

Yorkshire Forward and Economic Development

Learning Legacy Module 14

Transport



The Region's
Development Agency

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Executive Summary

Regional Development Agencies did not have responsibility for transport, however effective transport underpins a strong economy. Yorkshire Forward's role was therefore to influence, to demonstrate the economic importance of transport and to work with those organisations which did have responsibility for transport delivery. It adopted four approaches to transport:

- Developing evidence to show the economic need for transport investment
- Influencing transport providers and operators
- Investing in transport where of economic importance
- Achieving consensus on regional priorities

The Yorkshire and Humber Assembly had the lead responsibility for the region's planning and transport strategy until 2009. A key early step was early agreement on seven common transport priorities. These were:

- Trans-Pennine Links
- Strategic North-South Links
- Leeds to Sheffield Corridor
- Development of Air Transportation
- Ports and Waterways
- Access to Strategic Economic Zones
- Strategic Access to Regional Centre

Yorkshire Forward and the Assembly then worked together with partners in the region to commission research and to influence decision makers, particularly Government, to address these issues and increase what had been a consistently low level of Government spending on transport in the region. Initially, Yorkshire Forward allocated an annual budget of up to £300,000 to commission studies to demonstrate and quantify the link between the economy and transport, and to strengthen the case for investment in the seven priorities. Small amounts of money were used for direct interventions, for example part-funding a new bus service.

This approach succeeded in raising awareness but it also became clear that worthwhile improvements could be made at relatively low cost. In 2004, Yorkshire Forward decided to also invest in a small number of transport priority schemes of clear economic importance and where Yorkshire Forward funding, with partner contributions, could help make something happen that otherwise would not. As a result, Yorkshire Forward invested with partners in improvements such as additional train carriages on key routes, heightened rail freight capacity to the Humber Ports, and more trains between Sheffield and London.

More recently work with partners (e.g. facilitating a Regional Transport Board) focused on identifying and evidencing shared transport priorities to advance through the Government's 'Regional Funding Advice' process. That allowed some local schemes to move forward, for example allowing progress on the Leeds New Generation Transport scheme, major trunk road schemes accessing the Humber Ports and additional park and ride sites in York. Other important policy work has also been undertaken, for example agreeing a Yorkshire and Humber perspective on high speed rail.

Yorkshire Forward also worked on transport as part of the Northern Way and led its work on the theme. That provided a voice in making the case for pan-northern transport issues, fronted by a new Northern Way Transport Compact. This developed influential evidence and the Strategic Direction for Transport proposition for the north. A key achievement was to persuade Network Rail and the Department for Transport to take forward a 'Northern Hub' solution to rail congestion issues in Manchester which impact across the north of England.

Ten key lessons from Yorkshire Forward's work with partners on transport are:

- a) **Transport is a top priority for many and everybody has a view.** Business audiences especially raise it as a key issue, hence addressing transport helps to gain private sector support. Prioritisation and evidence are vital to cut through the mass of points often made on the basis of individual experiences and to focus on the few things that will make the biggest difference. Involving neutral parties can help decisions to be reached.
- b) **Collaboration and a common agenda are important.** It is invaluable to have good relationships with different agencies at political and officer level, and to have a shared direction. This can however take background work and time to achieve.
- c) **A strong relationship between regional and more local activity is important.** The sub-regions are the fundamental building blocks of regional or pan-regional activity, so any region work needs to add value to what they are doing.
- d) **An effective relationship between elected members on a transport board and officers is important.** Having a designated lead officer and an Executive Group who help to shape and participate in the agenda of networks (e.g. the Regional Transport Executive Group) has eased operation, facilitated peer review and allowed difficult issues to be explored.
- e) **An evidence led approach works best.** There have been too many aspirational transport wish lists. In contrast, trading in sound evidence-based proposals can help to decide priorities, make the case for them, and bring in wider perspectives such as economic or environmental impacts that are not always picked up. The best evidence is specific, relevant, and presented in an easily understandable and compelling manner.
- f) **Clear definition of what is a pan-regional, regional, and local issue.** The Northern Transport Compact allowed pan-regional debate on issues and priorities. That required understanding of what pan-regional means and a focus on it. An independent chair who can lead the debate whilst having no constituency to represent is also very helpful.
- g) It is important to **understand and listen to what Government is doing**, and help to develop and deliver its agenda. In that respect, developing new evidence and constructive dialogue are both important. Offering a new approach or perspective rather than pure lobbying on the basis of aspirations is usually more effective.
- h) **Bringing money to the table for investment is helpful**, but has to be targeted effectively and avoid merely removing the need for others to invest. Sometimes relatively small investments can make a real difference. Transport projects can take time to deliver and availability of funding does not always mean that delivery will be possible. Managing small schemes can also risk diverting attention from a bigger influencing role.
- i) **Understand partner agencies priorities and procedures.** Early discussion and understanding of contract procedures is essential. Experience in subjects such as complex rail procedures shows that this cannot be left to the last minute.
- j) **A larger, louder unified voice makes lobbying more effective.** It can be difficult to get government to respond to local concerns. Besides having good evidence and a strong, feasible and deliverable case for action, the wider the support for a transport priority the more chance it has of being noticed and addressed. Working at the Yorkshire and Humber level to agree shared priorities helped, and working at Northern level had still greater influence and impact.

