

Adran yr Economi a'r Seilwaith
Department for Economy and Infrastructure



Objection Ref OBJ6906
WG/REB/OBJ6906 – Rathbone/Howell

Llywodraeth Cymru
Welsh Government

Response to Objector's Evidence: Jenny Rathbone AM and Steve Howell

1. GROUNDS FOR OBJECTION

1.1. Details

- 1.1.1. Jenny Rathbone AM and Steve Howell have submitted a Statement of Evidence dated 27 February 2017 in relation to the draft statutory Orders associated with the Welsh Government's proposals for the M4 Corridor around Newport, which has been received via the Programme Officer.
- 1.1.2. The Welsh Government understands the evidence submitted within their Statement to be based on the following:
 1. Stated that full account should be taken of criteria in the Well-Being Future Generations Act;
 2. Stated that proper comparative evaluation of transport investment is important due to current financial constraints, however such an evaluation is absent from the approach taken to the M4 corridor around Newport;
 3. Concerned that consideration of the problem of congestion at the Brynglas tunnel has led to a flawed proposal with road congestion transferred to other locations;
 4. Concerned that consideration of the problem of congestion at the Brynglas tunnel has led to a flawed proposal making it harder to meet climate change goals;
 5. Concerned that the calculations in the Welsh Government submission to the M4 inquiry identifying a reduction of 1% in carbon emissions calculation fails to take account of the emissions of the admitted increase in traffic once it reaches other parts of the road system, such as when more car-bound commuters are stuck in the bottlenecks of Cardiff;
 6. Stated that the Welsh Government position that "studies have shown that new or improved public transport services would only have minimal impact in terms of reducing traffic on the M4" depends on the scale and nature of the investment. In city regions where substantial investment has taken place, public transport is increasingly popular. Passengers journeys on Manchester Metro link, for example, grew 10% in 2015-16, taking them to 34.3million (more than quadruple the 1992-3 figure);
 7. Suggested that Wales should break with the car-centric policies and adopt multi-modal approach;

8. Suggested that consideration of the problem of congestion at the Brynglas tunnel has led to a flawed proposal which reduces economic resilience and puts the success of the Central Cardiff Business Zone at risk by increasing the region's dependence on one mode of transport;
9. Concerned that consideration of the problem of congestion at the Brynglas tunnel has led to a flawed proposal which starves other projects that could reduce road congestion of capital;
10. Concerned that consideration of the problem of congestion at the Brynglas tunnel has led to a flawed proposal which exacerbates social exclusion because more than a quarter of households in the region do not have access to a car;
11. Concerned that the relief road will cost an estimated £1.093 billion and use the entire borrowing facility available from the UK Government;
12. Concerned that if all the Welsh Government's borrowing limit is spent on the M4, other funds for the Metro are unlikely to be forthcoming in the current climate, do not accept the "Wales can do both";
13. Suggested that the following alternatives should be considered: Metro, Car sharing, Road Investments, Active Travel.

2. REBUTTAL

2.1. Points Raised

2.1.1. Some of the above points have already been addressed in proofs of evidence. Others are dealt with by topic by the relevant witness in the following sections, in addition to their general proofs of evidence, to which readers should also make reference in their entirety for a full understanding of the Welsh Government's case. For ease of reference the places where the above points are addressed in this Rebuttal are listed in the table below:

Objector's point reference	Rebuttal paragraph reference	Objector's point reference	Rebuttal paragraph reference
1	2.1.2	8	2.1.2
2	2.3.1	9	2.1.2
3	2.1.2	10	2.1.2
4	2.1.2	11	2.1.2
5	2.2.1	12	2.1.2
6	2.2.2	13	2.1.2
7	2.1.2		

2.1.2. The Objector's points that have already been covered in proofs of evidence are as follows:

1. **Point 1** (*Stated that full account should be taken of criteria in the Well-Being Future Generations Act*) / Proof of Evidence of John Davies WG 1.23.1 paragraphs 26-48 deal with the Well-being of Future Generations Act 2015.
2. **Point 3** (*Concerned that consideration of the problem of congestion at the Brynglas tunnel has led to a flawed proposal with road congestion transferred to other locations*) / The Proof of Evidence of Matthew Jones WG1.1.1 addresses the background to the consideration of the problems, aims, objectives and possible solutions at section 8. The Scheme has been developed with involvement from officers of Cardiff Council, from a range of departments including those responsible for transport and the economy. The traffic forecasts indicate that, with the scheme in place, the average daily traffic levels along the A48 (M) would be expected to increase by around 2% in the opening year of 2022 and 5% in the design

