

Transport for the North Board

Subject: Economic Recovery Plan (ERP)

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Sponsor: Peter Molyneux, Major Roads Director

Meeting Date: Wednesday 29 July 2020

1. Purpose of the Report

1.1 This report seeks Transport for the North Board endorsement of the Economic Recovery Plan (ERP) and to a TfN writing to the Secretary of State for Transport with a formal request for Government to work with TfN and our partners on taking forward plans for delivery of schemes identified in our Economic Recovery Plan.

Executive Summary:

- 2.1 On the 11th June TfN Board agreed that TfN should write to the Secretary of State for Transport setting out the work that is underway on developing an ERP and highlighting the key messages the North should put across to Government. Copies of the letter sent, and the response are attached as appendices 1 and 2.
- 2.2 This report briefly sets out the process by which TfN has worked with partners to develop a realistic but ambitious economic recovery package of transport interventions.
- 2.3 The guiding theme of our Economic Recovery Plan is to “Rebuild and Transform the North”, set out in the letter to the Secretary of State are key principles that sit underneath this stating that:
- It reflects the challenges of Covid-19, particularly for public transport, and include investment to support recovery of the transport network.
 - It will include ‘shovel ready’ projects to be part of a Northern Infrastructure Pipeline (NIP) that are ready to go from the autumn, start employing people directly and provide an immediate injection of capital into the North’s economy (as HS2 is now doing in the south).
 - It identifies projects close to agreement / procurement that can be accelerated in the short term and provide confidence to the industry (supporting retention / recruitment of staff, investment in

skills, and investment in a Northern Infrastructure Pipeline capability).

- That major schemes already in government processes, including road schemes in RIS2 such as the A66 and A63, and rail schemes such as the Trans-Pennine Route Upgrade and the Central Manchester Corridor, are progressed with all reasonable speed
- It includes longer term projects – i.e. later 2020s that will help promote dependent development and inward investment in anticipation of schemes being delivered.
- That we have worked with TfN partners to ensure our programme supports better integration across transport modes.
- That support for new lower carbon technologies, improved digital connectivity and long term sustained investment in Active Travel is critical to building sustainability in to how we plan and deliver transport in the North.
- That greater devolution of funding and decision making is critical to delivering a joined-up approach at a regional and local level, and we ask that Government move quickly to devolve funding on local public transport to city regions and local transport authorities.

2.4 Working with our partners we have identified 166 proposed schemes across the North. Schemes considered can be characterised as falling into three broad timescales for delivery.

- Schemes that can be delivered within 6-18 months, immediately supporting jobs and recovery from the impacts of Covid 19.
- Schemes that can start construction within 2-4 years, supporting longer term economic recovery
- Schemes where immediate investment in accelerated development would support jobs, boost confidence and maintain an ongoing Northern Infrastructure Pipeline.

2.5 The Economic Recovery Plan will include an overarching narrative highlighting the urgent need for rebuilding our northern economy by accelerating investment, whilst also transforming the current Whitehall-led decision-making process to a greater devolved approach that ensures more decisions are in the hands of those who live and work in the North of England.

3. Background:

3.1 A strong case for early investment needs to demonstrate clear alignment with strategic objectives, including delivery of a more

resilient and sustainable transport network. And critically strong evidence of the benefits of, and feasibility of accelerated delivery.

- 3.2 The Economic Recovery Plan should also be seen within the context of TfN's support for actively working towards the decarbonisation of transport, whilst recognising that roads are a vital element of a reliable and sustainable transport system. The DfT has commenced consultation on the Transport Decarbonisation Plan (TDP) and will work towards setting out the policies and plans needed to tackle transport emissions, which will shape the role, usage and travel patterns of roads. TfN is committed to creating a sustainable road network with a shift to active travel for shorter journeys, and decarbonisation through an increased uptake in electric vehicles alongside other measures within our decarbonisation pathways workstream. This work recognises the diverse nature of the North and the different transport needs of urban and rural areas.
- 3.3 Building upon the STP's Investment Programme for the North, and recent work on sequencing that Investment Programme, we started work in early May 2020 to identify opportunities for supporting economic recovery through fast tracking development and delivery of transport improvements to build a Northern Infrastructure Pipeline that can be used to target investment across the North of England.
- 3.4 TfN Board on 11th June agreed that given the need for a rapid economic stimulus the ERP should not be constrained to just considering schemes in the STP's Investment Programme. For example interventions that could be mobilised quickly and have lasting benefits might include, 'spend to save' initiatives, including investment in decarbonising transport, in greater digital connectivity, on improving the flexible ticketing offer for public transport customers and on major maintenance programmes, particularly where improving transport reliability and resilience. There could also be opportunities to propose funding for up-front development work, for example where there are evidence gaps in meeting the conditional outputs in the Long-Term Rail Strategy.
- 3.5 TfN has engaged with partners to review potential ERP proposals and identified 166 schemes for across the North. Around 70% (by cost) of schemes considered are within the previous STP Investment Programme. With the remainder comprising of local active travel interventions, public transport initiatives, critical maintenance schemes, plans for electric vehicle charging, plus a small number of additional highway and rail infrastructure schemes.
- 3.6 TfN partners submitted over 190 proposals ranging from opportunities for potential fast tracking of strategic infrastructure schemes to rapid delivery of local active travel and public transport improvements. Schemes presented in appendices 3-5 of this report, are not intended to provide a comprehensive list of all the local transport priorities. Rather, the ERP sets out the potential for TfN and partners to work

together delivering complementary transport improvements at scale and pace across the North.