1 Task and Purpose

Regional Development Agencies (RDAs) were established in 1999 to promote sustainable economic growth. Each RDA was given responsibility for various funding streams to support this aim. Whilst transport was seen as important to economic growth, it is difficult to demonstrate *direct* economic outputs from transport investment. For this reason economic development funding was generally not seen by Government as something that should be invested in transport. Other agencies were funded to deliver transport, such as the Department for Transport, Highways Agency, Network Rail and local authorities.

Whilst Yorkshire Forward had no direct delivery responsibility for transport, there was (and remains) a widely held view that transport in Yorkshire and Humber has been under-funded on a long term basis. For these reasons, Yorkshire Forward saw one of its key tasks as to work assiduously with others to influence transport providers to address agreed priorities. Its key purpose was been to secure progress against the transport priorities defined in the Regional Economic Strategy (RES). These priorities were fully consistent with regional planning and transport strategies and were the subject of consultation.

More widely it proved difficult to set economic targets on transport. Good overall indicators and data about the speed, reliability, frequency and quality of transport services and journeys did not exist. The impact of transport on the economy was hard to measure. Whilst aims of reducing congestion and increasing public transport use were desirable and fitted in with regional transport policy, too many other factors affected these, and they weres too distant from the work of the RDA to make them a ideal indicators.

Despite the complexities, the weight of opinion - especially from business - presenting transport as a top priority during the 2006 RES review¹ meant transport needed to be included in the Strategy's new headline targets. A target of increasing transport investment in the region was adopted based on correcting the region's historically low per capita transport funding from central government. This was a target blind to the mode or the nature of investment, but linked to the region's influencing work. In practice, the focus for any new investment was driven by prioritisation work led by regional partners and which both informed and reflected the transport priorities within regional strategies.



Leeds Railway Station by Steve Morgan

¹ Regional Economic Strategy for Yorkshire and Humber 2006-2015, Yorkshire Forward, 2006

2 Approaches Adopted

Yorkshire Forward adopted four approaches in its work on transport:

- 1 Developing evidence demonstrating the need for transport interventions to support the economy and the economic importance of investment in agreed priorities.
- 2 Influencing transport providers and operators to address these priorities.
- 3 Working with partners and considering investment in transport, generally as a last resort where other funding options existed, to address agreed priorities.
- 4 Achieving consensus on transport priorities, including the priorities for use of regional funding.

These four approaches were set out in the Yorkshire Forward Corporate Plan², which collectively defined the single transport ‘product’ as influence. Although the approach evolved over ten years, all transport activity was within the scope of these four themes.

At Yorkshire and Humber level, strategic leadership and planning of transport was the responsibility of the Yorkshire and Humber Assembly, as part of the Assembly’s remit to develop Regional Planning Guidance (RPG), subsequently Regional Spatial Strategy (RSS). The Regional Transport Strategy formed part of RPG/RSS. These statutory documents set out where development would take place in Yorkshire and Humber, and set the context for local development and transport plans. RPG/RSS was a direct counterpart to the RES, Regional Housing Strategy and other strategies. Yorkshire and Humber was well known for its strong track record of ensuring good integration between these various strategies and of effective working between the various agencies responsible for their preparation.

In 2001, Yorkshire Forward and the Assembly agreed seven “Strategic Transport Priorities”, which could only be delivered by national transport providers, and which were effectively the key regional asks for investment. These seven strategic priorities were consistently adopted in RPG and RES and formed an ‘ask’ that partners could engage and seek to influence.

The seven strategic priorities were:

- Trans-Pennine Links
- Strategic North-South Links
- Leeds to Sheffield Corridor
- Development of Air Transportation
- Ports and Waterways
- Access to Strategic Economic Zones
- Strategic Access to Regional Centres

Further details on these priorities and a summary of progress achieved against them are set out in Annex A.

To support this influencing activity around the priorities, Yorkshire Forward identified an annual budget of £200,000-£300,000 to commission research and evidence.

² See <http://www.yorkshire-forward.com/about/what-we-do/strategy/our-corporate-plan>

Research and Case-Making

A series of studies were carried out to demonstrate the economic value of addressing the seven strategic priorities. For example, Yorkshire Forward demonstrated that the value of the East Coast Main Line rail route to Yorkshire and Humber was around £100 million per year, and the route directly supported several thousand jobs. Similarly, it was estimated that the Humber Ports added £250 million to the economy each year. Evidence based responses to various consultations by national agencies were prepared, and there was dialogue with transport operators and rail franchise bidders to address agreed priorities. Small amounts of funding were also used to support projects, such as a contribution to match European funding for a travel awareness project led by local authorities, and some start-up funding was made available for the Harrogate-Leeds Bradford Airport bus link. Yorkshire Forward further supported partners by bringing a wider economic perspective to their work, for example with the Assembly and with partners in South and West Yorkshire.

