

# Transport Committee

## Oral evidence: Work of the Secretary of State for Transport, HC 163

Wednesday 19 April 2023

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Watch the meeting

Members present: Iain Stewart (Chair); Mike Amesbury; Mr Ben Bradshaw; Jack Brereton; Ruth Cadbury; Paul Howell; Karl McCartney; Gavin Newlands; and Greg Smith.

Questions 541 to 667

### Witnesses

[I](#): Rt Hon. Mark Harper MP, Secretary of State for Transport; and Dame Bernadette Kelly DCB, Permanent Secretary, Department for Transport.



## Examination of witnesses

Witnesses: Mark Harper and Dame Bernadette Kelly.

**Chair:** Welcome to today's session of the Transport Committee. For the record, I invite our witnesses to state their names and positions.

**Mr Harper:** I am Mark Harper, the Secretary of State for Transport.

**Dame Bernadette Kelly:** And I am Bernadette Kelly, the permanent secretary at the Department for Transport.

Q541 **Chair:** Thank you for giving us your time this morning. My colleagues will want to probe a number of specific issues in detail, but I will begin with a couple of general questions about your priorities for the Department in terms of budget and forthcoming policy and legislation. Starting with the latter point, legislation, in a range of current and recent inquiries we have heard calls for legislation and regulations on Great British Rail, e-scooters and self-driving vehicles, and a range of other matters. Are we likely to see a transport Bill in the next Session?

**Mr Harper:** Thank you for the opportunity to come and give evidence to the Committee. It is good to be here. My last appearance was in December.

On the legislative front, as I think you know, our exchanges are always slightly unsatisfactory, because there is a limit to what individual Cabinet Ministers are allowed to say about a forthcoming legislative programme. We have had exchanges before on the areas you mentioned—I think I had one with Mr Bradshaw about e-scooters in the last session. Obviously there is a clear imperative to set out a legislative structure for the future of transport technology, for self-driving vehicles.

People may have noticed that last week we approved not self-driving vehicles, but the use of driver-assisted technology with the Ford BlueCruise announcement, which got quite a lot of coverage. It is exciting that the UK is a place where such companies can invest further money, which is clearly desirable as well. None the less, as I think the Committee knows, all my colleagues in the Government have a lot of bids for legislation and we have only one more Session left before the general election, so it will be very congested.

The priorities I have set out are things that I would very much like to deal with in legislation, but the decisions have to be taken across Government, collectively, and will be set out when His Majesty the King gives the King's Speech in the autumn.

Q542 **Chair:** I appreciate that it is not entirely within your gift—

**Mr Harper:** Sadly.

**Chair:** —or in any Cabinet Minister's gift to determine the legislative



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programme, but may I press you a little further? Are you, as a Department, bidding for a slot in the next Session?

**Mr Harper:** In the conversations we had last time and in what I have just set out, there are clearly areas where we would very much like to take forward legislation. You know the form of words we always use, “when parliamentary time allows”, and Departments are always keen to get time in the parliamentary programme to take forward their priorities. I would like very much to do so, but I have a lot of colleagues around the Cabinet table who are all pushing for their measures as well.

We will make our arguments very strongly in the usual way, setting out the advantages, but in the end those decisions are taken collectively across Government, so they are not entirely in my control. Obviously, I have a say, but ultimately the decisions are taken collectively and determined by the Prime Minister, then set out in the usual way. The matters I have set out today and on other occasions are matters we would like to take forward, and we will make those arguments with my colleagues.

Q543 **Chair:** I will take that as a yes and wish you good luck in the bidding process.

As an addendum, I have heard that there is concern in the rail industry that the necessary legislation for GBR, which will actually be quite a small Bill, may be delayed. That would be unwelcome for the sector, which is keen to build on the momentum you set out in your recent Bradshaw lecture.

**Mr Harper:** On rail reform, first, a lot of what I set out in my George Bradshaw address and a lot of what we want to do can be done without legislation. Setting up GBR, setting up the structures, bringing together a more coherent look at the rail industry P&L—looking at revenue from passengers and costs—can all be done without legislation, and even if we were to have rail reform legislation in the next Session, it probably would not become law until the back end of that period.

There is a lot we want to get on with. The piece legislation is needed for is moving my powers to issue rail contracts into GBR, but in the interim I have the legal powers to issue rail contracts and so on, and do franchising if we need to.

I set out clearly in the George Bradshaw address the direction of travel we want to go in—to get more private sector involvement in delivering competitive rail services for passengers—and we will make progress on that. Colleagues will have seen the announcement I made a short while ago on putting the headquarters of GBR in Derby, which I think was well received by the industry, and we will continue to make progress on setting up GBR with or without legislation.

Q544 **Chair:** Thank you. We will come back to rail issues later in the session. For now, we will turn to your spending priorities. You said before that you wanted to take time to consider how to apportion spending between the



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different transport modes, and then prioritise spending within each mode. We have had in recent weeks announcements on HS2, the strategic road network and active travel. What else can you tell us about where your priorities lie?

**Mr Harper:** At the time of our last session we had not locked all these details down, so the first thing to say today is that we had our capital budget confirmed at over £20 billion a year for the next two years. That is very positive from the point of view of transport and a significant investment in transport infrastructure. That covers maintenance of the existing rail and road networks, investment in new road and rail, including HS2, and investment in active travel.

We have set out our priorities; what we have had to grapple with, as all Ministers have to, along with every business and household in the country, is the high levels of inflation. Particularly in the construction sector, inflation is running ahead of overall inflation in the economy, so we have had to make some tough decisions.

Colleagues on the Committee will be aware that we have had to pause some parts of delivering HS2. We wanted to go full steam ahead on phase 1, the section that is already being built, which is the right thing to do from the point of view of the taxpayer and efficient use of public money. We have had to slow down the next section, phase 2a, but we will be back on track by the time you get to phase 2b. We had to make that difficult decision to deal with the impact of inflation.

We have also had to make difficult decisions to delay some of our road investment strategy 3 investments. We will still work up the schemes, but delivery will be moved to a bit later in the period.

We have taken those difficult decisions across the transport budget, making sure that we still spend significant sums on maintaining the existing road network and putting new investment into roads, and maintaining the existing rail network and putting new investment into rail, both conventional rail and HS2, as well as continuing to invest a significant amount of money in active travel and giving people more choices about how they travel in their local communities.

Q545 **Chair:** To clarify, have we had all the announcements on changes in spending, or are there more to come? Are you looking to rebalance your budgets within the Department?

**Mr Harper:** We set out the big items—the big choices we had to make—in my written ministerial statement. We set out the decisions on our roads programme and having to delay some of those projects, and the decision we made on delaying HS2.

We will go through the statutory processes for coming up with roads spending and road investment strategy 3, and for the statement of funds available. As for the big, top-line numbers for my Department, those were set out in the Budget, and we in the Department have gone through them



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and made the necessary decisions. As I said, I set out those big choices in the written statement a short while ago.

**Q546 Chair:** To clarify, what is in the rail budget will stay, what was in the bus budget will stay, and so on and so forth—you are not looking to shift spending between them?

**Mr Harper:** No, we made some of those choices there, and I was very keen to ensure that we got each of the areas to accept some of the inflation pressures. Because HS2 is a very big infrastructure project in construction, I was very clear that that project needed to absorb those inflation pressures—at least some colleagues will be pleased to hear that—and we were not going to absorb those pressures and cause difficulties in other areas of transport spending. That is what we did.

We had to go to each part of the Department and get them to deal with the inflation pressures in their own area, so that we kept a balanced set of transport spending, mindful that the largest percentage of journeys people take across the country are by road, a significant number by walking, and a relatively small number of journeys by public transport. I wanted to make sure we continued spending appropriately to reflect that usage by people across the country.

**Chair:** Thank you. We will turn to some of the other subjects in a minute, but that tees up nicely for Greg's questions on HS2.

**Q547 Greg Smith:** Good morning, Secretary of State. Can you explain how delaying something will end up saving money when works intended for 2023 but actually delivered in 2025 or 2026 will have seen two or three years more of inflation, wage growth and materials going up in cost? In the long run, it will cost even more money on what is already an astronomical amount of taxpayers' money on a single rail project. Or is it an admission that, as a country, we just cannot afford it?

**Mr Harper:** No, I think there are two things. First, we were very clear on how we made the choices. On phase 1 of the project—broadly, Old Oak Common to Birmingham, or actually slightly north of Birmingham—which is in construction, where we have contractors mobilised and delivering the project at pace, we would continue delivering. You are quite right: if we were to stop delivering that project, there would be very significant costs from demobilising existing operations. It was the right thing to do to continue building that at pace.

I also think we have to reflect the fact that we have annual budgets and Governments have to live within their means, Last year, we saw what happens if we borrow money in a way that is not sensibly controlled—there is a very bad response—so I think that the Government have to live within annual budgets. Also, we are facing very significant inflation. We are very familiar with the causes of that, from the unwinding global economy post pandemic to the war in Ukraine, We have to deal with that and we made choices to slow the project down to deal with those annual budgets.



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As I said, by the time we get to building phase 2b—the route to Manchester—we are actually back on track again. I think that is a very sensible thing to do. Hopefully by the time we get to that period construction inflation will be much lower, and that gives us a chance to look at how we can deliver the project in the most cost-effective way. That is not true of HS2 alone; these pressures are there on road construction, existing rail construction, and across the wider economy.

**Q548 Greg Smith:** I do not doubt that inflation continues to be high, particularly in construction, but surely you accept that the costs will not come down; inflation will still pile on to what the current numbers say, be that for phase 1, phase 2 or beyond in HS2. Therefore, fully accepting that Government have to live within their means—an argument I have made about HS2 many times—delaying it will mean that the overall cost to the taxpayer is higher than when the project was given the green light by Boris Johnson.

**Mr Harper:** In itself, delaying delivering something does not save money, but it does reflect the fact that we have a budget in each year. Everybody listening to this has to live within their annual budget as well as a budget over time. We have had to make some sensible decisions about how we make those decisions. For me, the choice was very clear. There is a section of the project that we have fully mobilised; we have contractors building it.

We are spending a considerable amount of money on phase 1. The work is very visible to people in Birmingham, with the delivery of the line and the station there. An enormous amount of private sector investment is being delivered off the back of that railway line being constructed and the connectivity. You only have to talk to Andy Street to understand the huge, positive impact it is having on his city. It was right to make the choice to continue delivering that. That was a good, sensible decision.

On delaying the later aspects of the project, it is much more cost effective to do that because you do not have contractors on site, you are not already building the railway, and you can change the timing of construction in a much more sensible way.

**Q549 Greg Smith:** Secretary of State, you took the decision to delay. At the moment, notwithstanding the points you made about private sector money going into things in and around Birmingham, there is no private sector money going into actually building HS2. Instead of delaying it, did you look to the private sector to buy into HS2?

My views on HS2 are well known, but if we play devil's advocate and presume that there is great demand for this thing, surely the private sector would be falling over itself to want in on that and to share in the profits? Did you look to the private sector to see if you could get private money into this railway, as opposed to taxpayers' money, or did nobody want to touch it?

**Mr Harper:** You raise a very good point there. It is something I talked about in in my George Bradshaw address, and I have discussed with the



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Chancellor how we look to get more private investment into the rail network, looking at some of the examples of railways overseas. That work is actually ongoing.

Quite a bit of work is involved in that. There are some questions that you have to answer about the right time to involve the private sector. Are you going to get the private sector involved in the construction phase? Are you looking to get the private sector involved in delivering the railway when it is operational? You also have to make some sensible decisions about when you would get best value for the taxpayer. One of the things Government can do is borrow money more cheaply than the private sector, but then there are other skills you can implement. Those discussions are live.

Regarding the decisions that I had to take in the last few weeks, I did think about whether this was sensible, but no significant decision on that could be taken in the timeframes within which I had to make decisions. None the less, whether there is a sensible way of involving private sector investment in delivering the rail network is something that we are very much working on for the future.

Q550 **Greg Smith:** Do you get any sense that anybody in the private sector wants to risk their own capital on HS2?

**Mr Harper:** On the construction of it, that is very much a project that the Government are doing, but I think there will be a lot of interest, yes, because it is not just about building a new railway. It is actually about dealing with the capacity constraints on the existing railway and freeing up capacity on the west coast main line for both passenger services and freight services. As I set out in my George Bradshaw address, our ambition is to drive more freight off our road network and on to our railways. That is good for congestion but also for reducing carbon emissions, to deal with our climate change commitments.

Q551 **Greg Smith:** How much of phase 1 is actually complete?

**Mr Harper:** I don't know; I cannot give you a percentage. I will write to the Committee, but I am not sure how easy it is to set that out in percentage terms. I guess you could look at how many miles we have completed or whatever. I will look at the sensible metrics and I write to the Committee. We are working at pace on that through the next couple of years, so we will be moving quite quickly, but I am not going to pluck a figure out of the air. I will write to the Committee—unless the permanent secretary has one handy?

**Dame Bernadette Kelly:** I do not. In the six-monthly reports, we do report on the spend to date in committed spend, for example. That is a metric, albeit obviously not the only relevant metric, because it is a sort of input rather than an output, but we can consider what other information we can include in the next parliamentary report.

**Mr Harper:** We will consider whether there is a sensible, meaningful metric in terms of the proportion of the line that has been constructed, or a sensible way of measuring it, as well as the cost spend. If that is



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available, we can either write to the Committee or look to include it in the six-monthly reporting process that we already have with Parliament. Is that okay, Mr Smith?