- 3.7 To maintain a consistent approach, we have qualitatively assessed proposed schemes using the STP's Investment Programme Sequencing Framework.
- 3.8 The short timescale for work on the ERP means that at this stage we haven't asked for a substantial amount of work from partners or completed a thorough due diligence assessment of the ERP proposals.
- 3.9 Using the information provided we have aimed to ensure that we understand the scope of the schemes, that the proposals are aligned with STP Objectives and that schemes have a credible chance of delivery within the ERP timescales. In assessing schemes, we have focused on the immediate need for investment to support recovery of the transport system and on bringing forward delivery of schemes within our Northern Infrastructure Pipeline.
- 3.10 TfN partners will need to ensure they are resourced to take forward work on scheme delivery.
- 3.11 Schemes considered can be characterised as falling into three broad timescales for delivery.
- Schemes that can be delivered within 6-18 months, immediately supporting jobs and recovery from the impacts of Covid 19.
 - Schemes that can start construction within 2-4 years, supporting longer term economic recovery
 - Schemes where immediate investment in accelerated development would support jobs, boost confidence and maintain an ongoing Northern Infrastructure Pipeline.

Schemes that can be delivered within 6-18 months

List of proposals included in appendix 3

- 3.12 Schemes that, with funding from Government, could start delivery no later than 2021/22 include:
- Installation of technology to enable contactless ticketing at all rail stations in the North and on all light rail networks (Manchester Metrolink, Tyne and Wear Metro, Blackpool, Sheffield and Liverpool Merseyrail). Estimated Cost £53M.
 - Swift delivery of schemes in the advanced stages of development, waiting on a funding announcement. In the North this includes rail and highway improvements at value of around £850M. Release of funding would have an immediate impact on supporting around 8000 jobs.

- As the country emerges from the pandemic, passenger confidence will be critical to encouraging passengers back onto public transport. Expansion of the TfN real time Open Data Hub would provide high-quality real-time information on public transport services including on seating capacity and crowdedness. Cost estimate £5M.
- A commitment to supporting TfN partners in bringing forward local schemes supporting recovery and the sustainability of our transport networks, for example:
 - Further investment in Active Travel, with funding to support improved facilities for cycling and walking made available to all areas of the North. Many TfN partners have well developed Active Travel plans which with funding could be rapidly delivered. TfN partners have identified schemes to the value of £485M, 70% of which could be on site before 2022.
 - Accelerated and co-ordinated roll out of Electric Vehicle charging infrastructure across local, regional and national networks. This is an area where TfN advocates a strategic approach to planning and delivery of EV charging and working with our partners can support Government in delivering on ambitions to decarbonise road transport. TfN partners are ready to rapidly deliver £62M investment in EV charging networks.
 - Immediate investment of £200M in improving the reliability and resilience of the transport network, saving costs in the long term through use of smarter technologies, plus a number of maintenance and flood resilience schemes.
 - Funding for Future Mobility Zones in the North, with both West Yorkshire and Greater Manchester ready to take forward their Future Mobility plans for making travel in towns and cities more convenient, more reliable and cheaper.
- Though not within TfN or our partners direct area of influence we are also calling for further investment in delivering high speed broadband across the North. As the pandemic has shown, good digital connectivity is critical to supporting a modern and more resilient economy.

Schemes that can start construction within 2-4 years

List of proposals included in appendix 4

- 3.13 Schemes that, with funding from Government, could start delivery no later than 2024/25 include:
- £2.5Bn of locally promoted schemes in an existing industry process. For example, Rail Network Enhancement Pipeline (RNEP) schemes and Large Local Majors (LLMs) and Major Road Network (MRN) schemes waiting on Government decisions so they can progress to Outline, Full Business Case and construction.
 - Potential to bring forward a further £310M in upgrades and maintenance and renewal schemes.

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- Accelerated development and delivery of RIS2 schemes including fast tracking work on the A66 dualling, delivery of Smart Motorways in the North.

3.14 **Schemes where immediate investment in accelerated development would support jobs, boost confidence and maintain an ongoing Northern Infrastructure Pipeline of investment to start by 2026/27.**

List of proposals included in appendix 5

- Accelerated development work on Northern Powerhouse Rail including provision of Dearne Valley Station and improvements at Doncaster and Rotherham Stations. Developing an early Northern Infrastructure Pipeline of £800M in NPR investment.
- Early investment in bringing forward development on RIS3 Programme priorities, for example upgrading the section of A1 from Doncaster – Darrington, dualling the A64 York to Barton Hill.
- Fast tracking work on bringing forward work on re-connecting communities to the rail network and delivering further improvements on the existing rail network.
- Investment in development of improved rail freight connections, including east-west routes to /from the North Major Ports. For example, Port of Liverpool, Hull and the Humber ports.