According to the Government's own figures, the level of transport funding in Yorkshire and Humber is low compared to other areas. Table 1 shows that, in 2001/02, transport spending in London was more than twice that of Yorkshire and Humber, a discrepancy that has increased over years. Moreover, Yorkshire and Humber has consistently received less funding per head than the average for England. Scotland is also included in the table as a comparator given its similar population and size of economy. In the latest available year, more than twice as much was spent in Scotland than in Yorkshire and Humber.

The RES (2006-2015) included a target to secure increased levels of transport funding in real terms relative to other areas. Transport investment in the region is a mixture of direct spend by national Government agencies (e.g. the Highways Agency for motorway schemes) and money directed by bodies in the region (local authorities) but which mostly comes from central Government. The region sought increases in both. By and large spending in the region declined compared to national average, but did increase notably in 2009/10. It is not possible to say whether this was a blip or the start of a promising trend (at least in relative terms, in absolute terms transport budgets will be very pressured as spending cuts bite).

Table 1 Government spending on transport in Yorkshire and Humber

£ per capita	2001 / 02	2002 / 03	2003 / 04	2004 / 05	2005 / 06	2006/ 07	2007 / 08	2008 / 09	2009/ 2010	Change 2001-2010
Yorkshire and Humber	150	169	189	176	189	237	220	222	272	81.3%
London	350	527	683	533	590	646	648	641	802	229%
England	184	226	271	257	270	308	310	314	343	186%
Scotland	193	228	341	318	359	529	552	527	563	292%

Source: HM Treasury Public Expenditure Statistical Analyses³

Targeted Infrastructure Investment to Achieve Economic Benefit

In the 2006-2015 RES, the strategic priorities set out in 2001 were further developed to be more specific about the outcomes that were sought, and to identify which priorities needed to be addressed by national funding and which could be addressed locally. This approach remained fully consistent with RSS. The greater definition of the seven strategic priorities also clarified that some worthwhile improvements could be made with relatively small amounts of money. Given the economic importance and the high degree of consensus that

³ Available at http://www.hm-treasury.gov.uk/pesa2011_section4.htm There may be some minor differences with previous years due to different approaches and rounding

action would be beneficial, Yorkshire Forward decided to make limited funding available to support them. This approach was necessarily small scale as a consequence of the cost of transport infrastructure investment relative to the overall funding available to Yorkshire Forward. It required match contributions from partners and care to avoid replacing normal sources of transport funding.

Yorkshire Forward's first transport infrastructure investment was to facilitate a semi-fast rail service between Sheffield, Barnsley and Leeds, involving relatively modest outlay. Following this, an annual budget of up to £10 million per year supported regional priorities. The Assembly, local authorities and other key stakeholders were involved in determining priority areas for investment. Table 2 details these followed by a case study on one example.

Table 2: Yorkshire Forward transport investments

Name	Outcome	Partners	YF funding	Total scheme cost	Justification for YF involvement
Northern Rail Capacity	6 additional trains to increase seating capacity.	Metro, Northern Rail, Angel Trains. Complementary investment from Network Rail and local authorities.	£8.7m ⁴	£20m	Allows greater labour pool to access jobs, particularly in Leeds city centre. Modal shift leads to CO2 saving.
Access to Humber Ports	Significant upgrade of rail access to port of Hull, complementing other work on South Bank.	Network Rail, Associated British Ports.	£9.5m ⁵	£14m	Increases capacity of port to add value to Y+H economy. Job creation and CO2 saving.
Sheffield-London Rail Service	1 extra train per hour throughout business day to 2012.	South Yorkshire PTE on behalf of Sheffield City Region, East Midlands Trains.	£6m	£7m	Key issue for Sheffield. Inward investment and job growth.
West Yorkshire Travel for Work Partnership	Travel advice and support for employers, discounted tickets for jobseekers.	Metro, local authorities, Job Centre Plus, Highways Agency.	£0.9m	£0.9m	CO2 saving, help people to access jobs, businesses supported.
Sheffield Business Park Bus Service	New bus service between Sheffield, business park and Rotherham.	South Yorkshire PTE, Sheffield Business Park, local authorities and businesses	£0.6m	£0.7m	CO2 saving, larger labour pool for employers, more inward investment.
Transport for Leeds	Match funding for Transport Innovation Fund work.	Metro, Leeds City Council, Department for Transport.	£0.9m	£4.5m	Helps to understand transport issues in key regional centre.

⁴ Includes a £2.8m contribution from the Northern Way Growth Fund

⁵ Includes a £4.75m contribution from the Northern Way Growth Fund

One important issue in prioritising the investment of funds was the difficulty in demonstrating direct economic outputs from transport investment. This was an important issue for Yorkshire Forward's Board and its Executive team.