Q552 **Greg Smith:** I am grateful for that; of course I am interested in how much money is being spent, but I am equally interested in the overall output. Could I pivot to the vexed question of Euston, Old Oak Common, and where HS2, if it is finally ever completed, will end up in London? You have paused Euston. *New Civil Engineer* reported two days ago, I think, that the tunnel to Euston is also now paused. That question has vexed a lot of journalists since the delay announcement. Will it ever come into central London, or will this be a fairly fast railway that does not go anywhere directly that is that useful to anyone?

**Mr Harper:** No. The position on Euston is complex in one sense, but also straightforward. The Government have been very clear that we remain committed to continuing HS2 from Old Oak Common to Euston, but colleagues who have taken the time to study the NAO report on Euston will know that there have been very significant challenges to do with the design work that was undertaken. It was significantly ahead of the budget that is available, and that is why I have taken the decision to pause construction of that project.

There will be some cost involved in demobilising the work there and leaving the site for the next couple of years in a way that is sensible for people who live in the area. Then we will go back and look at coming up with a more cost-effective design for Euston.

We are mindful that we are delivering a single station that will both deliver high-speed rail and the existing network rail, and we obviously have to re-engineer the underground station to deal with the capacity, but the commitment to take HS2 to Euston remains in place, and the timing of that will mean that it is delivered when we have the line open to Manchester. My understanding, from having interrogated officials, is that that is when the volume of passengers will require the service to go all the way to Euston. That remains the Government's commitment.

Q553 **Greg Smith:** What is the opportunity cost of that compared to regional rail improvements? Let's just look at the London end for now. For the opening point of phase 1, according to most of the modelling, Old Oak Common will not be the end point for a significant number of passengers who are getting off at Old Oak Common; they will want to go either to the centre of London or, probably, to Heathrow.

What is the cost of remodelling Old Oak, stations around Old Oak and interchanges between the Elizabeth line and the Great Western line? Would it not be cheaper to make improvements, for example, by opening the Chiltern line so that it comes into Paddington? That would relieve pressure on Marylebone, which will relieve those London-Birmingham journeys.

**Mr Harper:** One of the things that I will do, as part of the Euston work, is look very closely—I have asked officials to prepare this for me—at the





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modelling of how we expect the services to operate, and check that what we expect passengers to do and where we expect them to terminate their journeys are current and up to date. Then, I will see whether there are other decisions that need to be taken in the interim until Euston is open.

You are quite right. I want to make sure that we use up-to-date data about where we expect passengers to finish their journeys and go on to, and to check that the capacity is in place to allow them to continue those journeys in a sensible and efficient way. Obviously, if there need to be changes to the rail network, whether in the number of available trains or lines, we will look to make sensible decisions to enable passengers to get around.

**Q554 Greg Smith:** Are you saying that you do not currently have a model of where passengers getting off HS2 at Old Oak Common actually want to go?

**Mr Harper:** No, there is an existing model. One of the things that I have asked officials to do is take me through that detail, but also, having come into this job a number of months ago, I want to test the assumptions; that is always sensible with models. I am a very big supporter of modelling things, but you have to be clear about the assumptions behind those models so that you have confidence in them.

One of the things I want to do is go through all the modelling. I spend a lot of my time on this project talking about, effectively, the design of infrastructure. I want to go through the modelling for what the operational railway is going to look like, because that will be one of the important things that drives some of the decision making for Euston. For example, I have been and had a look myself at the Euston site, and had a look at the complexities around that and the things that we need to deliver operationally for passengers.

It is very important if you are in my job to think, "What are we doing this for?" It's ultimately for the passenger experience, and the ability of passengers to get between the high-speed network, the existing network and the underground network, and I want to look at what the operational rail service is like. That will be really important for me as I am looking at the remodelling of Euston, and the decisions that I have to take both on that station and on the rest of the railway network. That is the work that is undertaken—

**Q555 Greg Smith:** Your new models will be dynamic models, not static models potentially from a period pre-pandemic?

**Mr Harper:** I want to satisfy myself—I am not commenting on the model—that I am comfortable with all the assumptions that have been made, and whether they are up to date. I have not yet done that work. It is work that I have asked to be undertaken.

**Q556 Greg Smith:** I am sure that the whole Committee would be fascinated, as I would be, to see that dynamic modelling. You and I worked together a lot during the pandemic on another form of modelling, and I know you



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get this point. It would be fascinating to see the dynamic models of those passenger numbers starting to come through and being shared with the Committee.

**Mr Harper:** Yes. I will go through that work myself, then I will look to see what information we can sensibly put before the Committee. No doubt when you ask me to come here again, that will be something we can talk through. I am very happy to be open about it, because there are some decisions to be made. I am very clear that I want to understand—as we are taking decisions on Euston and on the operational side of HS2 and what we then do, which are the consequential decisions for the rest of the rail network, such as how that works and the capacity we free up—that we are making the best possible decisions with the most up-to-date data.

As you correctly say, there has been a lot of change in passenger behaviour and the sorts of journey people are taking. In shorthand, we have seen a big recovery in leisure travel on the railways, but obviously a significant reduction in commuter traffic. I want to make sure that's all been accurately reflected in the most up-to-date modelling.

**Dame Bernadette Kelly:** This will be a critical input as we look at what a redesign of Euston station now needs to look like, which is why the Secretary of State has asked us to do that work. I should say that some of this goes on in the normal course of events. As you say, the pandemic has changed patterns of demand, such as what we are seeing now with the Elizabeth line and the very high levels of demand. There is also an interesting input into how we might anticipate future passenger numbers to operate.

The last thing I would say is to the point you made at the beginning about pressure on other parts of the network. It was always anticipated that Old Oak Common would open in advance of Euston and that there would be a gap between the two stations being operational.<sup>1</sup> That's always been a factor in the planning for HS2.

Q557 **Jack Brereton:** To follow on from some of those questions, particularly around the costings for HS2, obviously those are set on quarter 3 2019 prices. Are those figures going to be updated?

**Mr Harper:** Depending on what you are asking, in terms of the updated numbers, when we publish the six-monthly reports, which update Parliament, we obviously set out our expectations for spending compared to the budget. Those numbers, as you have said, are all in 2019 numbers so that we look at the real position. You are having to account for inflation in both the budget and the numbers. At some point, I suspect we will have to update that period, and we will have to explain how we have done it.

Q558 **Jack Brereton:** When are you going to do that?

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<sup>1</sup> The Department for Transport has since made a correction to this answer in a follow-up letter written to the Committee dated [17 May 2023](#)



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**Mr Harper:** We have a structured way of reporting to Parliament, and we will set that out when we publish the next six-monthly report. We will set out the current expectations on cost against the budget, but at the moment that is still in 2019 numbers.

Q559 **Jack Brereton:** Are you also going to update BCR figures? Obviously, there is going to be a considerable change, such as some of the changes to phasing that you've been talking about, in the benefit-cost ratio.

**Mr Harper:** Yes, I think we will be updating those. Whether we will have updated those in time for the next six-monthly report, I am not sure.

**Dame Bernadette Kelly:** I think it is unlikely that we will have done a full review of the BCR—the detailed BCR analysis, obviously. What we will seek to do is give some indication of what impacts we think the changes will have on the business case and the benefits case more broadly. I hesitate to commit to a full BCR review because the task of working through exactly what some of the rephrasing and delays mean for the process is quite a detailed and complex one already. I think that may take a little longer. We will not have certainty on all factors—including, for example, where we are likely to end up on Euston—at that point either.

Q560 **Jack Brereton:** I want to ask about Phase 2. Will you be evaluating the designs for both Phase 2a and b when looking at what further changes or improvements can be made to Phase 2?

**Mr Harper:** Clearly, the parliamentary process for Phase 2b—obviously, I am limited to some extent in what I can say, because that is the piece still going through that process—looks at petitions that people make, and commitments are made during that process about some of the route and design work. Obviously, there is a live debate as part of that process about, for example, what the station will look like in Manchester, and we will be setting out some views on that. That part of it is still to be determined finally because, until the legislation is locked down by the hybrid Bill process, you do not have everything locked into place.

On Phase 2a, we continue to look at the most efficient ways of constructing the project. The route is set in the legislation, so that is not going to change, but in terms of how you construct it and go about delivering it, we continue to focus on learning the lessons from Phase 1 and on delivering it in the most cost-effective way possible, and that work continues.

I should just say—it is relevant to your question, Mr Brereton, and to Mr Smith's—now that we have settled the finances and are clear about the budgets, that I met the board of HS2, as the shareholder in that company of behalf of the people of the country, and we had a very good discussion. I was very clear about the need for the board to deliver the project to the budget that has been set, and we had a very good discussion about the challenges and plans the board have to ensure that they continue delivering the project in a timely and cost-effective way. That is work that the board will be doing on my behalf and on behalf of the country.



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Q561 **Jack Brereton:** The reason I asked you about this is that there are some very significant concerns about what it means for capacity, particularly around the Cheshire area and Crewe station, about how it will impact on existing services going through Crewe, and about the design of Crewe station. Have you found a design for Crewe station that is satisfactory yet, or does significant work still need to be done on that design?

**Mr Harper:** On that specific question, I will ask the perm secretary.

**Dame Bernadette Kelly:** I think I would probably prefer to come back to you with an update specifically on Crewe station. As the Secretary of State has said, we are operating within the constraints set in the hybrid Bill, which go beyond route; they go to quite a number of specification matters to do with 2a as well. The pause gives us an opportunity, where there are outstanding questions about things like capacity or opportunities to deliver the projects more efficiently. We should make the best of the time we have, and look at those. I sense you have quite specific concerns. I don't think I can answer them today, so I think it is better that we write to you.

Q562 **Jack Brereton:** On Crewe station, the Department now suggests that the neutral core option be taken forward. However, there are suggestions that implementing those proposals, particularly around Crewe South junction, would need changes to the Phase 2a Hybrid Act. Is that something that will have to be considered? Will there be a need to change the legislation that was approved by Parliament?

**Mr Harper:** I am certainly not aware of a proposal to do that. I will take that question away and write to you. I will deal with the question about legislation, but I will also set out the position on Crewe station. Then, once I have written to the Committee, if there are further questions, I am obviously very happy either to come back or for the Rail Minister to come back, or we can deal with them by correspondence—whichever is appropriate, or whichever the Chair decides.

Q563 **Jack Brereton:** Regarding the wider proposals for the future phases beyond Birmingham, have you looked at the proposals that have been put forward by my neighbour, the hon. Member for Stone, for Phase 1-plus?

**Mr Harper:** I have had those shared with me, and I have discussed those proposals with the hon. Member for Stone. Those are not things that we are currently planning on taking forward, no. Just to be clear—we talked about it publicly in shorthand—this is from Old Oak Common to Birmingham. Phase 1 obviously includes the section just north of Birmingham. Just to be clear, we will complete the whole of Phase 1, and get on and build that. I know that was important to those colleagues who represent areas to the north of Birmingham—to be confident that that area, which has obviously caused disruption for their constituents, is going to be completed in Phase 1.

Q564 **Jack Brereton:** Is there any particular reasoning why you do not think that those proposals are acceptable or would be better than what is being proposed through Phase 2?



**Mr Harper:** At the moment, with the Phase 1 and Phase 2a proposals, we are confident that those are the best available ones. Obviously, we will continue to listen to colleagues, particularly for Phase 2b, which is still going through its parliamentary process. We will continue to look at those, but at the moment, we are comfortable with the Phase 1 and Phase 2a proposals that we have set out.

Q565 **Jack Brereton:** North of Birmingham, which stations will actually see an increased frequency of service? Other than Runcorn and Liverpool, are there any other stations that will actually see increased trains per hour than they currently have via the west coast main line?

**Mr Harper:** The permanent secretary will correct me if I am wrong, but I do not think the Department is in a position yet to give detailed descriptions of the service changes that will take place on the west coast main line as a result of freeing up the capacity by constructing HS2. We clearly will free up capacity, but detailed planning of exactly what those services will look like will obviously take place closer to the delivery of HS2 and the freeing-up of the capacity.

We have learned over the last few years, with the pandemic, that you can get very significant changes in demand for routes. Those decisions will take place closer to the time. As we get closer to HS2 coming into service and freeing up that capacity, we can work through the planning service on the existing railway network to work out how best to deliver services for passengers.

I am very clear that we need to talk about HS2 impacts on the existing railway network and look at the railway network as a whole, not as a completely separate exercise. To some extent, maybe we haven't done that well enough in the past, and one of the things to get over to people is that we are delivering a new higher-speed railway that also generates extra capacity, which will free up capacity on the existing railway network, both for passenger and freight services. Obviously, I don't think we are in a position yet, certainly for the parts of the network that you have set out, to give any detail at this point.

**Dame Bernadette Kelly:** I think that is correct. In the past, we certainly have given indications of released capacity elsewhere on the network as a consequence of HS2. I cannot recall what that will have said about stations north of Birmingham, so we could certainly go back and take another look at those. That is distinct from, as the Secretary of State says, a detailed service plan. We are still eight years out, of course, from HS2 being operational. Work is already ongoing, via the West Coast Partnership, to start thinking about where the opportunities will be to optimise services elsewhere on the network as a consequence of released capacity once HS2 is up and running.

Q566 **Jack Brereton:** I just wanted to ask you a separate question about the road improvements that HS2 are having to do to mitigate some of the works that they are doing, particularly around the road safety audit process. Who is responsible for that? Is it HS2 or is it somebody else?



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**Mr Harper:** The road construction or the safety audit process?

Q567 **Jack Brereton:** The road safety audit process for schemes that HS2 is delivering.