4. Economic Narrative

4.1 TfN is preparing a narrative around the Economic Recovery Plan proposals to show how investment in pan-Northern transport interventions can support the rebuilding and transformation of the North's economy in the wake of the pandemic and economic crisis.

4.2 In evidencing those impacts, we will need to be realistic about the ability of transport schemes to quickly deliver economic benefits in the early years of the recovery. What we do expect is that early government commitment to a Northern Infrastructure Pipeline can support the rebuilding of the economy as follows:

- The North's economic output and labour market to a level of where it was before the crisis.
- The passenger usage and capacity on the rail network to pre-crisis levels, without returning to overcrowded trains and cancelled services.
- Jobs and investment in construction and transport planning to support the economic recovery, promote skills and build a Northern based supply chain.
- The confidence of businesses to invest in our towns, cities and other places.

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- 4.3 Critically the Economic Recovery Plan could deliver a return of up to £3 for every £1 invested and secure the future of between 60,000 and 120,000 vital construction and design jobs.
- 4.4 The Economic Recovery Plan must also lay the foundations for a transformed Northern Economy as envisaged by the Strategic Transport Plan and Northern Transport Charter, including:
- The economic model of the North of England so that there is a more inclusive and sustainable greener growth that helps rebalance the UK economy by redesigning its economic architecture.
 - The capacity and resilience of the current rail network by building transformative schemes such as Northern Powerhouse Rail to future proof the north's rail network.
 - Our economy to a greener and more decarbonized economy fit for future generations by linking current good practice on a pan-northern level in transport infrastructure schemes.
 - The current appraisal methodology that guides decisions over the approval of infrastructure projects to help the North truly "level up".

5. Conclusion and next steps

- 5.1 Through working together as 'One Voice' the North is in a strong position to put forward a compelling case for accelerated delivery of transport infrastructure.
- 5.2 With the endorsement of the Board will formally ask the Government to work with TfN and our partners on taking forward plans for delivery of schemes identified in our Economic Recovery Plan.

6. Options Considered:

- 6.1 Not applicable at this stage as there are no options to be considered.

7. Considerations:

- 7.1 The approach to developing an Economic Recovery Plan (ERP), as detailed in this report.

8. Recommendation:

- 8.1 TfN Board endorse the proposed Economic Recovery Plan (ERP) and agree to TfN writing to the Secretary of State for Transport with a formal request for Government to work with TfN and our partners on taking forward plans for delivery of schemes identified in our Economic Recovery Plan.

9. Appendices:

- 9.1
1. TfN letter to Secretary of State, sent in June.
 2. Response from Secretary of State
 3. ERP schemes that can be delivered within 6-18 months
 4. ERP schemes that Schemes that can start construction within 2-4 years.
 5. ERP schemes where immediate investment in accelerated development would support jobs, boost confidence and maintain an ongoing Northern Infrastructure Pipeline of investment to start by 2026/27.

List of Background Documents

TfN Qualitative Sequencing Report

Required Considerations

Please confirm using the yes/no options whether or not the following considerations are of relevance to this report.

Equalities:

Age	Yes	No
Disability	Yes	No
Gender Reassignment	Yes	No
Pregnancy and Maternity	Yes	No
Race	Yes	No
Religion or Belief	Yes	No
Sex	Yes	No
Sexual Orientation	Yes	No

Consideration	Comment	Responsible Officer	Director
Equalities	An Impact assessment has not been carried out as this report is seeking endorsement for the approach to developing the ERP	Owen Wilson	Peter Molyneux

Environment and Sustainability

Yes	No
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Consideration	Comment	Responsible Officer	Director
Sustainability / Environment	Sustainability / environmental risks and opportunities will be considered at a high level, using a qualitative assessment to develop the ERP.	Owen Wilson	Peter Molyneux

Legal

Yes	No
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Consideration	Comment	Responsible Officer	Director
Legal	<i>TfN Legal Team</i> has confirmed there are no legal implications.	Rosemary Lyons	Julie Openshaw

Finance

Yes	No
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Consideration	Comment	Responsible Officer	Director
Finance	TfN Finance Team has confirmed that at this stage there are no financial implications.	Gareth Sutton	Iain Craven

Resource

Yes	No
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Consideration	Comment	Responsible Officer	Director
Resource	TfN HR Team has confirmed at this stage there are no resource implications.	Stephen Hipwell	Dawn Madin

Risk

Yes	No
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Consideration	Comment	Responsible Officer	Director
Risk	A risk assessment will be carried out when work on the ERP commences and any key risks will be included in the corporate risk report.	Haddy Njie	Peter Molyneux Iain Craven

Consultation

Yes	No
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Consideration	Comment	Responsible Officer	Director
Consultation	The ERP has been developed through engagement with TfN partners.	Owen Wilson	Peter Molyneux