Transport provision can lead to job growth but the job creation is largely a catalytic rather than a direct effect of transport investment. Such indirect job creation does not contribute to the jobs outputs defined by Government for the RDAs. However, better transport does create the climate for other RDA interventions to be more effective, for example business efficiency is increased by reduced journey times or less congestion, helping businesses to expand and increase their available labour pool.

Yorkshire Forward also introduced a target to reduce CO2 emissions and transport can contribute to this through modal shift from cars to other modes. However the key issue that Yorkshire Forward took into account in prioritising its transport scheme investments was that transport can generate significant Strategic Added Value. Keeping to a genuinely regional strategic agenda and supporting interventions with a high degree of consensus helped to maximise Strategic Added Value.

CASE STUDY: Northern Rail Additional Rolling Stock

Issue

Leeds City Region had shown high growth in local rail journeys for a number of years. However the Northern Franchise had no Government funding for capacity or other enhancements despite patronage growth of over 10% per year. At peak times, passengers at some stations were unable to board trains and suppressed demand was known to exist.

Economic Justification

Leeds City Centre is the region's main employment centre. To function, Leeds and its city centre needs to attract commuters. Rail capacity is important to allow job demand to be met, and the city to grow, as well as to allow people to access job opportunities. Rail is also important in reducing the growth of CO2 emissions from transport.

Intervention

Six two car trains were acquired for seven years at cost of £20 million. This provided additional capacity on Harrogate and Caldervale routes, with wider benefits for much of Yorkshire and Humber. The project was recognised as national exemplar and won two national awards.

Independent Evaluation

Found that patronage was growing, and additional capacity was being used, i.e. suppressed demand appeared to be released.

However there was low recognition of Yorkshire Forward's role in the project, particularly from users, and social benefits were lower than forecast. The CO2 savings target was achieved, and there were early indications that the Strategic Added Value represented value for money.

Lessons

It is important to be clear about expected outcomes and how they will be measured. This needs to be written into contracts as far as possible. Publicity does not necessarily equate to public awareness, though ultimately people value better services rather than the agencies responsible. Evaluation impacts don't emerge immediately and may change, so the timing of evaluation is important.



Partnership Working

The Yorkshire and Humber Assembly had responsibility for strategic planning including transport up to 2009, which it delivered through Regional Spatial Strategy. This work was supported by a Regional Transport Board and Regional Transport Forum. These bodies were made up of Elected Members representing local authorities and other key stakeholders. Yorkshire Forward was a member of both bodies and worked closely with the Assembly to develop RSS.

An important function of the Assembly's Transport Board was to oversee the Regional Funding Allocation (RFA) for transport. This was the allocation made by Government for local authority and some highways agency major schemes, and also funding for minor schemes and maintenance. RFA was in particular a means for regions to advise Government on the priorities for the available funding, leading to better informed decisions. Priorities for RFA were identified to address outcomes identified in RSS.

Following closure of the Assembly in March 2009, lead responsibility for transport passed to Yorkshire Forward and three staff transferred into the Agency. A similar Transport Board was established and supported by Yorkshire Forward and made significant progress on a number of items, particularly strengthening the approach to RFA.

Yorkshire Forward funded the consultancy costs of the most recent RFA review, submitted to Government in February 2009. A 'Strategic Prioritisation Framework' was developed as a key element of the review. Its purpose was to sit between the outcomes set out in Regional Spatial Strategy and scheme level activity, and to provide an evidence based and prioritised perspective of what issues need to be addressed in the region. This work was used to inform the RFA submission, and further evidence based work was co-funded with the Department for Transport, particularly the Yorkshire and Humber Delivering a Sustainable Transport System (DaSTS) work.

The Strategic Prioritisation Framework built evidence-led consensus and helped the Transport Board to take a genuinely cross boundary approach rather than being drawn into local issues. The agreement to a re-profiling of schemes against the Regional Funding Allocation in February 2010 allowed the Government to progress eight schemes when none had gone forward in the previous three years. This decision, which put the need to achieve a credible programme ahead of meeting every local aspiration, was reached after several months of work by the Transport Board and supporting Executive Group.

Agreeing a Yorkshire and Humber position on high speed rail in 2009 is a further example of an evidence-led position being reached at regional level. Partners recognised that high speed rail would not serve all main centres in the region. However initial high speed rail proposals excluded the region entirely, so reaching a shared and evidenced position whereby the region (alongside northern way activity) could make a strong case for its inclusion was a real success.

CASE STUDY: Yorkshire and Humber Influence on High Speed Rail

Issue

In 2008, the Government actively began to look at high speed rail. There were various possible network configurations, some of which could serve Yorkshire and Humber more effectively than others.

Economic Justification

High Speed Rail is a transformational activity. It could reduce journey times to London by over 40%. However, if other parts of the country are connected and Yorkshire and Humber is not, the region could lose out. A consistent view that is supported by key stakeholders is important.