**Mr Harper:** On the specific question on the road safety audit, I don't know. I am going to have to revert to the Committee. I am not sure HS2 would be responsible for the safety audit of a road project. I will come back to the Committee.

Q568 **Jack Brereton:** There are concerns that they are marking their own homework, basically. It would be welcome if you could clarify that to the Committee.

**Mr Harper:** I will check into that and I will write to the Committee.

Q569 **Ruth Cadbury:** Secretary of State, I would like to go back to the overall priorities of the Department, because I am a bit confused. Some of what I am asking comes from your responses to the Chair's questions, but also to the latter questions on HS2.

The Department has to have overall strategic priorities for transport modes and different transport modes in the context of budget cuts. In answer to the Chair, you said that every area of your Department should accept that there are inflation pressures, implying an equality of cuts. And then you said that most people travel by road, implying that road therefore needs to be the major spending area. Does that mean it should not accept a cut compared with other areas? The reality is that one particular area of your responsibilities has had a significant cut—we will come on to that later.

Is the assumption that the Department's policy on transport is to predict and provide for roads? That of course raises issues around congestion, the economic cost of congestion and net zero, which you brought in as being a key aim in delivering freight opportunities through HS2. And where are your net zero targets? I do not get a sense of how you are prioritising the different areas of the Department and the different forms of transport in the context of the different pressures.

**Mr Harper:** First of all, I do not think there is a simple, one-sentence way of describing it, because people across the country use lots of different transport modes to get around and actually, the Department's priority—one of the things I have been very clear about is that it is the Department for Transport, not the Department for Trains.

Sometimes—I think this is a particular weakness of people based in London—we spend a lot of time talking about trains, and the reason why I mentioned cars was to reflect the fact that in every other part of the United Kingdom, the majority of people go to work, for example, by car.

Q570 **Ruth Cadbury:** Often not by choice. It is because there are no alternatives—

**Mr Harper:** In large parts of the country, the private car is the right method of transport.



Q571 **Ruth Cadbury:** It should not be the only one.

**Mr Harper:** If you live in a sparsely populated rural area, for example, that is a sensible way of travelling about the country. I do not think you should read any more into it. The reason why I made the point I did in answer to Mr. Smith's question about taking the impact of inflation across the Department was that it would not have been right to deal with inflation pressures on the construction of HS2, which is a very significant rail project, by cutting road spending to pay for it. It was right that HS2 had to deal with some of those inflation pressures itself.

I tried to make budget decisions in a balanced way across the Department, recognising that people across the country use all of the modes of transport—they drive, they walk, they cycle, they use buses and they use trains. It is important that we deliver investment in all of those areas to reflect the reality of how people travel about the country. That was what I was trying to get across. I think you are perhaps reading a little more into it.

Q572 **Ruth Cadbury:** In other countries, even in rural areas, in order to deal with the competing priorities and the pressure on roads and so on, other forms of transport are invested in so that everybody has a choice. Of course, many people, including in rural areas, do not have the choice of driving a car because they cannot for various reasons. I do not get a sense that there is any ambition to do more than deliver the existing travel choices of the people in this country.

**Mr Harper:** I disagree. Part of the reason why we are investing, for example, a very significant amount of money, not necessarily to everyone's liking, in HS2—in new railway infrastructure—is exactly to give people those choices. I suspect we will get on to it later, but one of the reasons why I extended the bus recovery grant by a further quarter and we are working with the bus industry on a longer-term level of support for buses is that I recognise that a very large number of people depend on buses as a form of public transport. Twice as many journeys are by bus as by train, so we are investing in that.

As you know, we have asked local travel authorities to come up with bus service improvement plans to improve the choices that are available to people. The investment that is taking place in walking and cycling choices for people is exactly so that people have better choices when they are making those shorter local journeys. We are very much trying to deliver better choices for people. As I said, perhaps you are reading a little bit more into my opening exchange with the Chair on budgetary pressures than I had intended.

Q573 **Gavin Newlands:** Further to Ruth's point, we accept that with inflation, there may have to be a re-profiling of Government expenditure and departmental expenditure, but in terms of different priorities, in March you indicated a decrease in capital funding for active travel from about £200 million year on year to an average of about £50 million year on year. That is a slashing from £200 million to £50 million. Given the



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climate crisis and the wonderful “Decarbonising Transport” document that the DFT produced a few years ago, do you think those priorities are correct, and can you confirm that that is indeed the cut to the active travel capital budget?

**Mr Harper:** Active travel funding over the spending review period is going to be in excess of £3 billion. There is dedicated active travel funding that comes from the Department through the active travel fund, Bikeability and various other projects. There is also a significant amount of active travel funding that goes into the capital funding that is given to Metro Mayors. There is a significant amount of levelling-up funding that is going to be spent on active travel schemes, and there is a lot of active travel spending in the future high streets fund and TfL funding. It is actually a very significant amount of money across the spending review period.

Q574 **Gavin Newlands:** But for TfL funding and so on, it is up to another Department or body to decide what their spending portfolio is; it is not for the DFT to take credit or responsibility for that. Putting aside the money you have spent so far, how much do you intend to spend per head on active travel—walking, wheeling and cycling—in England?

**Mr Harper:** First of all, I do not know what the number is per head, but we will have a look and see if we can give that data to you.

**Gavin Newlands:** I might be able to help you with that.

**Mr Harper:** In terms of what we are spending, I do not think you can just put aside all the money that is being spent in those other forums. We have devolved something like £6 billion of capital spending to Metro Mayors, and the estimated amount of that money that will be spent on active travel over the spending review period is something like £700 million. That is data based on the information that we have got from those local authorities.

I do not think you can just put that to one side and pretend it is not being spent, just because it is not all under the direct control of the Department. It is money that is coming from central Government and is being spent on active travel, and Active Travel England has a very important role in working with those local authorities on those local schemes and on local authority capacity to deliver them.

Q575 **Gavin Newlands:** The answer is less than £1 per head, which contrasts with about £19 per head in Wales and £50 per head in Scotland. Do you think that is good enough?

**Mr Harper:** I am not going to accept the premise of those numbers, because I do not know on what those numbers are based. If you are only looking at one particular part of the funding, that does not—

Q576 **Gavin Newlands:** To be fair, we have levelling-up deals and city region deals in Scotland as well, so we can add all of that in as well. We are talking about core funding from central Government here, but the Scottish number would be higher than that if we were to add all those figures in and contrast and compare.





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**Mr Harper:** Well, I am not going to comment on the numbers you have set out, because I do not know what is included in those numbers, as I have said. Over the spending review period, we are going to be funding over £3 billion on active travel through a whole range of schemes. I do not know what is included in the numbers you have just set out there, and it would not be fair just to put aside a very significant amount of that and make some apples-and-pears comparisons. It is very important that we have apples-for-apples comparisons.

**Q577 Gavin Newlands:** That cuts both ways, so I am happy if you want to furnish the Committee with details. The aim was to have around 50% of journeys in towns and cities walked or cycled by 2030. Given the cuts that you say you have had to make, but which you have made nonetheless, is it possible to reach that target?

**Mr Harper:** That still remains our ambition. One of the things that Active Travel England is doing, for example, is working very closely with local authorities on building their capacity to deliver those schemes.

Quite a significant proportion of the levelling-up fund was spent on active travel schemes, which indicates that active travel schemes are actually very popular for local authorities to deliver. They recognise, as I think we mentioned in the exchange I had with Ms Cadbury on the overall numbers, that 30% of the journeys that people make involve walking. That is not necessarily well understood by people, but it is a very significant amount.

We want to improve the choices available to people, so that still remains our ambition. But yes, we have had to make savings across the entire transport budget to deal with the pressures from high levels of inflation.

**Q578 Gavin Newlands:** I am conscious of the time, so I have two quick questions to finish off. The previous but one Prime Minister, when he launched the schemes for buses and active travel, promised hundreds of miles of new cycle paths and mini-Holland projects all over the place. How many hundreds of miles will actually be created, and how many mini-Hollands will be created under the Government's plans?

**Mr Harper:** I do not have in front of me the cycle path numbers, so I will go back and look at what commitments were made and the scope of that, and we will see what information we can provide. I am not sure that using how many Hollands that is as a form of measurement is a particularly sensible way of going about it.

**Q579 Gavin Newlands:** That was his measure, not mine, to be fair.

**Mr Harper:** It may well have been, but there are many things that the previous but one Prime Minister said that I would not necessarily agree with.

**Gavin Newlands:** We find ourselves in agreement.

**Mr Harper:** But we will look at a sensible way of setting that out, and I will include that in the letter that I send to the Committee.



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**Q580 Gavin Newlands:** Sure. Very lastly, one of the barriers for a lot of people to walk or cycle is pavement parking. Where is the Government with that? Obviously, Scotland and Wales are moving forward with pavement parking. Where is the Government on it?

**Mr Harper:** The position on pavement parking is that local authorities do have the legal tools at their disposal to deal with parking on pavements in their particular areas. There are clearly costs involved in doing that, which we have had—

**Q581 Gavin Newlands:** To be clear, are you talking about TROs?

**Mr Harper:** Yes, and one of the pieces of feedback we have had from local authorities is that that obviously provides a barrier to them easily being able to deal with that. We are looking at all the ways in which you might make it easier for local authorities to deal with people inappropriately parking on pavements, because I recognise that is difficult not just for people who walk and cycle, but particularly for people with disabilities and people who need more pavement space. We are actively looking at how best that can be dealt with.

**Q582 Gavin Newlands:** Would you also agree with the Roads Minister, who said, “we would all agree that motorists would also benefit from a consistent rule in this space”, rather than having to rely on TROs and different rules across different parts of the country?

**Mr Harper:** Clearly, we do not want people parking on pavements. The question is what the best way of achieving that is. As I say, we are looking at how best we can deliver that across the country. Obviously, when we have reached a conclusion on that, we will set it out in the normal way.

**Q583 Mr Bradshaw:** But you had a consultation on this years ago that acknowledged that you needed to legislate. Why don't you just admit it will not happen before the next election? You will not give local authorities in England the powers they need to address this menace before the next election.

**Mr Harper:** It sort of comes back to the opening exchange I had with the Chair—

**Mr Bradshaw:** The hearing would be much shorter if you just gave replies like that.

**Mr Harper:** It would be quite inappropriate for me to set out here the priorities for the Government for the fourth legislative Session.

**Mr Bradshaw:** You need legislation, and you are not going to get it, so let's move on.

**Chair:** Ruth, did you have a quick supplementary on active travel?

**Q584 Ruth Cadbury:** Yes. On active travel, however you look at the figures, they are woeful for England in comparison to other countries and to London, Scotland and Wales. You will not get your ambition—the Government's stated ambition—for walking and cycling; it cannot be



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achieved with the woeful amount of money coming from the Department for Transport, whatever the stream is.

**Mr Harper:** I do not think £3 billion is woeful. I think that is a very significant amount of investment over the spending review period.

**Q585 Ruth Cadbury:** It is, because there is no connection between your ambition and the outcome. I will ask just one specific question. Generally, these figures on active travel talk about capital funding, but revenue funding is needed for Bikeability and for supporting training and expertise, best practice and so on. Why have you still not decided the amount of revenue funding available for active travel?

**Mr Harper:** On Bikeability, we are very clear that we are committed to doing that.

**Q586 Ruth Cadbury:** The figures going forward have not been announced.

**Mr Harper:** We announce the overall Department numbers, but we do not always announce every single line item. I have regular conversations with Active Travel England and Chris Boardman about the work they are doing on both their capital spending and the work they do with local authorities on capacity building. In fact, we have been very clear about increasing their ability to interact on those local programmes, and we will set that out.

**Q587 Ruth Cadbury:** How can you do that? You have just set them up, and then you have cut their budget by two thirds.

**Mr Harper:** Well, we have had to deal with inflation pressures across Government. As I just said, over the spending review period we will have spent over £3 billion on active travel. Now, that may not be as much as you would like to spend, but that is a very significant amount of money. Taxpayers will understand that we have had to balance the inflation pressures we are seeing, and we have had to make sensible decisions across Government.

I think those are decisions you have to make in Government to deal with the spending pressures that we are facing, but we are still going to be spending over £3 billion across the spending review period. By anyone's measure, that is a very significant amount of investment.

**Q588 Ruth Cadbury:** Except your own Government said it should be at least £5 billion, and a Minister said on record in October that it should even be up to £8 billion.

**Mr Harper:** I do not know who said that—

**Q589 Ruth Cadbury:** We will send you it.

**Mr Harper:** Over £3 billion is a significant amount of money, which we are spending on active travel. As I said, I have had lots of very good meetings with Active Travel England talking about their ambitious plans and ensuring that they are very plugged into local authorities, and also the Metro Mayors, with that devolved spending, to ensure that they can use



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their expertise in delivering really high-quality active travel programmes across the country.

**Chair:** Thank you. We will turn now to rail operator performance.

Q590 **Mike Amesbury:** Hello, Secretary of State. Passengers in the north have had enough, Metro Mayors have certainly had enough—they have written to you very recently—and MPs across the piece have had enough of the horrendous experience provided by TransPennine Express. I think the contract expires in about five weeks' time—something like that. You are not seriously considering extending it.

**Mr Harper:** There are two things I would say about the experience of passengers in the north of England on rail. You will be aware that I made a decision to extend the Avanti West Coast franchise, which I set out in the House. That was based on the fact that they had improved their performance. They had delivered a significant increase in the number of services they were offering in their new timetable, which they set out in December. I therefore said to the House that I had confidence that they were able to improve the services that they were offering to passengers. Subsequent to making that decision, they have continued to deliver that improved performance.

