

# A Strategic Investment Plan for the South East

## **Summary**



# Introduction

Transport for the South East (TfSE) is the Sub-national Transport Body for the South East of England.

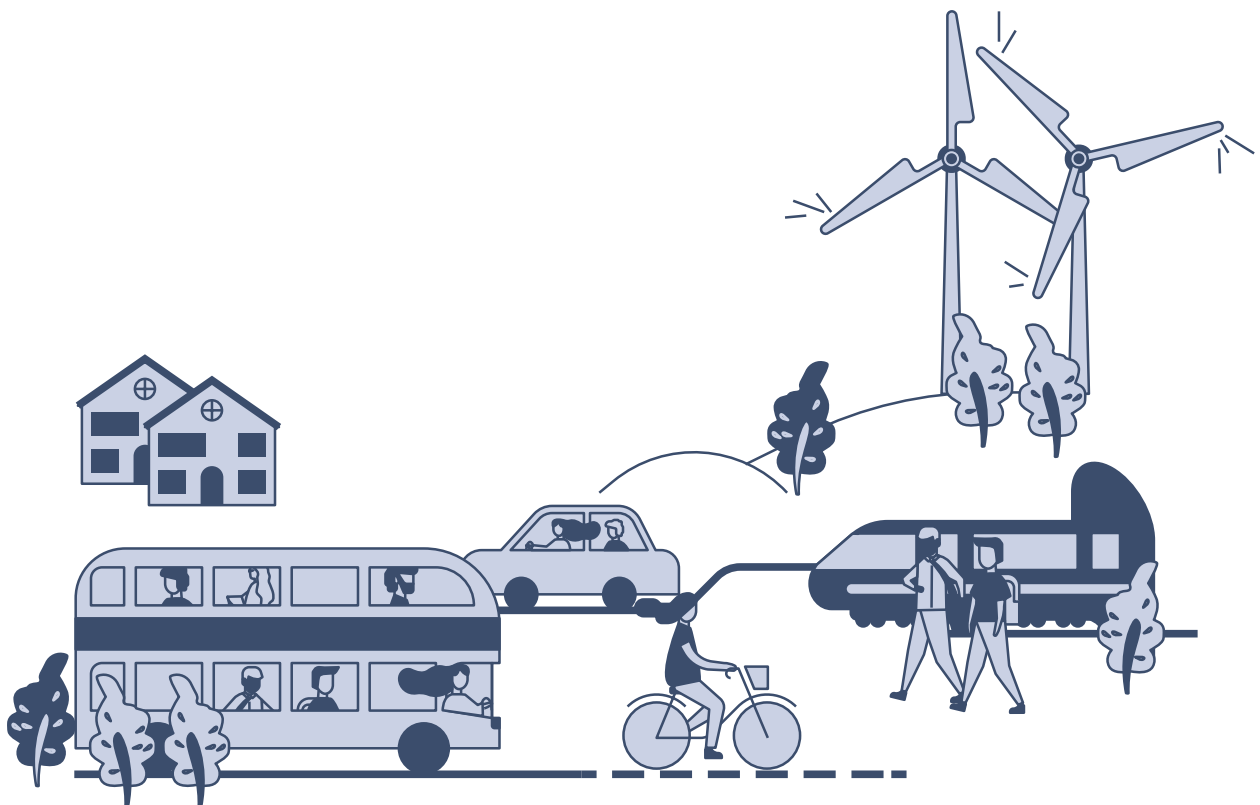
TfSE works across boundaries, thinks long term and advocates for bold action in the interest of its communities.



We were established in 2017 to determine what transport infrastructure is needed to boost the region's economy.

Our role is to add strategic value to local and national decision making and project delivery by making sure funding and strategy decisions about transport in the South East are informed by local knowledge and priorities.

As a partnership, we also ensure there is close alignment – a 'golden thread' – between local and national government in both the development of relevant policy and delivery of projects. For example, between local transport plans and national rail investment strategies.