- year of 2037 compared to the situation without the scheme. Although the A4 (M) currently experiences operational problems, particularly during peak periods on weekdays, the scheme is not expected to materially affect those operational problems.
3. **Point 4** (*Concerned that consideration of the problem of congestion at the Brynglas tunnel has led to a flawed proposal making it harder to meet climate change goals*) / The Carbon Report (Document 2.3.2, Vol.3, Appendix 2.4) and the Proof of Evidence of Tim Chapman (WG 1.13.1) describe in detail that the new Scheme would be carbon neutral compared to the Do Minimum scenario. The improvement in user carbon emissions i.e. the net reduction in user carbon, results from the shorter route for the new road, the relief of congestion and significant reduction of disruptive incidents relative to the Do Minimum scenario (though the latter is not quantified). The assessment was based on the extensive traffic modelling presented in Mr Whittaker's evidence (WG1.2.1), which accounted for, amongst other things, the impact from the toll changes and induced traffic from the proposal. The assessment concluded that the introduction of the new Scheme should not hinder the efforts of the Welsh Government in achieving the climate change targets.
 4. **Points 7 and 8** (*Suggested that Wales should break with the car-centric policies and adopt multi-modal approach*), (*Consideration of the problem of congestion at the Brynglas tunnel has led to a flawed proposal which reduces economic resilience and puts the success of the Central Cardiff Business Zone at risk by increasing the region's dependence on one mode of transport*) / Proof of Evidence of Matthew Jones WG1.1.1 section 3, 8 and 9. WG1.1.1 paragraph 22.2 in particular explains that in response to the draft Orders consultation in March 2016, 199 unique correspondence letters or emails were received that clearly express support for the Scheme/ Proof of Evidence by Matthew Jones, WG1.1.1 section 3 and 9 .
 5. **Points 9 and 11** (*Concerned that consideration of the problem of congestion at the Brynglas tunnel has led to a flawed proposal which starves other projects that could reduce road congestion of capital*), (*Concerned that the relief road will cost an estimated £1.093 billion and*

use the entire borrowing facility available from the UK Government) /
Proof of Evidence of Matthew Jones WG1.1.1 paragraph 13.5.

6. **Point 10** (*Concerned that consideration of the problem of congestion at the Brynglas tunnel has led to a flawed proposal, which exacerbates social exclusion because more than a quarter of households in the region do not have access to a car*) / Proof of Evidence of Matthew Jones WG1.1.1 section 8 and 9. The Scheme would improve accessibility for car users and public transport users, and would also provide walking, cycling and equestrian improvements. The Scheme would also benefit the economy and help attract investment to Wales. Therefore the Scheme is expected to benefit social inclusion.
7. **Point 12** (*Concerned that if all the Welsh Government's borrowing limit is spent on the M4, other funds for the Metro are unlikely to be forthcoming in the current climate, do not accept the "Wales can do both"*) / The Proof of Evidence of Matthew Jones WG1.1.1 paragraph 13.5 explains that funding for the delivery of this project has been explicitly identified and provision set aside within the Welsh Government's published capital plans for the next four years. Allocations are not made beyond a 4 year period but suitable forecasts are in place to enable assurance to be given that the full funding requirements associated with the project are available within a reasonable timescale should the decision be taken to proceed.
8. The Project would be funded through a combination of UK Government borrowing and Welsh Government Transport capital budgets. We would not be allocating the full amount of our borrowing capacity to this scheme, important though it is. The balance of the current borrowing limit, over £500m, will be available to fund schemes in other parts of Wales from 2018/19 onwards when Stamp Duty & Landfill Tax are planned to be devolved to Welsh Government.
9. The Metro Phase 2 project has been estimated at £734 million and the final cost will be determined during procurement negotiations. Funding includes match funding from the European Regional Development Fund that we expect the UK Government to guarantee. We are engaging with the Welsh European Funding Office and the European Commission as we develop the bid for ERDF funding for the South Wales Metro. We are

planning to submit a major project notification (MPN) to the Commission next year and have held a number of meetings with the European Investment Bank's JASPERS programme which have a key role in advising the Commission. The UK Government agreed a contribution of £125m toward the cost of the scheme as part of the deal to transfer executive functions for franchising in 2014. Welsh Government spend will be funded as money becomes available through the agreed City Deal.