I said in the same statement, when asked about the TransPennine Express, that I would use the same yardstick to make decisions about them. I will look at the performance. I have to make a decision—there is a limit to what I can say today—about what we do about that franchise. I said that if the performance and the experience of passengers did not improve, there was no option that was off the table. But I have to be careful about making a decision that is legally defensible.

I have to go through a proper process to look at the evidence in front of me, and when I have made that decision, in the same way that I did with Avanti, I will set it out in Parliament in the usual way. But there is a limit to what I can say today in terms of prejudging, having taken that decision. I have not taken that decision yet. I have to look at all of the evidence in front of me, but I have been clear that I am driven by the service that is experienced by passengers, and no option is off the table.

Q591 **Mike Amesbury:** You will have regular sight of the figures that members of the Committee have seen, which reflect the horrendous experience of the travelling public. A quarter of planned services were cancelled in February alone. How on earth could you realistically be considering extending that contract?

**Mr Harper:** Well, look, all I can say—

**Mike Amesbury:** What options have you got, Secretary of State?

**Mr Harper:** If you keep asking me the question, you'll get the same answer and it will be a bit repetitive. I have to be very careful. I have to make a decision that is legally defensible and will stand up to challenge. I have to make that decision. I have not yet taken that decision, and I have to take that decision by looking at all of the evidence in front of me about



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the services that are being delivered and the capacity of the company to improve those services.

I set out my thinking when I made the decision to extend the Avanti West Coast contract. I set that out in the House in the usual way, and colleagues, including yourself, were able to challenge me and ask questions about that. I have to go through a similar process for the TPE contract. You've set out the deadline, and I will take that decision while thinking about the experience of passengers very carefully. I made it clear that my primary goal was to think about the service to passengers. But I can't prejudge that decision today. When I have taken that decision, I will set that out at the earliest opportunity in Parliament.

**Q592 Mike Amesbury:** You will know, Secretary of State, that they have been gaming the system via p-coding. It's something that was referred to in the statement. It is cheating on an industrial scale. Even that alone, in addition to the horrendous experience that people have in trying to get to work or when making leisure trips, surely means that you should intervene and ensure that the contract is not awarded.

You referred to the operator of last resort; I referred to it as public ownership. That should be the direction of travel. That is certainly what the Metro Mayors are calling for, as am I and a considerable number of Members of Parliament. It would have a lot of public support. In the last 18 months or so that you have got, make your mark and do the right thing.

**Mr Harper:** There are two things I would say. I cannot say any more about the decision because I cannot prejudge the decision that I take. I have to make a decision that is taken in the proper way. You are right about the p-coding. We have had exchanges in Parliament about that.

You will be aware that the Rail Minister wrote to the Office of Road and Rail about that. In fact, off the back of that, they made some decisions and directions to rail companies about the proper use of p-coding. It will not have led to a different decision being made because we are very clear about the transparency on cancellations and so forth. I think there have been improvements now in what the ORR said about the proper use of p-coding and when you should use different ways of referencing when you have cancelled trains.

I am very clear, and I made this clear in the House, that the current level of service being delivered by TransPennine Express to customers and passengers is not acceptable. The judgment that I have to make is whether the company is capable of improving that. In the case of Avanti West Coast, I was persuaded that the evidence said that it was capable of improving that. It has improved that, and that is why I extended the contract for six months. I have made it clear that, if TPE does not improve and I take the view that it is not capable of improving, no option is off the table, but I am afraid that that is as much as I am able to say today.

I have to take the decision in the proper way. Then I will set it out in Parliament, and you and other colleagues will be able to question me on



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behalf of your constituents, based on the decision that I have taken. I have heard your message loud and clear, and I am very clear that you and other colleagues, from my party and from across the House, and the Metro Mayors, have made it very clear that the current level of service is not something that their constituents are satisfied with. I have heard that message loud and clear.

**Q593 Mike Amesbury:** On Avanti West Coast, you spoke about significant improvements. I am a customer of that service. My definition of "significant" would differ from yours. You have given it an extension of six months. What is success going to look like? What is "good" going to look like? Beyond that, if it is basically not delivering a first-rate service for the travelling public, what are you going to do? What are the options?

**Mr Harper:** In terms of the level of service, I set this out in the Chamber. They set out their new timetable from 11 December. As I said, the first month was rather difficult because it was plagued by national industrial action, but they are delivering a significantly increased number of services. Their reliability is significantly improved. I was clear that they were now in the pack with the other train operating companies in terms of their timekeeping and punctuality, but they were at the bottom of the pack, so they still need to improve significantly. Those are the criteria on which I am going to judge them.

When I made the decision, they had delivered a significantly improved level of performance, and they have continued to deliver that. I made it clear that they have been extended for six months. At the end of that period, I will have to take a further decision, and it will be based on the evidence and the facts in front of me about the level of service that they are delivering for customers. I will make that judgment in the round looking at all those factors—both actual achieved performance and a judgment about the performance that I think they can achieve in the future, based on that evidence.

**Q594 Mike Amesbury:** Finally from me, yesterday it was reported that the Department for Transport and the Secretary of State, your good self, have sanctioned the £65 million-worth of dividends to the particular group, First Rail Holdings, that I think has 100% of the contract with TransPennine Express and 70% of the contract with Arriva. That is £65 million in dividends, despite the abysmal service that passengers across the north are getting.

Since 2020, you may not have the figures to hand now, but it would be fascinating for the Committee to see, through the Chair, how much in the way of dividends you have effectively sanctioned as Secretary of State. It does not have to be the specific companies, but the overall figure. There was a reference to the private sector in earlier questioning from one of our good colleagues on the Committee. Surely that level of finance should be invested in a system that is completely broken at the moment. How can that be justified? Why would you sign that off?

**Mr Harper:** There are two things. On the specific press story, we made it very clear that that relates to the period before the very significant



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performance failures that we have seen on those two companies. That is the first point.

On the general point about the industry—this is a very clear judgment—we want a system where we get private sector involvement in delivering a better service for passengers and more innovation and service delivery in order to get more people using the railways. The fundamental challenge that we have, and I set this out at the last session, is that we still have a significant reduction in the use of our railways post pandemic, and a big reduction in commuter traffic. There has been a bounce back in leisure traffic, but the current railway network is not financially sustainable unless we see a significant increase in the number of people using it.

My judgment—and I think this is supported by, for example, the open access operators, many of whom have used a lot of innovation and service delivery to drive up volumes—is that we are not going to see that level of service improvement and number of passengers coming back unless we have some innovation in customer service, and I think that is best delivered by the private sector.

Q595 **Mike Amesbury:** But it is not being delivered. If you look at the system, they are taking us all for a ride. Well, they're not taking us for a ride, because we can't even get the trains.

**Mr Harper:** I don't think that is fair. I think some of the operators are performing very well.

Q596 **Mike Amesbury:** It is very fair.

**Mr Harper:** Look, it has been very difficult during the pandemic. There was a massive reduction in rail usage.

Q597 **Mike Amesbury:** Some £65 million for failure.

**Mr Harper:** That particular press story relates to a period before the very poor performance we are seeing being delivered at the moment.

Q598 **Mike Amesbury:** A bonus was paid to Avanti despite the fact that that service on a day-to-day, week-to-week basis was appalling. It is a fact, and you sanctioned it.

**Mr Harper:** Two things. The way rail companies are currently paid is that they get a fee for operating the rail service and then they get a further fee based on hitting certain performance measures. That judgment about whether rail operators hit those performance measures is not made by me. It is made independently, and that dictates how much money the rail operators get for running the service.

I think there is quite a significant performance challenge in there. The press story you are talking about relates to a period before we saw the fall-off in performance for both TPE and Avanti West Coast, but I will look to see what information I am able to share with the Committee, and I will include that in the letter that I send to the Chair following this session.

**Mike Amesbury:** Thank you.



**Chair:** Ruth, do you have questions on rail reform generally?

Q599 **Ruth Cadbury:** In what ways, if at all, does the vision for rail reform that you outlined in February this year differ from what was set out in the 2021 plan for rail? I am talking about things like contracts, the role of the private sector freight and open access operators.

**Mr Harper:** Some of what I set out was effectively reviving the plan that we had set out, because for rather obvious reasons, partly to do with the impact of the pandemic but also to do with the rather obvious political turbulence that took place, we hadn't made a lot of progress in delivering that plan for rail. Then for some of it I altered the focus slightly because I think there is an opportunity for a bigger role for the private sector. I accept that probably we will not agree about that.

The way I would like to put it is that I think the argument we have had about private or public and it all being one or the other is not a very helpful debate. The right way to deliver a good, well-functioning rail network is by accepting that there is a role for both. There is a role for the state in terms of delivering the guiding mind for the overall network. There is also a very important role for the private sector in running and operating those passenger rail services. You need both parts working together.

The GBR model is about trying to bring track and train together and having a more joined-up system so that you don't get situations where passenger operators blame the infrastructure provider for service performance issues or where the infrastructure provider does not blame the network operating company. All the passenger cares about is the train. The two most important things for them are what they pay and whether they get a good service.

I want a system that is better joined-up. From the taxpayer's point of view, you want to bring the P and L together—the revenue that is coming in from the fare box and the cost of delivering the rail network. You want to look at those things together and make sensible business decisions that deliver the best possible rail network at an acceptable cost to the taxpayer. I think you need to join those two things together. That is kind of where we want to get to and what we are hoping to achieve with GBR.

Q600 **Ruth Cadbury:** Okay, so how and when? Apart from the announcement of Derby being the new HQ for Great British Railways, we are not sure what the plan of action is. It appears that quite a lot with GBR can be set up without legislation, so what is the timescale for that? When do we anticipate GBR being set up in legislation?

**Mr Harper:** The first point with that is that quite a lot of the work—the guiding mind that will bring together more sensible decision making from the infrastructure provider with decisions about the contracts and how you deliver passenger rail services—can be delivered without legislation. It is about taking the bits of the Department that make those decisions.

**Ruth Cadbury:** Yes, you have said that, but when?





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**Mr Harper:** We have already set up the GBR transition team, so we are bringing some of that work together. The permanent secretary, at my direction, is looking at how you take the existing parts of the Department that interact with the rail network and restructure them internally. I will ask the permanent secretary to say a little bit more about that. We have to be a little bit careful about that because there are obviously some issues about managing staff and personnel, which you have to do in a proper way. That work is ongoing at pace.

Looking at how you make decisions and at the whole P and L—the revenue and cost side of it—can be done now. The bit that does need legislation is if GBR itself is going to make decisions about contracts and franchising. At the moment those are my decisions, which I have to take. If I want to pass those to GBR then that is where we need legislation. The rest of it can be done without legislation, and that work is under way.

It is a perfectly fair criticism that you have made: the plan for rail was set out and then not a lot happened. But I do not think I need to set out to the Committee that quite a lot was happening in the political world more widely, which meant that we did not make as fast progress on that as we would have liked. I have tried to pick that up since I have been doing this job and energise it.

Q601 **Ruth Cadbury:** Are we likely to have legislation within the next year?

**Mr Harper:** I do not really have much more to add to the exchange I had with the Chair. There are a range of things that we want to do in the Department that require legislation. There are processes for delivering that, and there is a limit to what I can say about it. I want to make significant progress, and I set that out in my George Bradshaw address.

Q602 **Paul Howell:** My core question is about the integrated rail plan, which is the subject we come to, and the response to the Committee's report. That report was prepared by the Member who is now Rail Minister. There are a number of things in there about the evidence base for the IRP, whether it covered all the things that needed to be done, and how it properly considers levelling up in terms of the way that you are addressing things.

As an initial question, can I ask when are we going to get a response to the Committee's report? In particular, will it address the Committee's concerns about the feasibility of journey time reductions and track capacity? You have already touched on track capacity, but I am afraid you will have to come back to that. Regional inequalities are a major theme for those of us who have constituencies in the north.

**Mr Harper:** On the overall picture, the Government remain committed to the integrated rail plan and the budget that was set out at the time it was published. We have made that clear on a number of occasions. On the specific point about responding to the Committee, I will ask the permanent secretary to pick that up in a second. There were a couple of questions that are relevant to this that I was asked at the last Committee. I had hoped to be able to deal with the Leeds study and Bradford today.



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Frustratingly, because there are elections in both those places, I am not able to set that out today. The purdah rules set out what you can and can't say about things that affect particular localities, but I hope to be able to say more about that after the local elections. The Government remain committed to delivering the integrated rail plan. On the specific response to the Committee, I don't know whether the permanent secretary wants to come in.

**Dame Bernadette Kelly:** Timing-wise, this is largely held up now because obviously it touches on sensitive local and regional issues. I think the expectation is, Secretary of State, that you were hoping to write to the Committee in May to set out the response to the previous recommendations. I have before me a draft that I can't share with the Committee, obviously, but we are well advanced in producing that response for the Committee, which will address the various questions in your previous report.

Q603 **Paul Howell:** I note that it was previously promised by the end of March, and obviously we haven't had any feedback.

**Dame Bernadette Kelly:** Indeed.

Q604 **Paul Howell:** You didn't tell us that that the delay was coming.

As a northern MP, one of my big concerns is whether you have the full evidence in your decision-making process to deliver the responses to the report. I use the example—we all talk about parochial things—of the Leamside line area in the north. There is a need for extra capacity for freight, and we need to ensure the integrity of links into Scotland, in terms of the east coast main line and so on. It seems to me that not enough evidence has been collected for that yet. I just want to make sure you are looking at that in your response.