Intervention

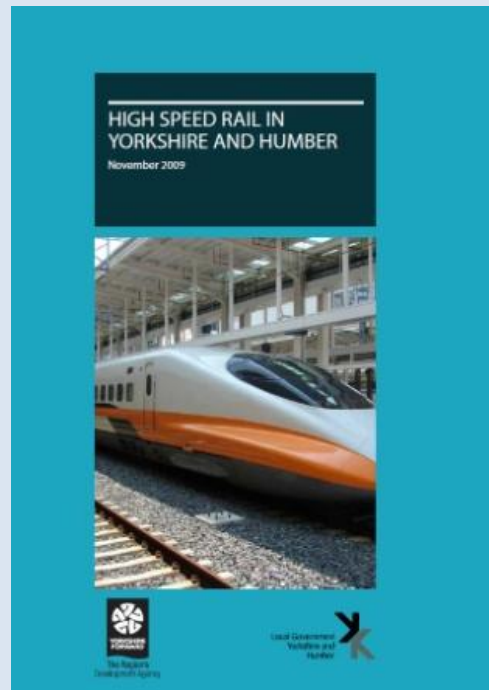
A position statement was agreed in 2009, building on evidence developed by Leeds and Sheffield City Regions and The Northern Way, and consistent with their own positions. This was agreed by the Transport Board and Joint Regional Board and also stressed the importance of investment in existing rail network in the short to medium term to benefit other parts of the region. A case making document was produced and sent to the Secretary of State for Transport, High Speed 2, the Regional Minister and others. It was further used in meetings with key decision makers.

Outcome

The Government announcement of 11 March 2010 proposed a 'Y network' which is consistent with Yorkshire and Humber position. This has been confirmed by the current Government, which has now dropped the 'reverse S' configuration for which there was little support in Yorkshire and Humber.

Lessons

It was important that the regional position built on city region work and was clearly evidence-led. The level of consensus achieved and a clear message from the Joint Regional Board (which comprised leaders in local government and Yorkshire Forward Board members) was also important.



The Northern Way

A separate 'legacy' report has been published setting out the transport work of the Northern Way. This is entitled 'The Northern Way Transport Compact: The Economic Case for Transport Investment in the North' and is available at: www.northernwaytransportcompact.com

The Northern Way was a unique initiative which brought together partners across the North of England to work together to improve the economic performance of the North and to rebalance the economy. Established as a partnership of the three northern RDAs, the transport activity has been led by Yorkshire Forward with the Chairman and Chief Executive of Yorkshire Forward accountable to the Northern Way Steering Group for its delivery.

From the outset, the central role of the Northern Way's transport work was to add to what could be done by the North's three regions and eight city regions acting alone. The 'Northern

Way Transport Compact'⁶ was established to provide advice on transport priorities at the pan-northern level linked to productivity. Made up of city region, local authority, RDA and business representatives, the Transport Compact was chaired by Professor David Begg, a respected independent transport expert. The Compact first met on 14 February 2006 and met on sixteen subsequent occasions prior to the closure of Northern Way activity on 31 March 2011. Northern Way transport activity was led on a day to day basis by a Transport Project Director (John Jarvis) and support staff based within Yorkshire Forward.

When initially launched by the Deputy Prime Minister in September 2004, the Northern Way had a £100 million growth fund to invest in projects to address the economic imbalance between north and south. More recently, since the end of the growth fund in 2007, Northern Way has focused more on influencing policy and spending decisions.

The Northern Way Transport Compact adopted a strongly evidence-led approach throughout. An early task was to agree an approach to pan-regional prioritisation, resulting in the 'Strategic Direction for Transport'. This set out the key transport outcomes that the North needed to achieve economic growth whilst at the same time seeking to protect and enhance the North's natural and built environment. This was then followed by agreeing what actual priority investments were of genuine pan-regional importance, and assessing these in terms of short, medium and long term implementation.

The Northern Way focused solely on issues and schemes which were demonstrated by evidence to be of pan-regional significance. This evidence-led approach allowed the Northern Way Transport Compact to develop pan-northern positions on a number of issues. A key interface has been transport submissions to the various Comprehensive Spending Reviews. It has also allowed The Northern Way to help shape Government port and airport policy, backed by a consensus of all relevant northern operators.

The Northern Way has maintained constructive dialogue with Government and its work has been recognised as helpful by Transport Ministers of recent and present Governments. A key Northern Way achievement was to influence the Government to take action on rail congestion and bottlenecks in Manchester. These affect the wider north because of their impact on services and journey times on Transpennine routes, including Manchester to Leeds. The following case study describes this work in further detail.

⁶ See www.northernwaytransportcompact.com

CASE STUDY: The Northern Hub

Issue

Rail congestion, particularly in central Manchester but also at other bottlenecks across the north, means that aspirations for more and better services that go through Manchester and to Manchester Airport, the north's principal international gateway, cannot be met.