10. **Point 13** (*Suggested that the following alternatives should be considered Metro, Car sharing, Road Investments, Active Travel*) / Proof of Evidence of Matthew Jones WG1.1.1 section 3, section 9 and paragraphs 23.10-23.13.

2.1.3. The other points are responded to by specialist topic in turn in the sections following.

2.2. Bryan Whittaker (Traffic)

2.2.1. Response to **Point 5** (Concerned that the calculations in the WG submission to the M4 inquiry identifying a reduction of 1% in carbon emissions calculation fails to take account of the emissions of the admitted increase in traffic once it reaches other parts of the road system, such as when more car-bound commuters are stuck in the bottlenecks of Cardiff):

1. The scheme will increase the number of vehicle-kilometres driven within the study area. Table 9.3 of the (Revised) Traffic Forecasting Report presents the forecast extent of this increase. In the design year 2037, the increase is 0.3% in the AM peak hour, 0.0% in the average inter-peak hour, and 0.2% in the PM peak hour. Forecast traffic growth between the base year 2014 and the design year 2037 is in the order of 30%. The scale of this induced traffic is no more than around 1% of the background traffic growth is forecast to occur. The increase in carbon emissions from this extra mileage driven is more than offset by the reduction in carbon emissions that results from the improved flow of traffic. Stop-start conditions result in considerably more carbon emissions than a smooth flow of traffic. So the scheme offers net carbon savings. Further detail is provided in the evidence of Tim Chapman WG1.13.1.

2.2.2. Response to **Point 6** (Stated that the Welsh Government argues "studies have shown that new or improved public transport services would only have

minimal impact in terms of reducing traffic on the M4". This depends on the scale and nature of the investment. In city regions where substantial investment has taken place, public transport is increasingly popular. Passengers journeys on Manchester Metro link, for example, grew 10% in 2015-16, taking them to 34.3million (more than quadruple the 1992-3 figure):

1. The Proof of Evidence of Matthew Jones WG1.1.1 addresses public transport matters at section 9. Because at the point the traffic forecasts were run, Metro Phase 3 hadn't been defined yet. Whilst Metro 3 is still not clearly defined, an ambitious Metro Phase 3 has been subjected to sensitivity testing.
2. The public transport network that has been modelled in the M4CaN transport model comprises:
 - Great Western Route Modernisation including the electrification of the Great Western Mainline from London Paddington to Cardiff by 2017
 - Opening of new stations on the Valley Lines (Metro Phase 1)
 - Valley Lines electrification (Metro Phase 2)
3. Outside of the transport model, an alternative approach has been developed which assumes further rail elements of a South Wales Metro and a strategic Park and Ride site at Llanwern (Metro Phase 3) together with Newport Bus Rapid Transit in order to assess the potential effect on traffic flows on the existing M4 corridor. For this project, we have therefore fully taken account of the planned mainline rail electrification and the committed elements of Cardiff Metro in our core scenario, and have carried out a sensitivity test on a higher level of Metro investment and Newport Rapid Transit. The results show that the combined effect of these public transport schemes is to reduce M4 traffic by a maximum of 6% and therefore does not resolve the problems on the M4. This does not mean to say that development of an efficient public transport system is not valid. Public transport should be seen as complementary to the M4 proposal and not in competition with it. The transport model suggests that a substantial proportion of the westbound traffic through Brynglas tunnels in the PM peak is longer-distance traffic - around 55% is from the Severn crossings, and another 15% from Gloucester and the M50. None of it is from Newport city centre. So overall public transport targeted at shorter journeys needs

a very high market share in order to make a big impact on overall M4 traffic flows.

2.2.3. I confirm that the statement of truth and professional obligations to the inquiry from my main proof still applies.

2.3. Stephen Bussell (Economics)

2.3.1. Response to **Point 2** (Stated that proper comparative evaluation of transport investment is important due to current financial constraints, however such an evaluation is absent from the approach taken to the M4 corridor around Newport):

1. The economic appraisal of the Scheme has been undertaken in accordance with Welsh and UK Government transport appraisal guidance. The purpose of the economic appraisal is to consider the value for money of an option or options for addressing a specific transport objective. There is no requirement to assess the value for money of other transport interventions which do not meet the objectives of this Scheme.

2.3.2. I confirm that the statement of truth and professional obligations to the inquiry from my main proof still applies.