# Transport Strategy Vision

**By 2050, the South East of England will be a leading global region for net-zero carbon, sustainable economic growth where integrated transport, digital and energy networks have delivered a step-change in connectivity and environmental quality. A high-quality, reliable, safe and accessible transport network will offer seamless door-to-door journeys enabling our businesses to compete and trade more effectively in the global marketplace and giving our residents and visitors the highest quality of life.**

Taken from TfSE's Transport Strategy (2020)

## The vision is underpinned by three strategic goals:



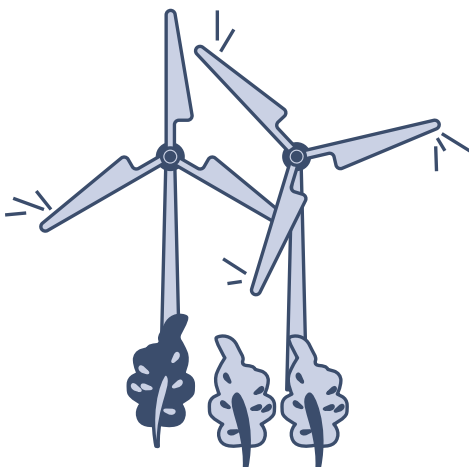
### **Economic**

Improve productivity and attract investment to grow our economy and better compete in the global marketplace;



### **Social**

Improve health, safety, wellbeing, quality of life and access to opportunities for everyone; and



### **Environmental**

Protect and enhance the South East's unique natural and historic environment.

# The Strategic Investment plan

We are delighted to introduce our Strategic Investment Plan (SIP) for South East England, which provides a framework for investment in strategic transport infrastructure, services and regulatory interventions in the coming three decades.





This plan provides a framework for delivering our Transport Strategy, which:

- is a blueprint for investment in the South East;
- shows how we will achieve our ambitions for the South East;
- is owned and delivered in partnership;
- as set out in the legislation to establish sub-national transport bodies, this document is intended to provide advice to the Secretary of State for Transport;
- is a regional plan with evidenced support, to which partners can link their own local strategies and plans – a golden thread that connects policy at all levels;

- provides a sequenced plan of multi-modal investment packages that are place-based and outcome-focused; and
- examines funding and financing options.

This plan presents a compelling case for action for investors, including government departments – notably the Treasury and Department for Transport (DfT) – as well as private sector investors. It is written for and on the behalf of the South East’s residents, communities, businesses and political representatives.

# The Size of the Prize

TfSE's Economic Connectivity Review identified opportunities to significantly grow the economy in the South East.

With the right investment and policies, this study found there is potential to more than double the South East's GVA to **£500bn a year** by 2050.

This growth will not come from transport alone, but transport will be an important part of the jigsaw and an enabler of growth in other sectors.

Realising this opportunity will require an integrated approach to investment and delivery.

It will require working across institutional, sectoral and spatial boundaries.





With a total capital cost of **£45 billion** over 27 years – about **£1.5bn a year** – delivery of the interventions in this plan could deliver:



**21,000 additional  
new jobs**



**An additional  
£4bn in GVA each  
year by 2050**



**1.4 mega tonnes  
less CO2 equivalent  
emitted**

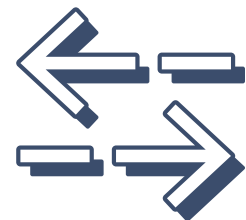
Delivery of the interventions would see each weekday:



**500,000 more  
rail trips**



**4 million fewer  
car trips**



**1.5 million more  
trips by bus, mass  
transit and ferry**

## **How the plan was developed**

This plan represents the culmination of five years of technical work, stakeholder engagement and institutional development.

This plan is aligned with and supports wider policy and government priorities at multiple levels and across multiple transport modes.



It is underpinned by a credible, evidence-based technical programme that has enabled TfSE and our partners to:

- understand the current and future challenges and opportunities in the South East;
- identify stakeholder priorities for their respective areas of interest;
- evaluate the impacts of a wide range of plausible scenarios on the South East's economy, society and environment;
- develop multi-modal, cross-boundary interventions;
- assess the impact of proposed interventions on transport and socio-economic outcomes; and
- prioritise the interventions that best address the South East's most pressing challenges and unlock the South East's most promising opportunities.

For more detailed information and a list of all documents that make up this credible, evidence-based technical programme view the full SIP at [www.tfse.org.uk](http://www.tfse.org.uk)

Within each package is a collection of well-considered interventions that seek to address the key investment priorities for the South East.