It is not currently possible for example to link routes such as the Calder Valley, or from North Wales and Chester to the airport and there is insufficient track capacity for direct Newcastle to Liverpool services as well. There are also capacity constraints for commuter and freight services in the Manchester area. The 2007 White Paper 'Delivering a Sustainable Railway', which set out future Government transport investment priorities, did not recognise tackling these issues as a priority.

Economic Justification

The Northern Transport Compact agreed that rail issues in Manchester impacting across the North were the highest transport priority intervention for the North.

Rail use into Manchester has been growing at 8% per year and 20% of trips to central Manchester are by rail. The network is not able to accommodate additional trains to cater for this growth. Whilst there were plans to address some hub issues, these were insufficient to address wider pan-regional impacts on long passenger services, services to Manchester Airport, freight as well as Manchester commuter services.

Intervention

Northern Way developed a proposition⁷ as to what service pattern could be operated, and evidence was developed to demonstrate the considerable wider economic benefits that could accrue. This was presented to Ministers in 2007 shortly after publication of the White Paper.

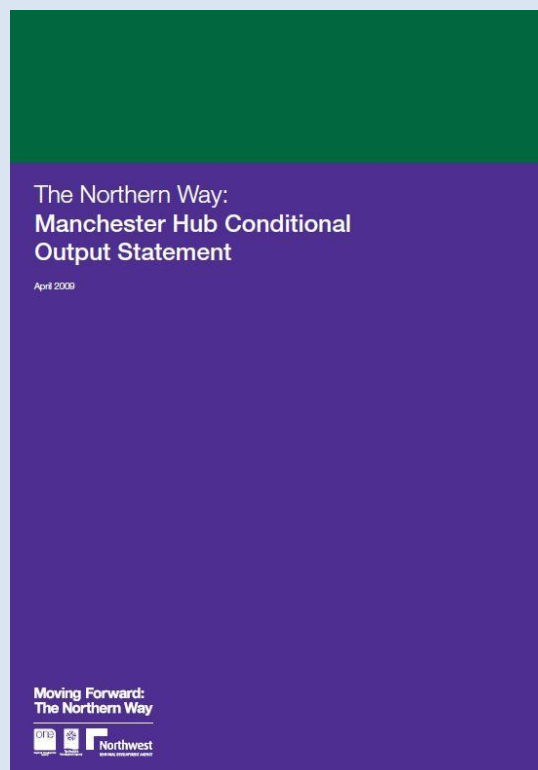
Outcome

In October 2007, Ministers initiated a new study of the Manchester Hub. Northern Way was asked to work up in more detail what outputs could be achieved and asked to do further work on economic benefits. Network Rail was then asked to take these outputs and devise a costed package of rail infrastructure interventions that could achieve them.

As part of this work, the truly pan-regional nature of the hub became clear with infrastructure works as far from Manchester as Sheffield and Dewsbury envisaged. As a result, what was previously referred to as the 'Manchester Hub' is now the 'Northern Hub'. A scheme is being progressed by Network Rail for proposed implementation between 2014 and 2019⁸. In the March 2011 budget, funding was allocated to proceed with the £85 million Ordsall Curve, a key part of the Northern Hub scheme.

Lessons

The Northern Hub experience shows the value of an evidence-based case, and how this can influence Government thinking. It also shows the value of persistently restating the case in the wake of setbacks such as the 2007 White Paper. In this respect, the pan-regional consensus and support for Northern Hub from the Transport Compact was highly significant.



⁷ See http://www.northernwaytransportcompact.com/The_Northern_Hub.html

⁸ See <http://www.networkrail.co.uk/asp/6472.aspx>

3 Resources, Results and Outcomes

Resources

Yorkshire Forward had one dedicated employee dealing with transport since 2001, initially based within the Sustainable Development Team and supported by a panel of consultants. Following the decision to invest in transport, a programme manager post was recruited leading to a team of two people. At the same time, transport was established as a distinct team within Yorkshire Forward. Three posts were transferred into the RDA from the Yorkshire and Humber Assembly in 2009, though with no funding other than staff costs.

Between 2001 and 2004, the annual budget was £200,000-£300,000, used to commission consultancy studies to demonstrate the economic importance of transport. A panel of six consultancy firms was recruited to support this. Between 2005 and 2008, the focus was more on investment, with an annual budget of about £10 million per year. In 2008, a lead consultant was recruited to partner Yorkshire Forward and develop a stronger evidence base. This activity had an annual budget of approximately £1 million, also used to support the transport board, RFA, DaSTS and Strategic Prioritisation work. Progress against the priorities agreed in 2001 is set out in Annex A.

Impacts

From 2005, Yorkshire Forward has made a number of targeted investments to address regional priorities. A selection of these has been outlined in section 2. All of the interventions made have been through working extensively with partners, and have been successful where local priorities align with regional needs. Progress has been made on access to regional centres, north/south links and ports and waterways. All of the interventions made have enjoyed strong local support and have attracted widespread recognition. Yorkshire Forward clearly had an economic focus. Investment was appraised against the Regional Economic Strategy and targets agreed with Government, whilst recognising the importance of other local issues.