**Dame Bernadette Kelly:** We are positively responding to the Committee's recommendations, and we will be able to set out some further details in response to the specific questions in the draft response. It is likely that in some areas the kind of questions that are being asked would require further detailed work, and we will be signalling how that will be taken forward. I think it will be a combination of those things.

Q605 **Paul Howell:** Okay. I have one final point on that. Obviously, you have talked about your assessment of spend. You said that you are taking a good hard look at the BCRs. One of the historical reasons we have inequality in this country is the way the BCRs have worked, and the levelling-up process is supposed to address that. Can you give those of us who require levelling up to happen an assurance that something will actually be delivered through the evaluation process?

**Dame Bernadette Kelly:** Shall I say a few words about that? This is a regular topic that comes up. First, in the Department for Transport we have very rigorous and robust analytical models, built up over many, many years, to ensure that we are able to do really rigorous BCRs. We hold ourselves to a higher standard than pretty much any Department. I think the Treasury, if they were here, would acknowledge that. That is



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because we think it is important that the very large investments we make are underpinned by good evidence.

However, we know historically that the criticism has been that it is focused too narrowly on a set of kind of economic considerations that tend to favour investments in the south and south-east. There are some points of debate there. I am not sure I would necessarily accept all those arguments, but we recognise the criticism, and we have done a lot of work in recent years—we have a levelling-up toolkit and other things—to ensure that the appraisal methodology does not unduly prejudice investments beyond the south and south-east, but I don't think that's enough, actually.

Within Government, the Green Book has changed. It has given us a greater ability to focus on the strategic case, which typically allows us to look at evidence and arguments that go beyond the quantitative underpinning of a BCR. Again, as a Department, we have been working hard to ensure that we understand how best we can use the flexibility that the Green Book has given us.

I would also say that I think this is a really important and ongoing challenge for my Department. I recently commissioned work from our analysts—we have excellent analysts—to think again and continue to think about how we evolve this model to ensure that we are able to provide appraisal methodology that captures the things that are very hard in practice to quantify.

We recognise the challenge. I am quite prepared to defend the appraisal methodology that we use and the steps we have taken to evolve it, but we continue to think about what more we can do, accepting that these questions get asked, to ensure that we are looking at a whole range of factors in our business case appraisals—the things we can quantify, and sometimes the things that are harder to quantify, too.

**Q606 Paul Howell:** I thank you for that. I am encouraged by the depth of the answer.

**Dame Bernadette Kelly:** I think it is an important issue.

**Paul Howell:** I really do see it as important, because the impact of investment into communities that have had nothing is massive from the community perspective, as opposed to the economic perspective that might come to the country, going typically into the south-east. I acknowledge that. I could go on a while, Chair, but I will leave that for now.

**Q607 Jack Brereton:** I first wanted to ask about the integration of HS2 with the classic network. You have already mentioned Leeds, but increasingly a number of the services on both the east and the west are going to the classic compatible-type services. What work in addition to the Leeds work are you doing to make sure that both Network Rail and HS2 are working together to ensure that investment is going into the classic network to facilitate those services?



**Mr Harper:** Part of the exchange I had with the Chair about the overall budget was to make sure that, in terms of overall investment from the Department, we continue to invest in both the maintenance and resilience of the existing network and in improving the existing network. It is important that we have a balanced rail investment package—that we are not just investing in HS2, but continuing to invest in the existing rail network. I am very keen to continue having good conversations between Network Rail and HS2 about the interaction of HS2 and the existing railway. Mr Smith, you touched on that earlier—about capacity being freed up.

The other conversation, as has been touched on by several Members, is about freight. One of the reasons I talk about rail customers is because it is about not just passenger customers, but freight customers. We do not talk enough about the opportunity to get freight on to the railways. Actually, that is a conversation to have as well, given that we are going to free up capacity. It is about how we get more freight on to the railway.

Coming back to the exchange I had with Ms Cadbury, that is a judgment about the balanced decisions where you look at passenger services and freight services and how to balance the capacity across both of those. It is about making sure that the Department and the various arm's length bodies that I have are properly talking to each other. We have the proper structures in the Department to make properly joined-up decisions. That is probably work that is never completely done; it is ongoing. I am always pressing in my conversations with those bits of the Department and those arm's length bodies for those conversations to be taking place, in terms of the overall process.

Q608 **Jack Brereton:** The rail network enhancement pipeline was obviously meant to be an annual update that we should have seen through from the Government, but it has never been updated since it was first introduced. When is it actually going to be updated?

**Mr Harper:** One of the things we are doing at the moment is working through that plan. It was held up because until we had settled our overall departmental budget and I had settled where we were making those decisions, at the individual project level, people were not able to then work through those individual projects. That work is underway at the moment, and we will be able to set out further detail of that—

Q609 **Jack Brereton:** Should we expect that this calendar year?

**Mr Harper:** We should be able to set that out in due course, but I would hope to be able to do that relatively early on. I would definitely hope to be able to do it this year, but we need to be able to set out the details so that people know what the plans are. That work is under way at an individual project level, now that we have been able to set out the overall budget.

Q610 **Jack Brereton:** Is that likely to see a number of those projects cancelled altogether? When the Rail Minister has given evidence to us before, he has identified—as I think you also identified, Bernadette—that the RNEP is overloaded with projects.



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**Mr Harper:** We have obviously been able to make decisions about overall spending, but we will have to make decisions on projects. It comes back to the questions that Mr Smith was asking me. Some of the choices will be about the fact that some projects will be able to take place now, while some will have to take place later. There may be some projects where the numbers don't actually stack up, so you make a decision and they don't take place at all.

There will be a range of those decisions and we will have to set those out for people so that people are clear about what is happening. There may be some projects that still make a lot of sense but we simply cannot accommodate them all now, and so they are simply going to have to take place later. We will have to make those judgments, and we will set those out for colleagues in due course.

Q611 **Jack Brereton:** Finally, on the Golborne link, have we got any progress on an alternative to that?

**Mr Harper:** We haven't got a conclusion to that process. We are looking at what the alternatives to that are, but that process has not yet reached a conclusion, no.

Q612 **Jack Brereton:** Will that be sooner rather than later, or is it linked to the fact that we have paused Phase 2 for two years?

**Mr Harper:** It is not going to be imminent, and I suspect that the fact that we have delayed some of this means that that will be a bit further down the track. I do not know whether the permanent secretary wants to add anything; I do not have got a specific timetable for that.

**Dame Bernadette Kelly:** I think that's right. It is definitely not imminent. In any event, it would have been a very substantial piece of work to identify and then select alternatives to the Golborne link. As the Secretary of State says, given where we are in the programme as a whole, including Phase 2b, I do not think we are likely to be producing proposals very soon.

Q613 **Jack Brereton:** I think it is pretty crucial, though, for the whole of Phase 2, because of the impact on Crewe if that is not delivered.

**Dame Bernadette Kelly:** We recognise, of course, that the hybrid Bill is still before Parliament, and therefore we need to be able to produce a proposal to support that process. Equally, I don't want to suggest it has disappeared into the long grass. We recognise its importance, and we recognise the need to address that as quickly as possible, but I equally wouldn't want to give false expectations that it's very imminent.

**Chair:** Just before we move on to buses, I am conscious of time and I want to conclude the session in time for colleagues to get to Prime Minister's questions. We still have quite a number of subjects to cover, so I urge colleagues and witnesses to be concise in their questions and answers.

Q614 **Paul Howell:** The headline question is about the £2 fare cap—whether you intend to make it permanent, and what reaction you've seen in terms



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of patronage. Do you think it has improved the marginal services that operators may have considered cancelling? We can start there.

**Mr Harper:** I mentioned in answer to an earlier question what we've done on buses. We recognise buses are very important. There has been a big challenge, as there has been across the transport sector, from the pandemic.

We still see bus patronage has not recovered fully, post pandemic. It is about 10% to 15% below where it was before the pandemic, and there's been quite a significant reduction in the use of concessionary passes on those services, so that's obviously had an impact.

We extended by a further quarter the bus recovery grant, which was obviously implemented to assist bus operators through the pandemic period to basically deal with the big reduction they saw in the fare box. The £2 bus fare was also extended by a further quarter.

Going forward, we are working with bus operators on what a longer-term process looks like. It is not particularly satisfactory for bus operators' ability to plan for us to just keep rolling things forward on a quarterly basis. I will set out in the usual way in Parliament what our longer-term plans will be in due course.

On the £2 bus fare, that was very much a cost of living measure. It was a specific thing to help people to deal with the cost of journeys.

Anecdotally, there has been some indication of perhaps a bit of an increase in patronage among some groups of customers. We are doing some analysis to look at the overall position; that work is under way. Some initial work, when we looked at the first month of that, indicated some increase in patronage, but not enough increase to offset the cost of delivering the £2 bus fare, but obviously we will look at the evidence across the whole period when we're making decisions. It has definitely been a useful cost of living measure that has obviously assisted people for the period that it is going to be running, but it is quite costly for the taxpayer to deliver. Obviously, that will have to be taken into account when considering the most efficient way of delivering taxpayer support for bus services, to make sure we have the best possible bus network at a sensible price.

**Paul Howell:** Part of the next question was about the value for money of spending in that space. I come back to local examples. If I look at what is happening with Arriva in the Darlington and Durham areas, the fare is in and people appreciate that, but we have services being cut. That means that instead of getting one, you have to get two buses, and therefore, in terms of the multiples, you pay £4 instead of £2 anyway. There needs to be a better model of what is happening. At the moment, all we are seeing is the operators in a race to the bottom.

You mentioned that you are bringing some assessment of what you see as the way forward for buses. Can you give the Committee any indicative timeline for when you think we will see that sort of commentary, so that



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we get some surety about where the operators are going? They are all looking at that and saying, "Three months' time—let's take some more down and take some more services out." That does not work for constituents like mine in Sedgefield, or constituents in Durham, Darlington and, I am sure, across the rest of the country.

**Mr Harper:** No, it certainly does not. I am very clear about the challenges. I have a rural constituency myself, and a lot of my constituents use buses. There is a real challenge in delivering those in a cost-effective way, given that there is lower patronage. We are working with the bus sector at the moment, and we extended the bus recovery grant—the £2 bus fare—to the end of June. Before then, I will obviously set out what our plans are going to be to try to have a longer-term model.

As an indication of what we are thinking about, I would say, as I said in answer to Ms Cadbury's earlier question, that we encourage local authorities to come up with bus service improvement plans, which are very much about delivering improved patronage numbers to effectively drive more farebox revenue to those bus operators. That is very much where we want to go. I want to be in a model where we see more people using buses, which helps to strengthen those bus networks and routes, rather than fewer people using buses and then that leading to cuts in services.

That is challenging to deliver, but I think it is very important that we have Government working with local authorities and bus companies as a partnership to try to deliver those better services. I am very clear about how important that is for our constituents.

**Paul Howell:** That goes back to what we said about rail earlier as well. Unless you have reliable, robust and continuous services, you will not get the patronage; you will not get the people coming there. The sooner we can get some surety into what, certainly for us, are effectively monopolistic services at the moment, which are difficult and challenging to deal with, the better.

Q615 **Gavin Newlands:** How many zero-emission buses are on the road in the UK?

**Mr Harper:** Through our programmes, I think there are about 1,400 zero-emission buses that we are funding centrally. I think 700 of those also are ordered. A relatively small number are on the road at the moment. There is obviously a pipeline to order those buses, get them manufactured and get them on the road. There are a relatively small number on the road, but the pipeline of getting that commitment to zero-emission buses is well on track.

To be fair, there are a relatively small number actually on the road, but they are ordered. They are being manufactured. I myself had the opportunity in February to visit Wrightbus, in Ballymena in Northern Ireland, which has been very successful at winning a lot of those orders. That work is absolutely under way. The buses are being manufactured and



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delivered, but it is fair to say that not that many of them are actually on the road.

**Q616 Gavin Newlands:** Okay. I would be grateful if you could write to the Committee to set out the exact position in terms of buses. I have had a number of written questions and oral questions to the appropriate Minister over the last wee while on the position and the various funding streams that these buses have been funded by—or not, as the case may be.

The original aim—I am looking at the releases at the time and at the BBC and other outlets—was for 4,000 buses in England and Wales. In fact, it was supposed to be English regions outside London. But even if you include London, it was supposed to be England and Wales. When I got responses back from Minister Holden, there was a 3,452 number, which is a fantasy number, I have to say. He is including in that number 802 buses that have nothing to do with the UK Government—Scottish Government, Northern Ireland, and so on—and are under different funding schemes. The initial announcement was for England and Wales, so why is it now accounting for Scottish buses?

**Mr Harper:** Well, I think the—

**Gavin Newlands:** Is it because you are getting nowhere near the target?

**Mr Harper:** On your point about the numbers, we are not in the habit of making up numbers. I will have a look at the numbers that you are talking about and that have been in written answers, which of course will be data that is properly assured, but it will be helpful, I suspect, if we write to the Committee and just set out the current position in terms of the buses that we have funded, those that have been ordered and the delivery pipeline, to give an indication of where they have been landed. In terms of the overall target of 4,000 buses, which I think I am right in saying was a UK number—

**Q617 Gavin Newlands:** I have asked that question a number of times and have been told by the Department that it's a UK target. It wasn't a UK target when it was launched; I have the details here. England and Wales is what was said in the Government press releases and so on.

**Mr Harper:** I will go back and look at that. I think there was some lack of clarity about that number, but I think—as best as I can recall—it was a UK number. But I will go back and have a look at it. Look, we will set out for the Committee, because this is obviously a detailed numbers question, what we think the current position is and where we think we are going to get to, so that there is some clarity.

