

## Convention Policy Paper: Transport

This paper sets out a series of policy propositions in the field of Transport policy, for discussion at the 2023 Convention of the North.

It has been drafted by a group of policy officers from across the North of England, drawing on the expertise of local authorities, combined authorities and partner organisations.

### Transport

The potential economic value of transformational growth in the North is huge. As set out in the Northern Powerhouse Independent Economic Review (NPIER) in 2016, improvements in transport connectivity could contribute to unlocking 15% higher Gross Value Added by improving the functioning of labour markets, business productivity and competitiveness, alongside investment in innovation, skills and other areas. The NPIER is currently being updated by Transport for the North (TfN) and Northern partners to identify a refreshed transformational vision for the North which sets out how intervention across a broad range of policy levers could improve the North's productivity and prosperity in a socially inclusive and sustainable way, with early indications from modelling work suggesting that productivity could be 22% higher in 2050 within the refreshed transformational vision.

### Why the North Should Act

Transport remains a key enabler for a prosperous and inclusive North, connecting individuals to opportunities, key services, and community life, stimulating business interactions, and ensuring that goods needed by individuals and businesses can be moved around effectively. Securing investment in transport interventions which improve productivity, unlock investment, development and housing opportunities, and expand labour markets is vital to reduce the productivity gap between the North and the rest of England less London by 2050.

[Research](#) conducted by TfN demonstrates that 3.3 million people in the North of England live in areas in which there is a high risk of social exclusion because of issues with the transport system. This is 21.3% of the population of the North, compared with 16% of the population of the rest of England. These issues have a fundamental effect on everyday life – including by limiting access to good quality work, education, and healthcare services, and by placing excessive time, monetary, and wellbeing costs on people across the North. Underlying this is a vicious cycle of fragmented, unreliable, and expensive public transport options, poor conditions for active travel in car-dominated environments, and the high levels of car dependency and forced car ownership that result from this.

This challenge has been thrown into sharp relief by recent challenges to the operation of the rail system. Disruption has been greatest in the North; in particular, on the economically vital West Coast Mainline and cross-Pennine rail links. In 2022, Mayors from across the North [called](#) for intervention in poorly performing franchises to address the high levels of cancellations and increasing unreliability of the North's trains.



## Northern Assets

Transport for the North (TfN; the only statutory sub national transport body in England) provides a platform for the North to articulate and agree the North's transport needs alongside the investment required. It also provides a mechanism for different areas to work together and share solutions to issues that are common to many different areas, whether urban or rural. For example, TfN has:

- Agreed a pan-Northern end state for 'Northern Powerhouse Rail'.
- Commissioned a refresh of the NPIER.
- Set out plans for decarbonisation of the North's transport networks.
- And built a strong evidence base that identifies the extent of transport related social exclusion in the North and what policies may be needed to address this.

At sub-regional level, strong devolved governance can be found across the North. For example, the Tyne and Wear Metro, Merseyrail, Blackpool's Tram, Sheffield's Supertram and Manchester's Metrolink are all owned and operated by the respective areas for the benefits of local residents and businesses, with high levels of reliability and customer satisfaction.

These networks are essential to the Northern economy. There are also three new Freeports located within the North (Humber, Liverpool City Region and Teesside) which are being integrated into their local transport networks to allow freight and other traffic to reach their final destinations.

## Barriers

TfN's 2019 Strategic Transport Plan (STP) set out the evidence on how improved transport connectivity would deliver greater prosperity and a better quality of life for citizens in the North of England.

Businesses in the North are held back by relatively poor inter-city and intra-city connectivity, which restricts access to a wider pool of skilled labour; the frequency and efficiency of business interactions, as well as the movement of goods and services within the North, across the rest of the UK and globally.

Although hybrid working has increased since the COVID-19 pandemic, reducing travel demand among some commuters, the North has seen a stronger rebound in rail travel compared to other areas, with average rail journeys by station down 27% since the start of the pandemic in the North, compared to 31% across the UK and 36% in the South East. Leisure travel is also a key growth segment of the rail travel market, and freight movements have surpassed pre-COVID levels, meaning a reliable transport system remains crucial to the North's economic success.

