

Budget 2024

Pre-budget briefing

Summary

- 14 years of austerity have led to crashing living standards, crumbling infrastructure, and have brought public services to their knees – all while private profits increased, the wealthiest became wealthier still, and the climate crisis deepened.
- That is the inheritance of the last Conservative Government, from Rishi Sunak, through Liz Truss, Boris Johnson, Theresa May, to David Cameron.
- This budget is the golden opportunity to reverse over a decade of Conservative-led decline and invest in our communities and the services that support them.
- The Prime Minister has rightly highlighted the need to “fix the foundations” of our economy, and the Government has taken steps in this direction – for example, shifting power towards working people with the Employment Rights Bill, addressing the rail rip-off by bringing Train Operating Companies into public ownership, and giving communities control over their bus services with new franchising powers.
- “Fixing the foundations” must mean investing in public services and green infrastructure and ensuring that it is those with the broadest shoulders who bear the costs – not working people.
- The Government’s plans for transport are welcome, but they must be set-up to succeed; investment in the transport network is a vital prerequisite for growing our economy and tackling the climate emergency.

Invest to get Britain moving

- After 14 years of economic stagnation, the Government is right to emphasise the importance of growth in rebuilding the economy. Connecting the country with a transport system fit for the future is a prerequisite for increasing economic growth and productivity, addressing the climate crisis, and tackling social inequality. It must be at the heart of the Government’s economic plans – and a priority reflected in the budget.
- The Chancellor is therefore right to ditch the previous Conservative Government’s fiscal rules, which have unnecessarily restricted borrowing for long-term investment.
- In opposition, the Labour Party commissioned Maier’s Rail and Urban Transport Review, which recommends a bold long-term vision and ambition for transport infrastructure. For that reason, TSSA welcomes news that HS2 will extend to Euston – further investment to modernise our network should be supported in this Autumn’s budget and the proposed national infrastructure strategy.
- For illustrative example, approximately 38% of GB railway is electrified at present. Further investment in crucial infrastructure might include a rolling programme of rail electrification to meet Net Zero by 2050.
- The Chancellor should also consider funding for increasing capacity in the railway network north of Birmingham and a plan to run many more rail freight services to alleviate congestion issues.
- TSSA would also welcome the reinstatement and expansion of a scheme like the Restoring Your Railways Fund.

Invest in transport for all

- To facilitate the modal shift to rail recommended in the Maier review, the Government should ensure the transport system is accessible to all. At current rates of investment, it will take 100 years to make all stations step-free to new-build standards¹. We must increase the rate of investment to ensure that rail travel is an option for everyone.
- That must include funding to ensure ticket offices stay open and that stations and transport hubs are adequately staffed. This will help to tackle the increased wave of harassment and violence we have seen on the transport network in the previous year; for example, recorded sexual offences, which include rape, indecent exposure, and upskirting, increased from 2,246 last year to 2,475 in the year to March².
- Part of addressing this will also require restoring funding to British Transport Police – which the Tories cut by £5 million last year – and providing funding for transport police services in Northern Ireland.

Those with the broadest shoulders must bear the costs

- After 14 years of austerity combined with a post-covid inflation crisis, we have seen the decline of living standards and the cost of living soar – all while private profits increased and the wealthiest became wealthier still.
- The Prime Minister is therefore right to insist that tax rises should not be levied on working people. Those with the broadest shoulders should bear the costs – the very wealthiest and the large corporations who have registered soaring profits.
- That is why the Government should ditch the Conservative’s two-child benefit cap and reinstate the Winter Fuel Allowance on a universal basis.
- Similarly, TSSA encourages the Chancellor to think again on proposals to raise the cap on bus prices from £2 to £3. Working people, particularly in rural and underserved areas, rely heavily on bus services to access jobs and essential services. This decision targets those who need reliable and affordable public transport the most.
- At a time when we need to promote public transport to address climate change, any policy that discourages its use is deeply concerning. We need stronger, more sustainable connections across the country, not more barriers. TSSA urges the Government to keep the £2 bus fare cap as a matter of principle and practicality. This is about fairness, environmental responsibility, and protecting working people.
- For the same reasons, the new Labour government should rethink the Conservative’s policy for rail fares to be based on the previous year's July RPI (All Items) + 1% (2024 - 3.6%+1%).
- Several rumours have circulated concerning possible revenue-raising announcements in the budget. TSSA strongly believes that any proposals should be assessed against whether their outcome is to make workers better or worse off – it is unacceptable that, after 14 years of declining living standards, working people suffer further attacks on their income, or that services face additional cuts.

More information

For more information or to arrange a meeting, please contact TSSA Political Officer, Sam Browse, on browses@tssa.org.uk.

¹ <https://www.gov.uk/government/publications/dptac-reference-frame-working-towards-a-fully-accessible-railway/dptac-reference-frame-working-towards-a-fully-accessible-railway#:~:text=At%20current%20annual%20rates%20of,3.75%20billion%20would%20be%20required>.

² <https://www.bbc.co.uk/news/articles/clyg9mmnewwo>