### **Decarbonisation and environment**

Accelerate decarbonisation of the South East, enabling the UK to achieve net zero by 2050 or sooner, and delivering a transport network better able to protect and enhance our natural, built and historic environments.



### **Adapting to a new normal**

Enable the South East's economy and transport systems to adapt sustainably to changing travel patterns and new ways of working and living as we learn to live with Covid and form changing trading relationships between the UK and EU.



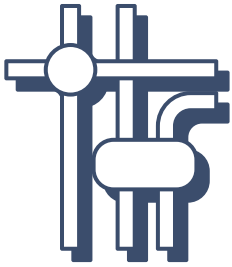
### **Levelling up left behind communities**

Deliver a more affordable and accessible transport network for the South East that promotes social inclusion, improves health and wellbeing, and reduces barriers to employment, learning, social, leisure, physical and cultural activity for all communities.



### **Regeneration and growth**

Attract investment to grow our economy, better compete in the global marketplace, and unlock regeneration and growth opportunities where this has been held back by inadequate infrastructure or poor integration between land use and transport planning.



### **World class urban transport systems**

Deliver world class and seamlessly-integrated, sustainable urban transport systems (rail, bus, tram, ferry, cycling and walking) for the South East's largest conurbations, to enable residents, businesses and visitors to travel easily and sustainably within and between built-up areas.



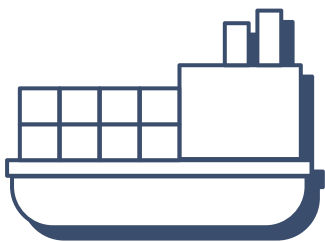
### **Transforming east – west connectivity**

Enhance our east – west corridors to same level as radial links to and from London to boost connectivity between our major economic hubs, the international gateways (ports, airports and rail terminals) and their markets.



### **Resilient radial corridors**

Deliver an increasingly reliable transport network that is smarter at managing transport demand, and more resilient to incidents, extreme weather and the impacts of a changing climate.



### **Global gateways and freight**

Enhance the capacity and contribution of the freight and logistics sector to the South East's economy through improved connectivity to Global Gateways and adapt to changing patterns of freight demand and trade.

## **Local and national policy context**

This SIP sits at the regional planning level, bridging the gap between national and local government.

This approach includes increasingly close alignment between the TfSE Transport Strategy and this plan with local transport plans to ensure individual community needs are well understood and that projects at every scale complement each other, avoiding waste and duplication of effort wherever possible.



## Wider policy context

### National



HM Government  
National Rail  
National Highways



Transport  
Decarbonisation  
Plan



Williams-Shapps  
Plan for Rail



Whole Industry  
Strategic Plan  
(WISP)



Road Investment  
Strategy (RIS)



Bus Back Better



Gear Change



Levelling Up

### Regional



Transport  
for the  
South East



Transport  
Strategy



Strategic Investment  
Plan (SIP)

### Local



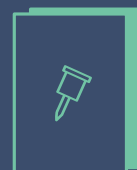
Local Cycling &  
Walking Improvement  
Plans (CLWIP)



Local Transport  
Plans (LTP)