Funding uncertainty is a key barrier – for infrastructure like Northern Powerhouse Rail, for services such as buses (where funding ends in March 2023) and for institutions like TfN which have been important to the evidence and policy development process.

Better transport connectivity could achieve the transformational economic growth set out above.



## Policy Propositions

### Proposition 1: Deliver Northern Powerhouse Rail in full

Northern Powerhouse Rail requires commitment from across the North as well as from central government. Better connected Northern economic centres offer significant untapped economic potential. An enhanced integrated and affordable transport system can be the catalyst for economic and productivity growth.

We propose:

- A new line to be constructed from Liverpool to Manchester via the centre of Warrington and Manchester Airport, unlocking global connectivity for the North
- A new line to be constructed from Manchester to Leeds via the centre of Bradford.
- Significant upgrades and journey time improvements to the Hope Valley route between Manchester and Sheffield.
- A combination of new lines (including the new station at Leeds), significant upgrades, and new stations at Rotherham and Barnsley Dearne Valley, in order to improve the network between Sheffield and Leeds; alongside resolving the wider question of accessing HS2 since the cancellation of the Eastern Leg.
- Significant upgrades and electrification of the rail lines from Leeds and Sheffield to Hull.
- Significant upgrades of the East Coast Main Line from Leeds to Newcastle (via York and Darlington) and restoration of the Leamside Line (providing an alternative route from the ECML south of Durham into Newcastle).
- The right solutions for Manchester Piccadilly and Airport stations, as a foundation for a more sustainable and more prosperous North. An underground through station at Manchester Piccadilly as part of HS2 would provide a greater whole life return on the investment by supporting future east-west connectivity and integration with NPR

The TfN proposed Northern Powerhouse Rail network has [significant benefits](#):

- A Gross Value Added uplift valued at £3.4 billion per year in 2040, rising to £14.4 billion by 2060.
- Expanding labour market opportunities, bringing an additional 3.8 million people within 90 minutes of four or more Northern cities.
- Increasing land value and attracting regeneration to some of our more deprived areas.
- Release capacity for freight services on local networks and achieving a freight modal shift away from road transit.
- Over 100,000 more jobs in our urban areas and up to 20,000 additional businesses in the North by 2060.
- Increasing capacity to cope with forecast growth in demand.



- Removing up to 20,000 tonnes of CO2 per year by 2040 by removing diesel trains from our network and taking 58,000 car trips per day off the road.
- More than doubling the number of people able to access Manchester Airport by rail within 90 minutes.

Delivery of Northern Powerhouse Rail 'in full', High Speed 2 (including the Eastern Leg) and the Transpennine Route Upgrade were all identified as essential infrastructure requirements in order to unlock the economic potential identified by the Northern Powerhouse Independent Economic Review. No wider economic assessment of the much more limited Northern Powerhouse Rail plans contained in the Government's Integrated Rail Plan has been published, however it is likely that they will be much lower. It is therefore essential that the TfN proposed network is delivered in full.

### **Proposition 2: Devolution delivering high performing bus and rail services**

The North can work together on devolution of local transport services to form integrated transport systems that also work across boundaries (e.g. bus and rail routes) as well as learn from each other (e.g. experience of bus franchising in areas with the relevant powers).

Bus services have suffered significantly as a result of the impacts of the pandemic, with reduced patronage and confidence to travel by bus, exacerbating a longer-term trend of gradual decline in bus funding and ridership. Between 2008/9 and 2019/20, bus passenger journeys in the North of England fell from 1.05 billion to 805 million, before falling to an all-time low of 306 million in 2020/21.<sup>1</sup>

Current rail service level is poor and the operational situation resulting from short formed trains and cancelled services has perpetuated to the point that confidence in the rail network has been damaged. This is socially, economically and environmentally damaging to the North of England. There is an urgent need for Government to facilitate an agreement between train operating companies and unions on rest day working arrangements.