**Q618 Gavin Newlands:** I am conscious of the time, so I will put that specific issue to one side. Obviously, we just released a report that indicated that Scotland has nearly 11 times as many zero-emission buses ordered as English regions outside London. Clearly, the intention was there. It is a good intention; it was a good policy when it was announced. Implementation has been an issue, it's fair to say. The ZEBRA scheme





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isn't fit for purpose, is it?

**Mr Harper:** I do not agree with you. We have a very significant number of buses ordered and funded through that scheme. Those buses are ordered. They are being constructed. Wrightbus, which I visited and was very impressed with, has won a significant proportion of those orders. It is fair to say that they have not all been delivered and are not all out on the roads at the moment. But they are in the pipeline to be delivered. We will set out for the Committee what that looks like in terms of orders, delivery and what is actually out on the road at the moment, so that the Committee can see that and there is some clarity.

Q619 **Gavin Newlands:** Just for clarity, let me say this. I received a written answer on 14 March. Through the ZEBRA scheme, which is obviously the scheme that was announced to deliver the 4,000 buses, there are currently—again, this was the position just over a month ago—503 buses ordered and six on the road, and 792 are funded but haven't been ordered yet. That is a grand total overall of just over or around 1,300 buses—nowhere near the 4,000 that ZEBRA was supposed to help deliver. But even of that 1,300, the majority have not even been ordered yet.

Do you not think that if you are going to make the transformational change in terms of zero-emission buses, you need to overhaul the ZEBRA scheme and get something else in place? I am talking about something akin to, perhaps, the Scottish Government's more direct schemes, which have obviously been hugely successful.

**Mr Harper:** No, I think the numbers you just set out are actually broadly what I just recalled out of my brain, so I am very pleased that they are very consistent. Look, there is clearly a time lag: you order these things and they have to be manufactured and delivered.

**Mr Bradshaw:** They haven't been ordered!

**Gavin Newlands:** That's the issue.

**Mr Harper:** Those orders have been placed.

Look, the most sensible thing is to set out for the Committee what the position is and what the pipeline looks like, but we are making very significant progress in delivering them, and a number of both combined authorities and local authorities are making significant progress in getting them out on the road. So I think we are making good progress against our initial target.

**Gavin Newlands:** Well, your definition of good progress is somewhat different from mine.

**Dame Bernadette Kelly:** To the delay point, once we have given funding to local authorities or confirmed ZEBRA funding, they then have to place the orders. They have to go through their own processes: procurement, contracting and so on. That is bound to take some time. I think what the 700 figure shows is that they are well advanced, but obviously, for some



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of the more recent awards, they have still to conclude that process. So it is not surprising that there is some lag there.

**Q620 Gavin Newlands:** Well, it was 4,000 buses that were supposed to be on the road by the end of this Parliament. That is what the intention was, and that is what the Prime Minister at the time alluded to. Anyway, we will move on.

In terms of the ZEV mandate, which most parliamentarians would certainly support, there is also an ongoing issue from industry because of the delays in announcing what the ZEV mandate is going to entail. Obviously, you have just announced a second consultation on the ZEV mandate. Bearing in mind that this mandate is supposed to come into effect at the end of this year, is that timeframe really feasible?

**Mr Harper:** Yes, I think it is. We have been working very closely with the industry. As you said, we have very recently published the final consultation on the detail. Nothing has changed about the overall timings. That remains as was originally set out. What we have looked at is the appropriate flexibilities. We have listened to what manufacturers have said.

We have looked at sensible flexibilities, which we have set out. Actually, the proposals that we published at the end of March were, I think, welcomed by environmental groups, accepting that we have a very ambitious zero-emission vehicle mandate that is actually more ambitious than any other in the world, and more ambitious, frankly, than has been set out by the European Union, for example, demonstrating that we are able to move faster in this space now that we are not in the European Union.

It was also welcomed by the motor industry because they recognised that we had listened to their concerns, and we have put in appropriate flexibilities. Actually, we have a very good story in this space. We have set out a very clear direction of travel. That has been really welcomed by industry in terms of making its investments. Close on one in five new cars last year, I think, were zero emission, which I think is very good progress. We are a global leader in this space, and we want to continue to be ambitious.

**Q621 Gavin Newlands:** I have a quick last question, then I think my colleague has a question on alternative fuels in this space. In terms of charging, SMMT and others were disappointed, although there are clearly improvements. There will be improvements to come in terms of the experience for the public. I am putting aside, of course, the issue that the number of chargers is still very low, and we need to ramp that up big time, including in Scotland.

We have 73% more rapid chargers per head. We need to ramp it up a lot quicker in Scotland as well than we currently are, but in terms of interoperability there are clearly still issues moving forward. How are you going to address that, because that is still an issue that has not really been addressed?



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**Mr Harper:** On your issue about the charging network, the charging network is growing rapidly in line with the number of cars that is being sold. It is a huge amount of private sector investment, and we recognise that there are some areas that are appropriate for Government intervention.

One of the things that we also published at the end of March was our LEVI scheme, which is the money that we invest with local authorities to enable them to implement on-street charging for those people who do not have off-street charging capacity. That was very significant. We piloted it first and then we announced at the end of March £343 million-worth of investment, which is a very significant amount of investment, to help to deliver that charging network for the on-street network with local authorities.

Q622 **Gavin Newlands:** Okay, but would you agree that the public should be able to access the vast majority of chargers by using a debit or credit card—as straightforward as that—rather than having a million apps on their phone?

**Mr Harper:** I am not going to get into the detail of exactly how the different things operate. I do not think that it is very helpful for us to be too prescriptive there. The technology moves at a rapid pace. I want things that work for customers. There are a number of apps that enable you to locate where these charging devices are, and I do not think that it is helpful actually for the Government to be overly prescriptive about how that operates.

There is a certain level of prescription that we have, but we want a fast roll-out of the charging network. A lot of investment is going in by the private sector. I think that that is going well. There are some gaps where you need public investment, and as I said we set out a very significant amount of investment at the end of March.

Q623 **Gavin Newlands:** As an EV driver myself, I am pretty certain that the public are not with you on that. They would quite like you to be overly prescriptive and ensure that chargers can use credit and debit cards.

**Dame Bernadette Kelly:** I think there is consultation as well going on about regulations that would provide appropriate levels of regulation of the network in areas like contactless, and expectations around reliability. I think that that is part of the broader plan for ensuring that there is a reliable charging network.

Q624 **Jack Brereton:** I want to ask a quick question about BSOG—the bus service operators grant. Obviously, a 22p rate for zero-emission buses has now been introduced. Have you done any assessment on that rate since it has been introduced, and on whether any further reforms of BSOG are necessary to further encourage zero and low-emission buses?

**Mr Harper:** On that general point, coming back to the whole issue about support for buses, one thing I am looking at in our long-term plan is all the funding streams—the bus service operators grant, the recovery grant



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that we put in place and the £2 bus fare. Actually, the biggest chunk of public support for buses comes through concessionary fares. I am looking at all of that and what is the right longer-term model for supporting buses, which obviously will take into account zero-emission buses, electric buses and those that use conventional fuels. We want to try to have a sensible long-term model, and that is the work that is under way at the moment. I hope to be able to say more about it in due course.

**Q625 Karl McCartney:** Secretary of State, we will be coming on to smart motorways, which I would love to ask you about, but we have a minimal amount of time and we have nearly done two hours.

I understand that buses and trains are very important, but up in the north, more than 80% of commuting is done by people in private cars. Now, electric vehicles have a shelf life of roughly seven years because of the batteries. Obviously, internal combustion engines have a much longer shelf life than that. The 35 million vehicles currently on the road that have internal combustion engines are driven by lots of people who are voters—yours and mine, and everybody else's in this room who is a Member of Parliament. Have you read the Committee's recent "Fuelling the future" report?

**Mr Harper:** I have not been through it all in detail, no.

**Karl McCartney:** I recommend you read it and take an active part in the response to it, because my next question is basically—

**Mr Harper:** I will take an active part in the response, which I will sign off.

**Q626 Karl McCartney:** I am sure you will, but I am hoping you will read it closely. I am sure you are aware that the EU recently made exemptions in its own mandate for internal combustion engines. Perhaps that was or was not expected. Why have our Government in this country ruled out e-fuels as an alternative, whether that be synthetic fuels or sustainable fuels such as hydrogen? Why have the Government put all their eggs in one basket—that being EVs?

**Mr Harper:** There are several things there. On the point about technology, the Government remain technology neutral. The mandate that Mr Newlands referred to is a zero-emission mandate. We have not mandated whether vehicles are electric vehicles or any other sort. We are neutral about the technology. The market has broadly moved to electric vehicles, but we have not specified that. We have said that they have to be zero emission at the tailpipe. How you deliver that is a technology question, which is up to manufacturers to deliver.

On your question about e-fuels, my understanding is that those are not zero emission at the tailpipe, so they would not meet the mandate that we have set out. I do not think the question in the European Union is a settled question. Some countries in the European Union think that those e-fuels—synthetic fuels—are a possible solution. Other countries in the EU do not agree, and there is a live debate under way at the moment. We are



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obviously in a position where we can set out our mandate independently of the EU, and we have done so. We have said we will—

Q627 **Karl McCartney:** Surely you haven't set out your money; you are sitting on the fence.

**Mr Harper:** No, we have set out a zero-emission vehicle mandate, which says that you cannot sell diesel and petrol cars after 2030.

Q628 **Karl McCartney:** Okay, so do you believe there are enough raw materials to have every vehicle in this country—35 million vehicles—as an electric vehicle? Do you believe there are enough raw materials for batteries for every vehicle in this country?

**Mr Harper:** The mandate that we have set out is not an electric vehicle mandate. It is a zero-emission vehicle mandate. The Government have remained technology neutral. We have not said to manufacturers that they have to make electric vehicles. We have said they have to make zero-emission vehicles. We have not said what the technology is. That is for manufacturers to deliver.

Q629 **Karl McCartney:** You are dancing on the head of a pin, much the same as your predecessor.

**Mr Harper:** I am not.

Q630 **Karl McCartney:** Unfortunately, the people who drive those 35 million vehicles will look at this Government and think, "What are we going to do?" They cannot afford a new or even a second-hand battery vehicle. Unless they are in really high-paid jobs, my constituents will not be buying new or second-hand electric vehicles. A new vehicle for them is the equivalent of an eight-year-old Mondeo, be it diesel or petrol-powered currently.

**Mr Harper:** Clearly, the mandate is about new vehicles. We are not telling people they have to get rid of their existing vehicles; we are setting a mandate for manufacturers about the sale of new vehicles. Clearly, over time, as the volume goes up, you would expect the costs to come down. Obviously, those new vehicles will then flow through, in due course, to the second-hand and used sector.

Q631 **Karl McCartney:** Not if they only last seven years.

**Mr Harper:** No, but the mandate we are setting out is a new vehicle mandate. We are not telling people that they have got to get rid of their existing vehicles; we are saying to manufacturers that new vehicles that are sold have to meet certain requirements of being zero-emission. That is what the mandate is about, and that is what we have set out in order to hit our net zero ambition.

Q632 **Karl McCartney:** There are knock-on effects from those vehicles only lasting seven years, but I would like to move on, if that is possible—a complete change of tack, maybe. The DVLA—do you think that is an organisation that is working?



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**Mr Harper:** Yes, I do.

Q633 **Karl McCartney:** So you are happy with the senior management.

**Mr Harper:** Yes. You would need to give me a bit more detail of what—

Q634 **Karl McCartney:** A number of times, the chief executive has been in front of this Committee in the past two years. I asked your colleague, the last time she was in front of the Committee, if she was happy. The Committee has made its feelings very clear that the DVLA is not fit for purpose, and it still isn't. I wondered if you had any plans to make any changes, or if you were looking actively at the new chairman who is soon to be appointed.

**Mr Harper:** There are two different things that you have elided. There is a question about the performance of the agency, and then there is the extent to which you wish to personalise the performance of the agency and the individual—the person—running it. Those are actually not the same thing.

There were clearly issues during the pandemic in terms of the performance of the agency. There were challenges it faced around its operational capability, but actually the agency is now delivering very well. It had challenges in the past, and I think it has actually responded to those and is performing very well at the moment.

If you have things that are currently not performing very well, you will no doubt share them with me, but at the moment we have the usual processes in the Department, where we look at the performance of the agencies and hold them to account. I have regular meetings with the chief executives of those agencies, and I have no reason to make the changes you suggest. I do not know whether the permanent secretary wants to add anything.

**Dame Bernadette Kelly:** No, I have had this conversation with Mr McCartney before. I recommend that he looks again at the NAO report, which sets out in detail exactly what happened at the DVLA.

Clearly, there was an issue, particularly in the early stages of the pandemic, when there were very significant lockdown restrictions on the DVLA. Backlogs did arise as a result, but I think that report sets out how those backlogs have been recovered in all areas except drivers' medical, where we and the DVLA acknowledge there are still ongoing challenges because of some of the systemic challenges there. We are not saying that everything is perfect.

I would also add that I think the DVLA can rightly point to really quite an exceptional track record in serving customers digitally. Those are the vast majority of the interactions that the public have with the DVLA, and at no point have those services been disrupted. I think we are slightly raking over some important issues that did arise during the pandemic, but I think they have been quite thoroughly addressed since.



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**Karl McCartney:** Thank you for those answers. I think some of us on this Committee do not have the same faith that you do.

Q635 **Gavin Newlands:** On sustainable aviation fuels, do you agree with Philip New's report that a price support mechanism, such as contracts for difference, is essential?