In terms of gaining influence, the value of an effective evidence base cannot be understated. It gives integrity and credibility to Yorkshire and Humber issues and increases the likelihood that the region will be listened to. Being able to demonstrate the economic value of transport is a very important part of this. The early work done to estimate the value of the East Coast Main Line and Humber Ports has been used widely, not just by Yorkshire Forward but also by local authorities and others. Yorkshire Forward supported the Yorkshire and Humber Assembly in carrying out a number of studies to ensure that the regional approach to transport was grounded in sound evidence which could also be used by others, for example in Local Transport Plans and Development Plans.

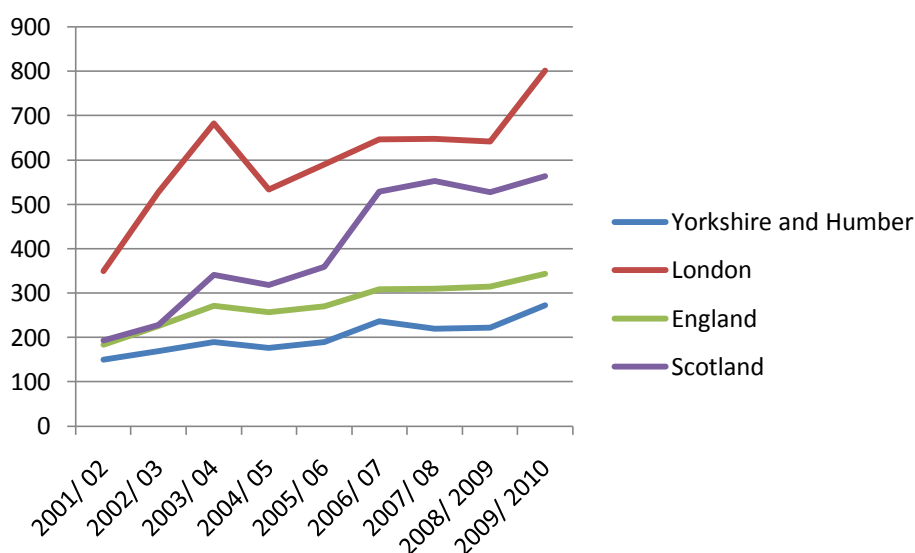
The work done by the Regional Transport Boards was also evidence led. This applied to both the initial Board supported by the Assembly and the revised Board chaired by Cllr Mark Kirk, Yorkshire Forward's lead Board Member on transport. The 2004 and 2006 Regional Funding Allocation processes were based on Regional Spatial Strategy outcomes. For the 2009 RFA exercise, Yorkshire Forward ensured that new information was gathered to more clearly articulate the outcomes of transport investment. The Board also took evidence-led positions on a number of key policies. For example an agreed position on priorities for high speed rail was reached in October 2009, and communicated to the Secretary of State for Transport and other politicians. The route concept initially announced in March 2010 met Yorkshire and Humber's position, and is currently the subject of public consultation by the Coalition Government.

Collaboration and consent have been important in ensuring effective co-operation at Yorkshire and Humber level. The most recent Regional Transport Board was comprised of sub-regional representatives who came together to discuss regional issues. This allowed a two way relationship to operate, whereby sub-regions could inform regional discussions particularly on scheme priorities. It also allowed some issues to be properly remitted to sub-regional level. A further benefit of this arrangement was that it fostered learning, and also wider appreciation of a particular sub-region's issues.

It proved important to shadow the transport board with an officer group of similar composition. This group, latterly titled the Regional Transport Executive Group, was made up of two senior officers representing each sub-region, the Government Office, Local Government Yorkshire and Humber and has been chaired by Yorkshire Forward. The group worked well in sharing perspectives and particularly in supporting the Board's work. The group played a key role in the RFA process particularly the reprofiling exercise carried out in 2009-10, which ultimately allowed a number of schemes to be moved forwards.

Figure 1 shows the change in transport spending between 2001 and 2010 and uses the same data as table 1 earlier. It shows that spending in Yorkshire and Humber not only remained well below that in Scotland and London, but that these areas enjoyed much greater increases than both England overall and Yorkshire and Humber. The Yorkshire and Humber and England lines follow a broadly similar trend. However it is apparent that the gap between the region and the England average grew between 2001 and 2008 but started to narrow in 2009/10. In this respect, the RES target to achieve increased transport spending was not achieved, although it is possible that influencing work might belatedly have started to have an impact. Government support for schemes in the region near the end of the Transport Board's period of operation might continue that trend.

Figure 1 – Transport Spending, £ per head 2001-2010⁹



An independent evaluation of Yorkshire Forward transport activity was carried out in 2010. This found that some direct outputs had been achieved (even though they were not the principle target) with 74 businesses were supported, 7,500 tonnes CO2 saved and £1.8m of private funding levered in. As noted earlier, transport is expected to generate significant

⁹ Based on http://www.hm-treasury.gov.uk/pesa2011_section4.htm

Strategic Added Value. Examples are through helping the economy to be more competitive and more attractive for overseas investments through better accessibility and more effective access to international markets via ports and airports. Strong partnership and strategy alignment can also lead to strategic added value.