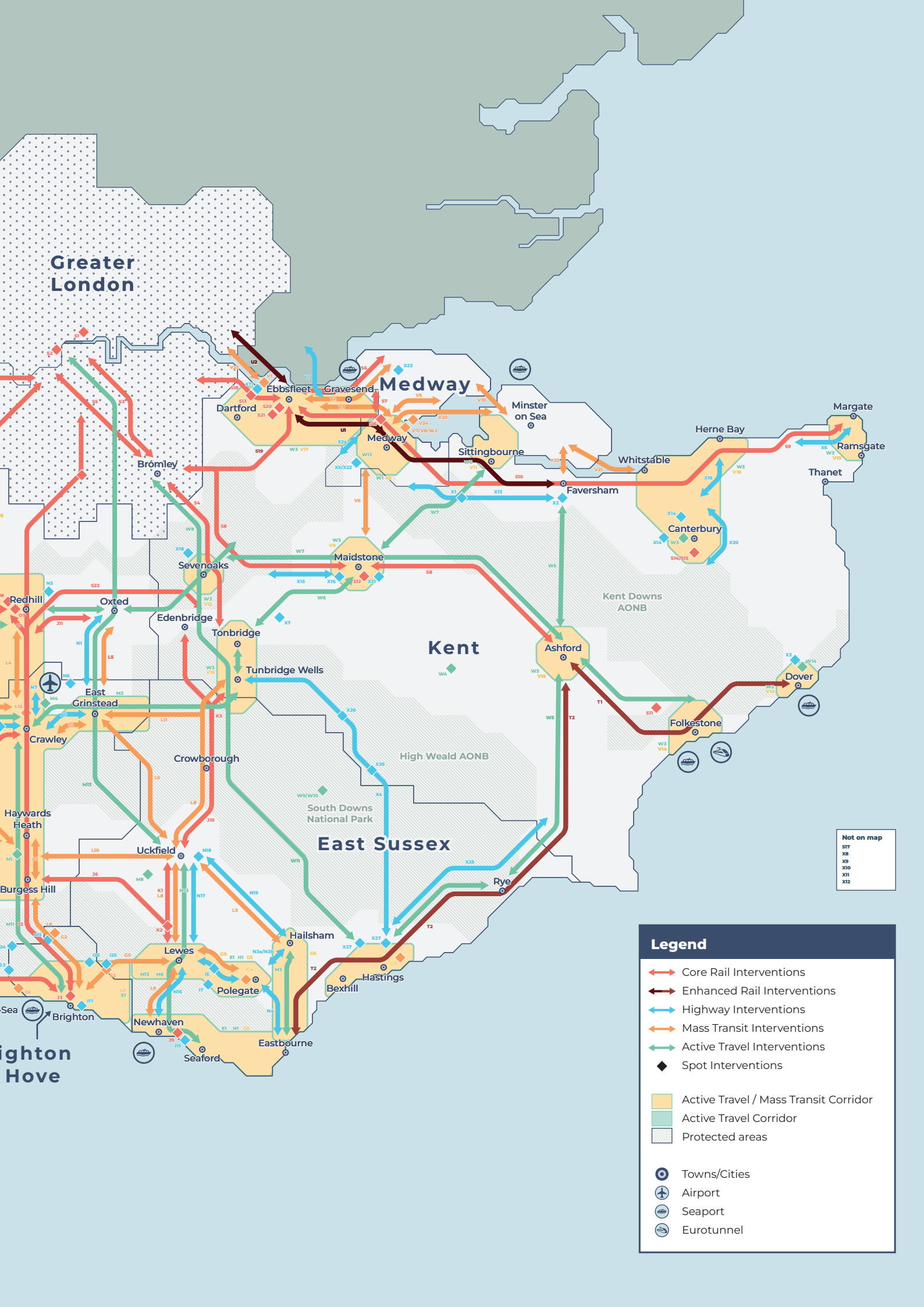
Bus Service  
Improvement  
Plans (BSIP)



Local Plans







Greater London

Medway

Kent

East Sussex

Brighton Hove

Not on map  
 S17  
 X8  
 X9  
 X10  
 X11  
 X12

**Legend**

- ↔ Core Rail Interventions
- ↔ Enhanced Rail Interventions
- ↔ Highway Interventions
- ↔ Mass Transit Interventions
- ↔ Active Travel Interventions
- ◆ Spot Interventions

- Active Travel / Mass Transit Corridor
- Active Travel Corridor
- Protected areas

- Towns/Cities
- ✈ Airport
- ⚓ Seaport
- ⚓ Eurotunnel

# Packages of Interventions

TfSE has worked with partners, stakeholders and technical advisors to develop 24 coherent packages of complementary, multi-modal interventions that aim to deliver on our vision and objectives for the South East.

This combination of strategic investments will allow TfSE to achieve its objectives and, in doing so, support wider local, regional and national policy and priorities.

The packages broadly split into two groups:

**I. Global policy interventions** consisting of national regulatory and policy activity and local action (four of which have been quantitatively assessed).

**II. 24 place-based packages** of interventions presented at a sub-regional level, with many being multi-modal or mode-agnostic.