**Mr Harper:** Philip New's report, which we published on Monday this week—with the Government's response—said that there was a need for revenue certainty as part of the policy mix to encourage sustainable aviation fuel. Contracts for difference would clearly be one way of doing that. He was clear that he felt the industry needed to look at how that operated.

At the moment, we are talking to industry about how you would deliver revenue certainty and what the Government might need to do. We said in our response whether there would need to be some sorts of changes to private law and contractual arrangements to enable that to happen, and we are very open to that.

At the moment, we are talking to industry about how you might deliver more revenue certainty. If required, we are prepared to consult on that again in the summer, but, generally, I think the Philip New report and the Government response to it were well received. I co-chaired a further meeting of the Jet Zero Council on Monday, and those conversations with industry are ongoing.

Q636 **Gavin Newlands:** I hear you focusing on the industry element of this. Are you ruling out the Government implementing a similar scheme to contracts for difference for other energy portfolios?

**Mr Harper:** I think the thing that is different, and why I do not think you should do an exact read across to other forms of renewable energy, is that there are other things in this space that you did not see in those. For example, we have set out the SAF mandate to mandate a certain proportion of aviation fuel being sustainable. That obviously drives some business imperatives for the sector about the certificates that they can trade and their ability to do that. That will, in itself, set out some certainty for the industry.

We have made available a significant amount of taxpayers' money in our advanced fuels fund to get some of those UK-produced SAF plants up and running by 2025, and there is a second phase that we have just opened for people to bid into, but we are very much looking at this and talking to industry at the moment about whether there needs to be further revenue certainty and whether there is anything that the Government needs to do to make that happen.

Q637 **Gavin Newlands:** On that industry-led supported revenue certainty, are there any schemes anywhere around the world that have been implemented in a similar way—not necessarily in sustainable aviation fuels, but that kind of industry-led revenue certainty scheme? Is there anything we can look at as an exemplar or example on this, for us to hold



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you guys to account? I am not aware of any.

**Mr Harper:** I was going to say that there are not, I don't believe. One of the things is that, as in many other areas of climate, we are actually global leaders in this space. On sustainable aviation fuel, Britain is one of the countries that is actually leading this work, so one of the things we are doing is talking to industry about how we deliver that. We have set out the mandate, which I think has been welcomed. We have set out the public support for research, and we have set up a clearing house for how you do the testing in this area. There are a lot of things the Government are doing, and we continue to work closely with the industry—both manufacturers and airlines—to look at what more we can do to deliver on our plans.

Q638 **Gavin Newlands:** Would you agree that we face losing that leading position if we do not get a move on with—whether it is industry led or what have you—a revenue support mechanism? How much SAF are you willing to import as a proportion when the mandate comes in during 2025, if indeed it does?

**Mr Harper:** One of the things that we have been clear about is that we want to encourage a significant proportion of domestic production of SAF, which is why, as I said, we have delivered a very significant amount of money—£165 million-worth of funding—to a number of bidders to get those. We want at least five UK SAF plants up and running by 2025. We have put a lot of taxpayers' money into support, working with industry to deliver that. We absolutely want to manufacture SAF in the UK as part of being able to deliver that SAF mandate, and we want to continue to have a globally leading position in delivering sustainable aviation.

Q639 **Gavin Newlands:** Yes or no—do you still think you will have five plants by 2025?

**Mr Harper:** That remains the Government's plan. That is what we are aiming to deliver.

Q640 **Gavin Newlands:** That is a typical politician's answer to a yes or no question.

**Mr Harper:** No, that is what we are aiming to deliver. That is what we are aiming for, and we are setting up our policy objectives in order to do that.

Q641 **Ruth Cadbury:** The net zero growth plan was delivered by the Government at the end of March, and it includes about 12 transport-related decarbonisation milestones. Briefly, which of those milestones that are necessary to reach net zero are giving you the most cause for concern?

**Mr Harper:** As we have just talked about, aviation is clearly the most challenging area to decarbonise. We have very clear plans. They are not universally accepted, I accept, but we have clear plans on vehicles—on cars—and the zero-emission vehicle mandate is clear. Aviation is clearly one of the areas that is difficult to decarbonise, but we have a clear plan. As I said, we are globally leading on that, but there is a lot of work to do.





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We are working with the industry, and we work with our international partners. You will know that last year at ICAO, we worked with some of our partners and led the work to deliver the aviation sector signing up to delivering net zero by 2050. That was a really big milestone.

They are all very important. Some of them are more technologically challenging than others, but I have been very excited by the work that is under way. I saw—briefly, admittedly—some of the fantastic technology that is under way when I was at Farnborough on Monday.

**Ruth Cadbury:** I was asking which are the most challenging, and you said aviation.

**Mr Harper:** Yes, I think aviation is the one that is going to be hardest to decarbonise because we are obviously having to use sustainable aviation, and some of the technology that we are going to be using later is yet to be developed, which is why we have the SAF approach. It is the one that is technically most difficult to decarbonise.

Q642 **Greg Smith:** Very briefly on the last topic—I appreciate that you might want to write to the Committee with an answer to this—the advanced fuels fund was £165 million, of which £82.5 million was allocated in December and the new tranche is £55.8 million. What happened to the other £26.7 million?

**Mr Harper:** Let me write to the Committee. I am clear that we set out the money, and we are going to allocate all of it, but let me write to the Committee with the detail. That is probably safer than me pulling the numbers out of my head. I will set out a comprehensive response for the Committee.

Q643 **Greg Smith:** I anticipated that. Can I turn to smart motorways, Secretary of State, and say well done? It is fantastic news. Some of us on this Committee have been saying that they were deathtraps for some time, and it is good news that you have stopped future smart motorways being built. Given the conclusions you have rightly come to on new smart motorways, what will happen to the existing ones that we already have?

Clearly, there is a cash saving to the taxpayer from not proceeding with the new ones that were planned. Surely some of that money can be spent on putting the hard shoulder back on to the ones that have already been built or, at the very least, putting a red X up in the left-hand lane in both directions so that drivers have confidence that, should they have a breakdown or run out of electricity if they have a battery electric vehicle, they can stop in a safe way and the technology is not going to fail them.

**Mr Harper:** Let me unpack your question, because you covered a number of things that are very important. I do not agree with your characterisation of the safety record of smart motorways, but you also touched on public confidence, which is important. If I set out the reason for the decision we took, I think that will be helpful to the Committee, and it will hopefully answer your question comprehensively.



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It remains the case that, in terms of the things that I think the public care about, which are serious or fatal casualties, all the types of smart motorways remain the safest roads on the strategic road network. They are safer than conventional motorways, and they are safer by some margin than A roads, but it is also the case that that is not reflected in public confidence. A significant number of members of the public are not confident about using smart motorways, and we have seen that from consistent polling.

The decision that we took—and it partly reflected the commitment that the Prime Minister made last year—was to cancel plans for new smart motorways. There are a couple of existing construction projects under way that are more than three quarters constructed, and we are going to complete those. We are going to keep the existing smart motorways, but we are going to follow through on the commitments that the Government made in response to this Committee's report on delivering improved safety measures.

One of those is the improved technology—stopped-vehicle technology, for example—but also, importantly, to increase the frequency of emergency areas to give people the confidence that there is somewhere for them to stop if they were to have that vehicle breakdown. That work is under way. We have piloted delivering some of that to do it in the most efficient way possible.

On your point, which has been reflected by others, about putting the hard shoulder back, the question, of course, is if you wish to reinstate the hard shoulder, but also maintain the capacity of the motorway network, you can't do that just by switching on a red X. It would require significant investment in putting that capacity in place. Of course, taking out that lane would reduce capacity. If you don't put the capacity back in place, you do one of two things. You either have a very significant amount of congestion or you drive people off the motorway network on to roads that we know are very much less safe than the motorway network, and you would actually drive up the number of casualties, which I don't think would be the right thing to do.

The decision we have reached is a balanced one that reflects both the actual safety record of smart motorways, which is very good, and the fact that, for whatever reason, we haven't done a very good job in persuading the public of that, and the public do not have that confidence, which I think was reflected in the very balanced judgment that the Committee came to in its recent report, the conclusions of which the Government accepted.

**Q644 Greg Smith:** When it comes to stopped-vehicle detection technology, there have been periods in recent months where the technology has failed—not just for a couple of minutes, but for hours on end in a single day—and, frankly, it has been a matter of luck that the failure of technology did not lead to a horrific incident in the road with a stopped vehicle, an HGV or whatever it might be. How can we have confidence that the technology for those roads that have already been built as smart



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motorways or, as you say, are more than three quarters constructed will work? What is it going to take, going back to one of your earlier answers, to have an apples-to-apples comparison on safety, rather than an apples-to-pears comparison? This technology just isn't there yet, is it?

**Mr Harper:** There are two things I would say. On the technology point, we agree that the technology is important, which is why we commissioned the independent Office of Rail and Road to undertake a review of the effectiveness of the technology, which we did last year. Its report acknowledged that the technology had improved the detection of stopped vehicles, but National Highways recognised it wasn't meeting the performance standards that it had set out.

By the end of June this year, National Highways is aiming to meet that performance specification. I know you had the chief executive of National Highways here, and I think asked a lot of detailed questions about this. National Highways has a significant investment plan over the next two years to build a lot of resilience into the technology. I have had the senior leadership team from National Highways in front of me, and I have pressed them very hard on the technology.

On the apples-to-apples comparison, if you are looking at the safety record and you are looking at the data, we look at all those motorways in a consistent way, and the casualty rate, and in that consistent apples-to-apples comparison, it is the case that all three forms of smart motorway are safer in terms of serious or fatal casualties than conventional motorways, and they are significantly safer than A roads on the strategic road network. That's an apples-to-apples comparison. That's over a five-year period, so it reflects the points about the stopped-vehicle collision technology as well.

Q645 **Greg Smith:** This is my final question on this, being mindful of time. If this is, as you have answered, about public confidence, and we are not going to build further smart motorways because we accept people are not confident using them, what is the Government's message to people driving through necessity on the ones that are built? Reading between the lines, it is essentially saying, "We know you're not confident in them, but use them anyway."

**Mr Harper:** I think it reflects the fact that we have to do more to improve the level of confidence. Part of it is the work that we are doing on improving the operation of the technology. The second one is the significant investment that we are making in more emergency areas.

The thing that people do worry about, although it is not a frequent occurrence, is what happens if there was a need to stop their vehicle. We are improving the frequency of those emergency areas, so that people have confidence that they would have somewhere to stop if they needed to. They will be at a frequency of every three quarters of a mile.

It is, of course, worth just saying that hard shoulders are not a particularly safe place already. One in 14 deaths that occur on the motorway network where there is a hard shoulder are on the hard shoulder. It is worth just



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saying that the hard shoulder is not a particularly safe place for people to be, which is why we've changed guidance over the last number of years about people not remaining in their vehicle, getting out of their vehicle and away from the road.

I think having more emergency areas will improve confidence as people use those motorways over time. That was reflected in the Committee's report. The Committee's report recognised that and made a number of recommendations, which the Government accepted that we needed to put in place.

The conclusion we have reached is a balanced one, which reflects the actual safety performance of smart motorways, which is very good, but does also reflect the fact that the public do not have the confidence in them that that data suggests they should have. In a democratic country where you have to take people with you, I think recognising where the public is, is important; putting that investment in place to improve the safety of smart motorways, but also the perception of it, is also important to deliver as well, and that is what the Government are aiming to do.

**Chair:** Thank you. We need to go to very quick questions and answers now to get through the last items. Karl.

Q646 **Karl McCartney:** Secretary of State, you have just been very gracious about the Committee's work and its most recent report, but you will be aware that there was a report exactly the same in 2016. I was on the Committee back then. Some of your predecessors and, in fact, some of your current ministerial colleagues were around at that time.

Why did it take five, six, seven years to make the decision that you've made? And when was that decision made?

**Mr Harper:** I don't know why other people didn't reach the decision we've made. This decision was taken recently. It was a commitment that the Prime Minister—

Q647 **Karl McCartney:** How recently? The person sitting next to you was questioned exactly on this subject the last time she appeared in front of the Committee.

**Mr Harper:** The commitment about smart motorways was made by the Prime Minister during the summer leadership campaign last year. This decision was taken recently, and it was announced to Parliament—it was announced at the weekend, and it was set out formally to Parliament when Parliament returned on Monday. The decision was taken subsequent to the questions that you asked the permanent secretary—

Q648 **Karl McCartney:** Sorry; I am going to interrupt you, because I have got questions to get through. So, apples and apples, safety-wise.

A number of smart motorways do not run at 70 miles an hour. For whatever reason, the speed limit is lowered and people do not change lane as often. They are not operating the same as the rest of the motorway network.



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I was very happy to hear you talk about hard shoulders not being safe because many of us realise that, and if you speak to the AA or the RAC, or the contractors who work for them or have to go and rescue people in their cars, they'll tell you exactly that.

But I don't think you are comparing apples and apples, because the AI doesn't work, and the AI doesn't work because the way that the people who are looking at CCTV cameras and the AI realise that something has happened on a smart motorway is that congestion needs to form first. That's why it can take up to 15 minutes before anybody has realised that a car is broken down in a live lane.

Are you really comparing apples and apples, or is that what your bean counters in the Department have told you?

**Mr Harper:** No, I think what I have said in terms of the safety data is that it is the data.

The point you flag up, though, is one of the reasons why smart motorways actually are safer. You can have a breakdown in a live lane on a conventional motorway, and if that happens on a conventional motorway and you're not able to reach the hard shoulder, you don't have the same tools in place—

Q649 **Karl McCartney:** Thank you for bringing that up, but maybe you could reply to the Committee with some data that shows us how many live-lane breakdowns there are on normal motorways that result in deaths compared with what happens on smart motorways?

