journey planning information – including pressing for transfer of local rail services to TfL so that turn up and go is available on these routes
- Step-free programme and the modernisation of the Tube and new infrastructure such as Crossrail 2
- Improved bus services, especially in outer London

- 4.12 **Public transport reliability:** There were particular issues in 2016 with bus reliability – primarily reflecting construction activity on the road network (much of which has now been mitigated), however in 2017/18 we have improved bus reliability and journey times. This has helped to stabilise passenger numbers compared to the declines seen in the past three years. Bus services are now

more reliable than they have ever been, and bus speeds, which suffered significant decline, have now stabilised and are improving. There is a combination of drivers behind these improvements, including changes to signal timings to prioritise buses and continued investment through the Bus Priority Programme (BPP).

- 4.13 The BPP has delivered over 135 schemes, 80 per cent on borough roads, in 2017/18 alone. Together, these programmes have delivered a 10 per cent reduction in bus delay (compared to the situation without these interventions) in the morning peak. Our overall target in terms of minutes of bus delay avoided has been achieved, however certain borough-led bus priority schemes have under-achieved, owing to a lack of borough design resources. TfL's Bus Priority Programme team has provided resources to work alongside boroughs to mitigate delays where applicable.
- 4.14 There were prolonged construction projects and industrial disputes affecting the National Rail network in London however, and some of this will have fed through to lower patronage on TfL networks.

Increasing traffic levels pose a threat to bus speeds, undermining their competitiveness with the car. We need to focus on:

- Improving bus priority on the busiest passenger links (redesigning streets to prioritise buses alongside walking and cycling)
- Reviewing all bus lane hours of operation
- Improving bus priority in town centres, growth areas and on links to new services such as the Elizabeth line

- 4.15 **Customer service quality:** The data sources underpinning statistics of crowding and customer satisfaction are currently undergoing review. However, static or reducing patronage, coupled with incremental service/capacity improvements, are thought to have combined to give a broadly stable position in 2016.
- 4.16 Sixty per cent of Londoners agree that "TfL is an organisation I can trust", placing us third in our benchmark group, just behind the NHS and Amazon. Forty seven per cent agree that "TfL cares about its customers". Over 40 per cent of Londoners agree that 'TfL provides value for money', a new high for this measure<sup>1</sup>.

Continuing to improve TfL's value for money and customer care ratings is important in convincing more Londoners to switch from car to public transport, walking and cycling. We need to focus on:

- Providing a good whole journey experience by improving the design and layout of street space at interchanges
- Adopting a Vision Zero approach for public transport safety
- Improving customer service including through innovation and technology

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<sup>1</sup> This paragraph was amended after publication of the papers to remove some draft and duplicated text.



## **New Homes and Jobs**

- 4.17 **‘Good Growth’**: Without transport investment to unlock areas for housing, London would simply be unable to house its growing population. A shortage of housing raises living costs and reduces quality of life, with people having to live in overcrowded or unsuitable homes. Overcrowding is rising in London, but falling nationally. The biggest supply gap is in the lower market value (less than £450 per square foot). Ninety per cent of new residential units in London are flats.
- 4.18 TfL has an ambitious programme for the development of 10,000 new homes on its land by 2021, with at least 50 per cent of those homes being affordable housing. In 2017-18, TfL Commercial Development brought sites to the market with the capacity to deliver around 3,500 new homes in highly accessible locations. These are expected to be developed by 2021 and will deliver just over 50 per cent of the dwellings as affordable housing.
- 4.19 As well as damaging quality of life and increasing the cost of living, housing supply constraints can deter people from living and working in London, meaning a constrained housing supply also signifies lost economic potential. Three quarters of businesses consider housing a threat to the economy.
- 4.20 New processes are being put in place to monitor the development of London’s Opportunity Areas – to ensure that development embodies the principles of ‘Good Growth’. These will be described in the next Travel in London report. Similar processes are being put in place to track the delivery of housing on TfL land, with the target that at least 50 per cent of this will be affordable.

The target of building 65,000 additional homes in London each year is dependent on increasing the capacity of the existing system and on providing new infrastructure. Any delay in transport investment risks missing this target. We need to press on with the development and planning for schemes which are necessary to unlock areas for housing including:

- Crossrail 2
- Bakerloo line extension
- Elizabeth line, DLR, Overground and tram extensions