For full details on the packages of interventions, view the full SIP at [www.tfse.org.uk](http://www.tfse.org.uk)



# 1. Global policy interventions

The global policy interventions are designed to address the challenges and opportunities that affect the whole of the South East and the wider UK. These include existential challenges such as global warming and opportunities such as new mobility technologies.

The key global policy interventions that would help deliver the investment priorities of the South East are:



## 1.1. Decarbonisation

We aspire to deliver a faster trajectory towards net-zero than current trends, including rapid adoption of zero-emission technologies, to avoid the worst effects of human-induced climate change.



## 1.2. Public Transport Fares

We wish to reverse the real-terms increase in the cost of public transport compared to motoring.



## 1.3. New Mobility

We see great potential for new mobility (e.g. electric bikes and scooters) to boost active travel in the South East.



## 1.4. Road User Charging

We encourage the UK government to develop a national road user charging system to provide an alternative source of funding to fuel duty and to help manage demand in parallel to integrated local measures.



## 1.5. Virtual Access

The past two decades, amplified by the global Covid pandemic have shown how virtual working can help reduce demand for transport services.



## 1.6. Integration

We wish to see improvements in integration across and between all modes of transport in terms of infrastructure, services, ticketing and accessibility.

## 2. Solent and Sussex Coast

The Solent and Sussex Coast area includes the two largest conurbations in the South East – South Hampshire (Southampton, Portsmouth and surrounding built-up areas) and what TfSE terms the “Sussex Coast Conurbation” (Littlehampton – Worthing – Brighton). It spans from the New Forest in the west to Hastings in the east. It also includes the Isle of Wight.

TfSE has developed nine packages of interventions for this area with a total expected capital investment of **£11.8 billion** and **£1.3 billion** in additional economic value each year by 2050.





## 3. London to Sussex Coast

The London to Sussex Coast area covers the key corridors between London and the Sussex Coast conurbation (from Chichester to Eastbourne). It focusses on interventions in East Surrey, West Sussex and East Sussex (excluding the Hastings area).

TfSE has developed five packages of interventions for this area with a total expected capital investment of **£3.6 billion** and **£0.6 billion** in additional economic value each year by 2050.



## 4. Wessex Thames

The area TfSE refers to as Wessex Thames includes the whole of Berkshire, North Hampshire and West Surrey.

TfSE has developed three packages of interventions for this area with a total expected capital investment of **£10.4 billion** and **£1.2 billion** in additional economic value each year by 2050.

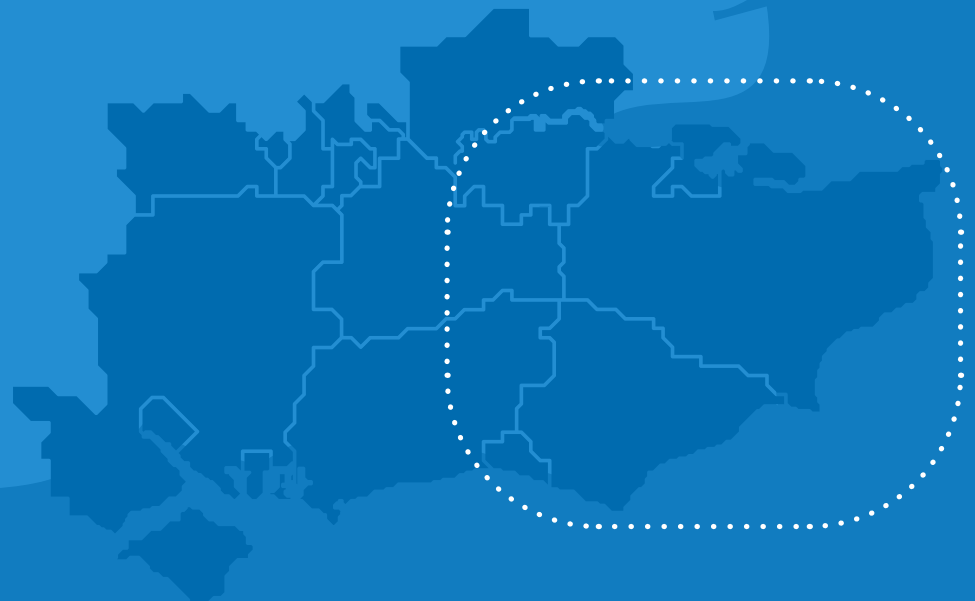




## 5. Kent, Medway and East Sussex

This area covers the whole of Kent and Medway, and the Hastings and Rother areas of East Sussex. It broadly reflects the Network Rail “Kent” Route and the area in the South East served by the “Integrated Kent” passenger rail franchise.

