Letter to Secretary of State re new evidence for the A66

Nathan Dyer transportinfrastructure@dft.gov.uk

Nathan Dyer
Transport Infrastructure Planning Unit
Department for Transport
Great Minster House
33 Horseferry Road
London
SW1P 4DR

Dear Mr Dyer,

I wish to submit new evidence for consideration in the Secretary of State's decision on the making of the Development Consent Order (DCO) for the A66 Northern Trans Pennine ["A66 scheme"].

I attach as appendices:

- Climate Change Committee's 2023 Progress Report to Parliament ["CCC report"]
- Transport Select Committee Sixth Report of Session 2022–23, "Strategic road investment" ["TSC report"]
- Reverse Gear: The reality and implications of national transport emission reduction policies by Professor Marsden, Leeds University

Carbon Budget Delivery Plan and the Transport Decarbonisation Plan (TDP)

The March 2023 revised Net Zero Strategy, known as the Carbon Budget Delivery Plan (CBDP), revealed that:

- the UK is set to miss its (international) Nationally Determined Contribution (NDC) under the Paris Agreement in 2030 by 8% of the required cuts (around 8 MtCO2e) even if all the policies in the TDP are implemented and successful;
- the UK is short of policies to deliver the (national) 6th Carbon Budget (6CB) from 2033 to 2037 (by around 6MtCO2e per year for the 6CB period).

In May 2023 Professor Greg Marsden of Leeds University published "Reverse Gear: The reality and implications of national transport emission reduction policies" which is an analysis of the background data behind the TDP, released by the DfT only after FOI requests. He concluded that:

"...72 percent of the potential ambition set out in the TDP has been lost in the CBDP"

Therefore, it is likely that the shortfall in meeting the UK's NDC is down to the Government not reducing transport emissions quickly enough.

1

He also stated that:

"The analysis in this report is consistent with previous work (Hopkinson et al., 2021) which shows that the only pathways which align with the CCC's assessment of the necessary contribution from surface transport include a 20% traffic reduction by 2030, as set out in Scotland."

Therefore, the ability of the TDP to deliver sufficient carbon reductions has been compromised and in order to meet our short or medium term targets in the net zero trajectory, some level of traffic reduction will be needed. This of course further undermines the business case for the scheme.

Climate Change Committee progress report 2022-23

The Climate Change Committee (CCC) progress report was published in June 2023. It identified that the UK is set to miss its climate targets, and in particular has serious concerns about the transport sector. As a result it made recommendation R2023-148 to the Government:

"Conduct a systematic review of **current** and future road-building projects to assess their consistency with the Government's environmental goals. This should ensure that decisions do not lock in unsustainable levels of traffic growth and develop conditions (which can be included in the Roads Investment Strategy 3 process and beyond) that permit schemes to be taken forward only if they meaningfully support cost-effective delivery of Net Zero and climate adaptation." [my emphasis]

Note, the CCC's recommendation includes "current" road-building projects, and therefore applies to the A66 scheme. The report also recommends that "decisions do not lock in unsustainable levels of traffic growth". The A66 clearly locks in traffic growth as evidenced by tables in the Combined Modelling and Appraisal Report². Tables 5-15 to 5-17 show traffic growth of 7.58% for 2029, 18.76% for 2044, and 23.72% for 2051 for the AM Peak compared to a 2019 baseline. For PM Peak, the figures are 8.31% [2029], 19.91% [2044], 25.09% [2051], and for the inter-peak period 8.67% [2029], 20.85% [2044], 26.19% [2051]. These values are clearly unsustainable levels of traffic growth, and completely at odds with the CCC recommendation.

Transport Select Committee report on "Strategic road investment"

On 27 July 2023, the House of Commons transport select committee published its Sixth Report of Session 2022–23, "Strategic road investment"³. It came to similar conclusions as the CCC progress report. It noted that:

"Transport remains the biggest greenhouse gas contributor in the UK and the Government's strategy for decarbonising transport by 2050 is reliant on a rapid switch to zero emissions vehicles. However, in all future scenarios modelled by the Department for Transport, traffic on the Strategic Road Network is forecast to increase, and there is a great risk that uptake of cleaner vehicles will not be fast enough to mitigate that increase. The Government's

² Combined Modelling and Appraisal Report, National Highways, June 2022

³ https://publications.parliament.uk/pa/cm5803/cmselect/cmtrans/904/report.html

determination to accommodate demand for new roads through investment without also considering steps to manage that demand is a risky strategy."

It recommended that:

"The Government should model and report on scenarios where traffic levels on the SRN are a) reduced and b) maintained at current levels, alongside the transition to a cleaner vehicle fleet, in order to assess the potential contribution of demand management to reaching net zero."