**Mr Harper:** I will do that. That data does exist, but you also have to recognise the fact that a breakdown in a live lane is relatively rare. You have to look at the overall safety record of smart motorways, which as I said is better than that of conventional motorways and significantly better than that of A roads on the strategic road network. That data all exists, and I am happy to set that out clearly for the Committee when I write to you.

Q650 **Karl McCartney:** The Committee will be very grateful to receive that. You did not answer my question about the future appointment of the chairman of the DVLA. Will you take a close interest in that? Do you think that they should have practical experience of the work of the DVLA?

**Mr Harper:** Answering the question, appointments of chairs of arm's length bodies are made by me and other Ministers. I take a very close interest in them. I look at the requirements of the job role and at the capabilities of the candidates when I make those decisions. I will do that for this appointment, as I do with all others.

Q651 **Mr Bradshaw:** To how many consultations are we still waiting for a response from your Department?

**Mr Harper:** Off the top of my head, I do not know the answer to that question. Assuming that is a question to which you do not know the answer either, I am very happy to write to the Committee to set it out.



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Q652 **Mr Bradshaw:** Our excellent Clerks have managed to assemble a list of 17, but when your junior Minister Jesse Norman was asked, he said that it would be too expensive for your Department to provide that information. I wondered whether you thought that it was a basic tenet of good governance and competence of a Government Department to know exactly how many consultations it has not yet responded to.

**Mr Harper:** I am sure that I can provide that information; I simply cannot provide that information to you at this very minute. I will include it in the response to the Committee.

Q653 **Mr Bradshaw:** Dame Bernadette, do you not think that it is a matter of basic good housekeeping for any Department to keep tabs on how many consultations are outstanding? It seems extraordinary that you said that it was too expensive to provide the information.

**Dame Bernadette Kelly:** That is not something that I have said. We have a lot of business right across the Department. At any given point in time, we hold a very large number of issues in consultation, so it is just a question of co-ordinating across the Department about where those consultations are outstanding and what stage they are at.

I do not—the management information we gather does not—normally keep that precise, running tally on consultations, possibly because sometimes we have to be realistic about some outcomes being more important than others, but it is a reasonable question and I am quite sure that we can answer it.

Q654 **Mr Bradshaw:** I think it would be very helpful to the Committee, the public and all your Department stakeholders if you actually knew how many there were, and if you made that regularly public and did not say that it was too expensive to find out. To me, as a former Minister, it seems to be a basic issue of decent, good housekeeping.

How are you getting on with your EU retained law responsibilities? Your Department has the third largest number of stuff that needs sorting out. Will you meet the December deadline?

**Mr Harper:** We are doing that work. A team across the Department is looking at it, as you know. A lot of our retained EU law is about safety and so forth, and a lot of it will therefore be kept in place. We are going through all that law at the moment and making sure that we will take proper decisions about what is kept, what is rolled forward and what is reformed, and that we do not miss anything when we get to the December deadline.

We are absolutely on track to deliver our requirements across Government. Obviously, Government will set out publicly at the appropriate time the status of that work, but I am very confident that the work is under way comprehensively across the Departments.

Q655 **Mr Bradshaw:** Your latest dashboard said that you had done a quarter of the work and that you had done only one more law than you had 12 months previously. According to a recent report in *The Times*, the



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Government are thinking about a six-month extension to the process. Is that something you would welcome and push for, given that there is no way that you will meet the December deadline, is there?

**Mr Harper:** I have not seen that particular report in *The Times*. There is no plan to extend the deadline, which I think remains in place. The legislation is going through the House of Lords at the moment, and I think has its next stage at some point after the House returns after the coronation recess. I do not think that the specific date has yet been set out.

Q656 **Mr Bradshaw:** All the laws that you will basically keep, you will have to redraft and put through Parliament in that time.

**Mr Harper:** There will be a process to take secondary legislation through Parliament to deal with the retained EU law. That work is under way at the moment, to set out a plan to do that on the timetable that has been set out by the Government. The work is under way, and we have a good team of people doing it. I am satisfied with the progress that is being made.

Q657 **Mr Bradshaw:** You said in December that this work would require significant prioritisation within your Department. What work have you had to drop to prioritise this work?

**Mr Harper:** It is obviously taking effort from people to go through that work, and then draft the statutory instruments that will be required to ensure that that law stays on the statute book. It is important legislation, and that work is under way.

Q658 **Mr Bradshaw:** How many people have you got working on this?

**Mr Harper:** I do not know off the top of my head.

**Mr Bradshaw:** Does Dame Bernadette know the answer to that?

**Mr Harper:** It will be across the Department. There is a central team, but there are going to be people working in each part of the Department as part of that work. Let me see what we can pull together in terms of the resource that has been devoted to that; I do not know how easy it is to do that comprehensively, but we will certainly look at what we can do.

**Dame Bernadette Kelly:** As you say, we have a central hub that is very easy to quantify. It is the dispersed effort that can be more tricky, because you are not talking about whole teams but individuals who are putting some time into it.

**Mr Harper:** The central team is easy, but we can certainly do an estimate and give an indication.

Q659 **Mr Bradshaw:** That is fine. It is not just safety that we are talking about; it is consumer rights. Consumer organisations are very worried. There are thousands of county court cases outstanding against airlines for failure to compensate passengers in accordance with their legal responsibilities. There is still a proposal on the table from the Government to weaken consumers' right to compensation when their flights are delayed.



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Can you guarantee to the Committee that the rights that consumers currently have for their fares to be compensated when they face unacceptable delays will be kept, and will not be watered down or lost as a result of you not doing this work in time?

**Mr Harper:** We have no plans to weaken either the safety regimes that are in place or the benefits that consumers get—that is not the intention. Part of the reason for doing the work comprehensively is that we are absolutely intending to ensure that nothing inadvertently falls by the wayside.

Each piece of legislation will be very clear. If anything is sunsetted, that will be done deliberately for a reason that we will set out. It will not be because we have not looked at it or made a decision about whether we are going to roll it forward or not.

Q660 **Mr Bradshaw:** What were the reasons for the extraordinary delays at Dover over the Easter holidays?

**Mr Harper:** On the first weekend of the Easter holidays, as far as I can see, it was a mismatch between the number of coach bookings that were taken and the capacity of the port to process them. I do not have a very clear reason for why that took place. Those will be questions properly answered by the port itself, the coach operators, and the ferry companies.

After that initial very poor experience for passengers, myself and my Department engaged with the port operator, and steps were then taken for the subsequent weekend—which was less busy, to be fair—to ensure there was not a recurrence. It is fair to say that that Easter weekend was the busiest weekend since the pandemic.

Q661 **Mr Bradshaw:** But it is not the first time that problems have happened. It would be helpful if you just admitted that the underlying problem is that it takes 20 minutes to process a coach now, and 90 seconds to process a car with four people in it, when before it took seconds. That is because of the passport checks; you have to have your passport stamped and checked. That is the simple reason, isn't it?

**Mr Harper:** No, the port is—

Q662 **Mr Bradshaw:** No?

**Mr Harper:** No. There has been a very significant period of time for people to get used to the fact that there are changed processes, and to put those processes in place. I think that people have a very clear understanding of what the capacity is.

Clearly, in this case, there was a mismatch between the demand and what was available. The port coped very well with the big increase in passenger traffic in the February half term, but it did not do very well on the first weekend of Easter. The fact that the second weekend flowed fairly well demonstrates that they responded. I think they put extra capacity in place and smoothed the flow of coaches more sensibly across the weekend. We





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did not see a recurrence, just a week later, of those problems, which demonstrates that the port took appropriate steps to deal with it.

**Q663 Mr Bradshaw:** The port itself disagrees with you. The person who runs the port made it quite clear that it was because of the extra time taken for the stamping of passports. What are you going to do to ensure that this does not happen again in the summer—or get even worse next year when the European EES system finally comes in?

**Mr Harper:** There are two things. First, I know from the conversations that I have had with them that the port have learned lessons from what happened at Easter. They will be very keen to ensure that doesn't happen again. I can assure the Committee that my Department will be taking a very close interest, to make sure that that experience is not felt by passengers again. That was clearly not acceptable.

You are right, though, that it does highlight the challenge that is in place for dealing with EES. There is a lot of work under way. We are talking to our partners in France, and engaging with the European Union about how best to deal with that. We are looking at how we deal with coaches in particular and how to process those appropriately.

One thing I am optimistic about is that the much-improved relationship we now have with the European Union, following the Windsor framework that the Prime Minister arrived at, makes me confident that we will arrive at some sensible solutions in implementing EES, in a way that delivers improved border security but also enables free flowing of coach passengers, in particular through the port at Dover.

**Mr Bradshaw:** Thank you.

**Q664 Paul Howell:** I'll be very quick, Chair. I want to come back to the comment my colleague made about the outstanding work and the 17 different issues. There are two aspects to that. One is the question about the Department's competence in managing the stuff that is there. The other side is for the recipients of information that should come from those feedbacks, as to when we are actually going to see that.

Rather than run through the 17 now, it would be useful if the Committee identified those 17 to you, and said, "Can you specifically tell when they happened?" Some of them go back far. The earliest one here is February 2021 about the transport rural strategy. There are a number of different issues there that we think reports should be coming with information on. Rather than you looking for them, we will tell you what they are, and you could answer them specifically.

**Mr Harper:** I am very happy to do so.

**Chair:** Greg, last question.

**Q665 Greg Smith:** Thank you, Chairman. Secretary of State, throughout the conversation, earlier questioners have pointed out that the vast majority of journeys are in private cars in this country. What steps are you taking, accepting that this will be on a cross-Government basis, with multiple



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other Departments, to support the UK's automotive industry? Within that, I do not just mean the manufacture of new vehicles, but the classic and heritage sector, and the thousands of garages and workshops up and down the land that rely on the internal combustion engine car for their living.

**Mr Harper:** You make a good point: a significant proportion of journeys are made by private cars. The Government are very clear that we want to support motorists and the industry. There are several things. First, we have engaged very well with the automotive sector in terms of new car manufacturing.

Part of the work we have done on the zero-emission vehicle mandate is that we have listened in the consultations to that industry, and have made appropriate flexibilities in how we are going to implement it, to recognise the different manufacturers. That demonstrates that we listen. My colleague the Business Secretary is a champion of our advanced manufacturing technology, and is engaging with the automotive sector very positively about how we deliver that.

You also raised some very sensible points about the wider sector. My job is to ensure that, as we develop the automotive sector, we recognise the areas that you flagged up: heritage vehicles, and how we deliver through MOTs and servicing, and think about how that needs to change to reflect the change in the car fleet.

That will happen over time because the ZEV mandate is for new vehicles, and that obviously then flows through the used car market. You make a very good point that we need to ensure we support the automotive sector in its widest sense, to reflect the fact that a majority of people in the country travel that way. We want to be on the side of the motorist to make sensible decisions, while delivering our very important net-zero commitments.

Q666 **Greg Smith:** Just within that point, not wanting to go back over old ground on the ZEV mandate, this is significant to the automotive sector in the United Kingdom. Is it right simply to look at the tailpipe, as opposed to the whole carbon footprint of a vehicle?

Mr McCartney earlier talked about a battery electric vehicle having a life cycle of about seven years before there is a huge capital expenditure to replace the batteries. Given that we have such a huge number of petrol and diesel engines, some of which from the classic and heritage sector struggle on E10, let alone anything that might be coming in the future, would it not be better, in the interests of the whole sector, to re-evaluate looking at the tailpipe as opposed to the whole carbon footprint of the vehicle from manufacture to scrappage yard?

**Mr Harper:** On the specific point about the heritage sector, of course we are not making anyone get rid of their classic cars—the ZEV mandate applies to new vehicles. Of course, from a climate change perspective, classic cars, given the volume of them and the miles they drive, do not make a very significant impact on our overall net zero commitments at all,



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so I do not think that people in the classic car sector need to be overly concerned about the impact of what the Government are proposing.

Your wider point about looking at the emissions that vehicles make when they operate versus their capital production is a very good one. Obviously, the Government looks at the advice that it gets from the Climate Change Committee. On that specific point, again, I do not want to just throw an idea out. Let me come back to you with a more considered response about how we have reflected that, rather than giving you one off the top of my head now. I think that would be helpful for the Committee.

**Q667 Greg Smith:** I accept that the ZEV mandate will not affect classic and heritage, but if at some point every vehicle is running on hydrogen, battery-electric or whatever it might be, it will necessarily mean that the availability of petrol will fall off a cliff, and there will need to be another drop-in fuel that they can operate on. I watched a 1929 Bentley go around the track at Goodwood on Sunday entirely on a synthetic fuel—this stuff does work.

More broadly, to piggyback off Karl's earlier question, is the DVLA working in the interests of the classic car sector? Is the user group that was set up working efficiently to ensure that the DVLA is supporting the sector?

**Mr Harper:** I have not had any specific reason put in front of me to make me think that it is not, but I will take away your specific point and go and test that. Obviously, if you or the Committee have any specific concerns in that area, I would be very happy for you to furnish me with them and I will clearly go and investigate. I have not seen any correspondence from colleagues or any reason to think that there is an issue, but, you having asked me the question, I will now go away and investigate, so your work there is done.

**Chair:** Thank you very much. That brings us to the end of the session. We have overshot our time, but we have covered a wide range of topics, so we are very grateful to you both for your time today and look forward to you replying to us on the various items that we have covered. Thank you again.

**Mr Harper:** Thank you.