TfSE has developed seven packages of interventions for this area with a total expected capital investment of **£19.4 billion** and **£0.75 billion** in additional economic value each year by 2050, along with the long-term capacity and resilience required to keep the country’s most important gateway to trade with mainland Europe operating efficiently.



# Funding & Financing

We know that the credibility of our SIP, which is both ambitious and capital-intensive, needs to be underpinned by a pragmatic consideration of how it will be paid for.





In common with other comparable infrastructure programmes, the SIP's principal financial challenge will relate to funding (i.e. how the projects are ultimately paid for over time). Addressing this challenge will involve both making the best use of funds directed from government, and identifying new and innovative approaches (especially those that tap into the local and regional value that the interventions will generate).

For many of the proposed interventions, financing (i.e. how and from whom the cash is raised to meet the costs of construction as they arise) will also play an important role in ensuring value-for-money delivery.

The SIP is made up of a number of diverse interventions and there is not going to be a 'one size fits all' funding and financing solution that applies across the programme. TfSE itself may not be the body that delivers or pays for these interventions. But, as an organisation, we have an important role to play in making them a reality.

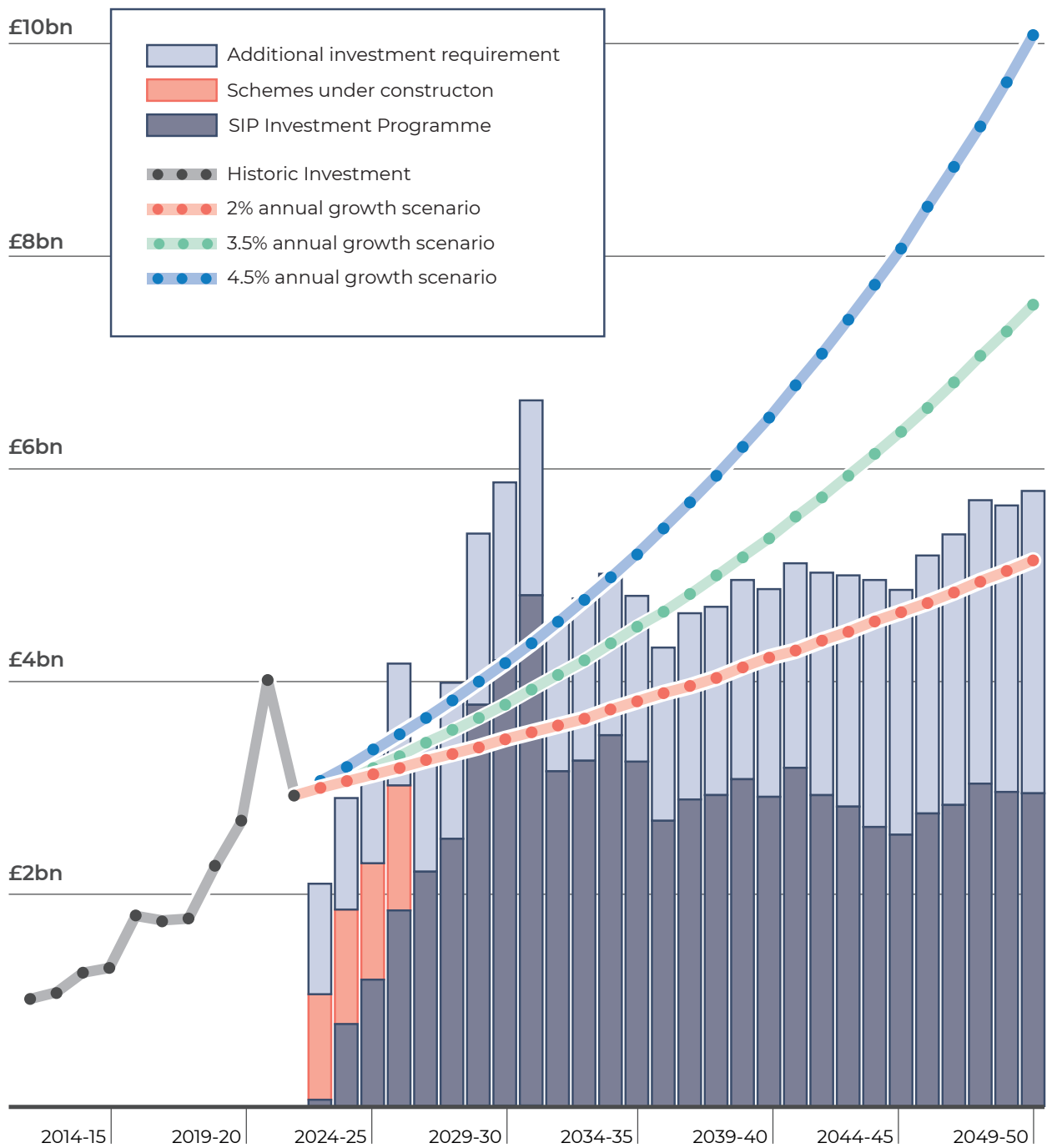
# The SIP's funding requirement in context