## **5 Developing our Business Plan**

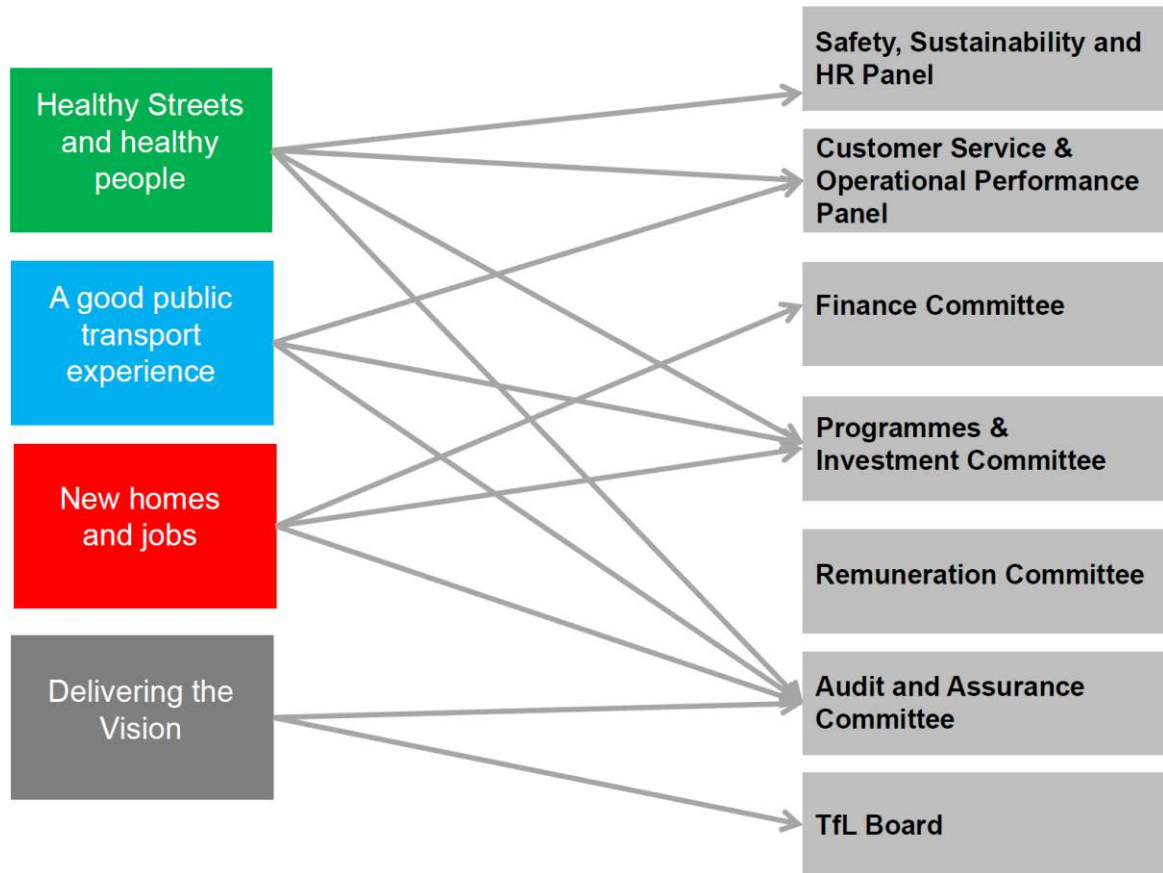
- 5.1 As we develop next year’s Business Plan we will ensure it will be focussed on making the best use of our operational and capital income to deliver the Mayor’s Transport Strategy. The analysis in section four provides an initial overview as to the areas and initiatives we need to prioritise. As an input into the Business Planning process, 2024 targets and current forecasts for key indicators for each outcome are being produced. These will help guide the prioritisation decisions to form the new Business Plan.

- 5.2 We also need to build support from Central Government for the case for funding investment in London and are in conversation with the Department for Transport in regard to the proposed creation of a Major Road Network to ensure Vehicle Excess Duty paid by Londoners is invested in London's roads and also looking ahead to the next Spending Review.
- 5.3 We have also provided information to help the National Infrastructure Commission prepare its National Infrastructure Assessment, expected to be published in July 2018 and to recommend priorities for investment to HM Treasury. We have set out the need for investment in London's infrastructure and the significant threats to the economy from both crowding and congestion from a lack of further investment beyond what is currently funded.
- 5.4 Our analysis strongly suggests that the levels of overcrowding and congestion are not problems that will take a long time to manifest, but rather a prospect that demands solutions being implemented within the next few years. It is also clear that any delay in investment would damage London's competitiveness and thus reduce economic growth in the city and country as a whole.
- 5.5 We are now preparing to undertake a more detailed assessment of the economic benefits of the strategy and the consequences of delay. This analysis will culminate in spring 2019 as our contribution to the Government's comprehensive spending review, 2019. The Board will be kept informed as this work progresses.

## **6 Role of the Board in Delivering the Strategy**

- 6.1 It is clear that there are significant challenges for TfL in delivering the Mayor's Transport Strategy. This annual update is to the whole Board and is intended to help shape future planning priorities and update on progress. The support and guidance of the Board will be critical in making sure we make the best use of our resources, for example as we consider the challenges and issues described in this paper as we go through the current business planning round.
- 6.2 In addition, the Board's Committees and Panels will play an important role in actively monitoring elements of the delivery of the Mayor's Transport Strategy. The format and content of the Committee and Panel papers has been reviewed to ensure that all of the Mayor's Transport Strategy outcomes are allocated to a Committee or Panel. Future quarterly reports will cover the relevant area of the strategy as proposed in Figure 2.

**Figure 2: Proposed allocation of elements of Mayor's Transport Strategy to TfL's Committees and Panels**



**List of appendices to this report**

None

**List of Background Papers**

Mayor's Transport Strategy – March 2018  
TfL Business Plan  
TfL Board paper '2018/19 Scorecard', 20 March 2018

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