When this is viewed alongside the recommendations from the CCC it makes a compelling case for reviewing assumptions on traffic growth. This means that the economic, strategic, and transport case needs to be revisited in order to incorporate the fact that traffic reduction is required to make up the shortfall in the necessary emissions reductions for the UK's NDC.

It also recommended that:

"it is time for the Government to reconsider its portfolio of expensive, complex SRN enhancement projects."

The A66 is one of the largest and most expensive⁴ of National Highways schemes in the Government Major Projects Portfolio, and has one of the lowest (if not *the* lowest) BCRs and is in the "poor" value for money category. It is clear that the A66 scheme should be reconsidered, as recommended by the TSC.

Costs and compulsory acquisition not justified

The business case for the scheme is already weak, with an adjusted BCR (which includes all the wider economic impacts) of only 0.9. It is significant that factors which the Department of Transport count as benefits to create improvement in the BCR, such as improved transport links for tourism, are not considered as benefits by the Lake District National Park or Friends of the Lake District. Both organisations have policies that are aimed at reducing day trips to the National Park and limit the impact of contribution to climate change caused by travel. The impact of Climate change on the landscape of Cumbria is already being felt in the form of devastating floods and unusually dry summers meaning even in one of the wettest places in the UK farmers are having to adapt. These are factors not included as factors which adjust the BCR downwards.

Even at its adjusted level with notional benefits included, the scheme (before a spade is in the ground) will cost more to build than it would deliver in economic benefits. The August 2022 Accounting Officer Assessment for the scheme stated that the "poor" BCR could only be improved if costs were reduced. This looks even more unlikely with the departure of Costain from the consortium who will build the scheme. Two of the remaining contractors, Balfour Beatty and Kier, have served National Highways with early warning notifications that they anticipate cost increases and delays due to Costain leaving. This will push the BCR down even more, undermining the business case further.

⁴ The scheme is costed at £1.49bn in the Funding Statement (APP-063)

The scheme causes harm to internationally designated sites (North Pennines Moors SAC and the River Eden SAC) and to the North Pennines Area of Outstanding Natural Beauty (AONB). It has already led to the abandonment of a river restoration scheme meaning the opportunity to improve river health and manage flooding on the River Eden by reinstating meanders on the River Troutbeck has been lost. With so much agricultural land being taken for the scheme, land owners will no longer volunteer land for conservation schemes.

Planning policy says that these harms can only be justified in exceptional circumstances. With such a poor business case and a low BCR, it is clear that this threshold is not met.

The Secretary of State needs to assure himself that the transport model properly models induced traffic as this could potentially further impact on the business case.

Given the weak economic case for the scheme, there is no compelling case in the public interest for land to be acquired compulsorily as required by s122(3) of the Planning Act 2008. Applying the planning balance, the substantial costs and harms of the project overwhelmingly outweigh the purported benefits. It is in the national interest that the DCO is not granted.

Additionally, the Applicant has never produced BCRs for each of the eight sections. I live by the Temple Sowerby to Appleby section, and this section represents 27.1% of the total scheme cost (Table 6-19 of APP-518⁵). This is also one of the sections of the scheme with the highest environmental impact, with the highest carbon emissions, and where it would cross the River Eden SAC floodplain, and impact on the habitats of protected species such as red squirrel, otter, curlew, lapwing, and Barn Owl. It is essential that the individual scheme BCR for this section, and all the other sections, is provided by the Applicant to ensure value for money. This has been requested on numerous occasions and whilst at the outset I was told that the calculation was being prepared the offer to provide this was later withdrawn. I have had sight of various documents which suggest these calculations were completed at the options stage and the reluctance to allow examination of the cost by the Public and indeed to properly address questions raised on cost relating to this project by the TSC should be ringing alarm bells.

I submit the Secretary of State must:

- Have all the relevant data before making his decision on the A66 scheme, and that
 includes the additional traffic forecasts recommended by the TSC to have a full
 understanding of the effects of demand management policies for delivery of reaching
 our legally determined NDC, our carbon budgets and net zero.
- Review the scheme as recommended by the CCC
- Request further economic appraisal from the Applicant which illustrates the increase in costs since DCO submission.

⁵ Combined Modelling and Appraisal Report, National Highways, June 2022

Request from the Applicant separate BCRs for each of the eight schemes, as I requested at RR-220, REP1-065, REP9-060, and at the Issue Specific and Compulsory Acquisition Hearings I attended.

Yours Faithfully,

Tim and Emma Nicholson