This chart compares the proposed future investment in transport in the South East (the SIP and assumed additional local expenditure) with illustrative future growth scenarios based on actual levels of Government spend since 2011-12.

This suggests that, even if spend were to grow at a slower rate than the historic average, the majority of the overall core programme (as well as much of the indicative ancillary investment) could theoretically be supported within an illustrative envelope of potential future central funding.



### Indicative investment requirement and historic and projected spend profiles



# Delivery

## Roles and Responsibilities

TfSE will work closely with partners to deliver the packages of interventions. No single organisation will be solely responsible for delivering this plan – its delivery is very much a shared endeavour.

Here is a summary of the key agencies we expect to be involved:

- Central Government
- Network Rail and Great British Railways
- National Highways
- Local Transport Authorities
- Private sector and third parties
- Local Planning Authorities

## Timing and phasing

In general, the vast majority of interventions included in the packages will be delivered through existing frameworks and investment cycles, in line with the Treasury Green Book and Department for Transport's appraisal guidance.

A small number of particularly complex and/or large-scale interventions may require bespoke procurement and delivery arrangements.

Lessons should be captured from similar UK projects (e.g. Crossrail, HS2 etc.) to inform the approach for the delivery of these types of projects.

Timing the delivery of each intervention will also need to be carefully considered to avoid unintended negative consequences and ensure the greatest possible value for taxpayer and private investment.



## **Stakeholder engagement**

TfSE's Technical Programme has been supported by an extensive programme of stakeholder engagement.

TfSE has tailored their approach to stakeholder engagement at each stage of the technical programme and will continue to evolve its approach as the SIP moves into a delivery phase.

The profile of stakeholders who will need to be engaged in future stages may be different to those involved at earlier stages.

## **Monitoring and evaluation**

TfSE and its partners will establish appropriate governance to oversee the development, delivery and benefits realisation arising from interventions included in this strategy – particularly the larger and/or more complex interventions, which may require a bespoke approach for delivery.

TfSE will develop a set of Key Performance Indicators (KPIs) with targets which will be used to monitor and evaluate the implementation of this strategy.

## **Next steps**

TfSE is on a journey. Its role will evolve as it strengthens its capacity to support the delivery of this plan.



### The next steps for TfSE are to:

- identify and support key interventions that deliver the SIP that require additional support and capacity;
- secure higher levels of transport investment in the South East's strategic transport network; and
- support TfSE's key stakeholders in responding to and overcoming emerging transport challenges.

### TfSE will do this by:

- developing regional data, modelling and analytics capability;
- evolving to deliver the SIP; and
- implementing supporting strategies, including the Future Mobility Strategy and the Freight, Logistics, and International Gateways Strategy.

You can read the full SIP at  
[www.tfse.org.uk](http://www.tfse.org.uk)

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