We propose that:

- The North move towards clearer lines of accountability over the operation of our transport system, and support the co-development of the new structures needed to give Northern leaders a strong voice in specification and performance of the North's rail services.
- Devolution of bus franchising and control of the bus service operator grant across the North.
- Central government must allow areas to take on transport powers if they request them, as well as to work across modes and boundaries to develop integrated transport systems and ticketing to enable seamless journeys within city regions and across the North of England.
- A longer-term support package is needed beyond March 2023 to protect and enhance the North's bus services to support sustainable access and decarbonisation, following the Covid-19 pandemic.

<sup>1</sup> DfT table BUS0108. The North refers to a sum total of the sub-regions North East, North West and Yorkshire and Humber



- Opportunities for reforming rail provision should be pursued, allowing greater alignment with TfN's Strategic Transport Plan, greater local accountability and involvement with local partners.

### **Proposition 3: Inclusive Transport Decarbonisation through modal shifts and devolved powers**

TfN and its partners have committed to a regional near-zero carbon surface transport network by 2045 as set out in their 2021 Transport Decarbonisation Strategy. As important as the end date, are interim milestones along our trajectory, including the need to deliver a 56% reduction in emissions by 2030 and a 96% reduction by 2040. To achieve these reductions a focus prior to 2030 on reducing car dependency is needed, increasing modal shift to public and active travel options and managing road vehicle mileage. As set out in TfN's 2021 Transport Decarbonisation Strategy, the whole of the North can work together to develop low carbon approaches to transport.

As well as developing the public transport and networks to allow a modal shift, areas can also look to decarbonise existing transport systems. The North is already well placed through hydrogen storage and transportation projects such as, Tees Valley Hydrogen Hub, HyNet, East Coast Hydrogen, and TfN's Electric Vehicle Charging Infrastructure framework.

As important is the need to grasp the 'lost opportunity' for the economic efficiency and growth inherently linked with a fair transition. [Transport-related social exclusion](#) holds back the economy of the North and the health and wellbeing of Northern residents; around 28% of the North's households don't have access to a private car. A decarbonisation strategy that provides affected groups with the connectivity they need to access employment, skills and education opportunities currently not accessible to them, has the potential to significantly boost the region's economic output.

We propose that:

Central Government must seize the opportunities provided by the systemic changes needed to decarbonise our travel and transport systems to address the high levels of transport related social exclusion and poor health, experienced disproportionately more in the North than in other parts of England. Surface transport is currently the largest greenhouse gas emitting sector of the UK economy, and rapidly decarbonising it is crucial to being able to achieve the UK's target of net zero carbon emissions economy-wide by 2050.

In order to achieve this, we propose:

- As above, devolved bus franchising powers and bus service operator grants across the North to allow tailored provision to local need and address transport related exclusion.
- Investment in modal shift provisions that broaden transport accessibility and embed the principle that access to a car should not be a pre-requisite for social inclusion.
- Investment in conversion towards low-pollutant forms of transport, with a particular focus on diesel trains and buses.



## Outcomes

The 2016 NPIER set out a 'transformational' scenario where substantial improvements in skills, innovation, and in transport connectivity help to close the productivity and prosperity gap compared with the rest of England less London.

By 2050, GVA was projected to be 15% higher than a 'business as usual' projection - this means that in 2050, GVA is £97bn higher (in 2015 prices) in the 'transformational' scenario than in the 'business as usual' case. Productivity is some 4% higher and some 850,000 additional jobs are projected compared with 'business as usual' in 2050, and 1.56m more than in 2015.

A refreshed transformational vision for the North is being developed by TfN and Partners, which closes the North's productivity gap in a socially inclusive way and meets the need to achieve the North's net zero ambitions.

Through decarbonisation, the North would also be able to target a near-zero carbon surface transport network by 2045, helping meet the UK's overall ambition for net zero by 2050.