Yorkshire Futures 'Progress in the Region' reports (see module 2: research and intelligence) monitored wider headline indicators agreed by the region, including a number on transport. The 2008 report¹⁰ noted that transport volume in the region had been rising by around 1.5% per year, faster than nationally, and reflected the fact that a higher proportion of journeys were by car. This was despite rail patronage having increased substantially. The report identified Sustainable Transport as one of eight Landmark Issues where there were problematic and persistent trends, these being:

“more traffic, longer journeys, and a higher proportion by car and lorry [that] cause economic, social and environmental problems. These trends will take concerted and radical action to shift”

The region by and large set transport priorities that were focused on public transport, and adopted planning policies focused on reducing congestion. The fact that transport and especially car use rose demonstrates both the fact that investment was not secured to fully progress all the priorities, and also that the challenge of pursuing economic growth whilst reducing environmental impacts is a very difficult one. Recently the two factors that have appeared to affect journey patterns are the combined effect of the recession and higher fuel prices. The trend of rising traffic volume was reversed with a slight decrease in 2008¹¹ and since then there has been much anecdotal evidence of drivers thinking about the journeys they make (and scope to reduce them) and adopting fuel efficient driving styles.

The relationship between the costs of transport, the economy, transport investment and services and personal journey decisions are complex. That was not really addressed in the region's transport work, with options such as congestion charging largely avoided because of its controversial nature. Equally, it needs to be made clear that not all priorities received support. Some key decisions, such as the Government's rejection of tram proposals in Leeds, went against the region despite a good case being presented. It remains true that to achieve major shifts in transport patterns will probably require very significant changes, in all likelihood involving changing costs, infrastructure, services and attitudes.

The Northern Way

Northern Way transport activity was led by a Project Director based within Yorkshire Forward, supported by a Project Manager and Personal Assistant. Northern Way also had a call off arrangement with a leading transport consultant over its existence.

An independent evaluation of all Northern Way activity in 2011¹² found that the Transport Compact was a key success factor. It coordinated across a range of partners, providing a forum for discussion of northern transport interests, confronting the need for evidence versus parochial interests and allowing transport experts to talk to politicians and vice versa.

National and local arrangements on their own do not allow for that. In addition the Transport Compact also created the space for reaching consensus on tricky issues, and so its ability to endorse the research adds significant value to any proposition that could be made to central government. The evaluators concluded that the Transport theme produced a clear and consistent approach to influencing transport policy, had demonstrable benefits and was arguably was the star performer over the full six years of The Northern Way.

¹⁰ Progress in the Region 2008, Yorkshire Futures, March 2009

¹¹ See Regional Transport Statistics, 2009

¹² See <http://www.thenorthernway.co.uk/downloaddoc.asp?id=850>

4 Insights and Lessons Learned

- a) **Transport is a top priority for many and everybody has a view** on the challenges and solutions to these. Business audiences in particular raise it as one of the biggest issues that affect them. Addressing transport helps to gain private sector support, whilst ignoring it would risk being dismissive of their concerns. As everybody uses transport, everybody tends to have a view on it. This means prioritisation and evidence are vital to cut through the mass of points often made on the basis of individual experiences and to focus on the few things that will make the biggest difference. Having neutral parties involved in prioritisation helps decisions to be reached.
- b) **Collaboration and a common agenda are important.** It is invaluable to have good relationships with different agencies at political and officer level, and to have a shared direction. This can however take time to achieve. It is important to undertake background work to achieve a common understanding.
- c) **A strong relationship between regional and sub-regional/city regional activity** is important. The sub-regions are the fundamental building blocks of regional or pan-regional activity. That means that the region should add value to what sub-regions are doing, and also fill in gaps and issues not easily resolved at the sub-regional level. It is not the role of the regional level to dictate to the sub-region what it should be doing. Similar issues are likely to emerge between the sub-regional or LEP level and their local constituents.
- d) **An effective relationship between elected members on the transport board and officers** is important. Having a designated lead officer who also shapes and participates in the agenda of networks such as the Regional Transport Executive Group has been important. The Executive Group has performed an effective role in developing the transport board's agenda, and in allowing difficult issues to be explored. Terms of reference for the Board and Executive Group were agreed at the outset which was useful in providing clarity of remit. The Executive Group also performed a useful role in providing peer support and challenge to each other. This has worked in terms of knowledge exchange and assistance; and also in terms of being able to carry out constructive peer reviews of schemes to ensure progress is as planned.
- e) **An evidence led approach works best.** There have been too many aspirational transport wish lists and it is important to trade in sound evidence-based priorities. The aim should be to add to knowledge and bring wider perspectives, such as economic or environmental impact of transport that are not picked up fully in conventional appraisal methods. Evidence should be specific and relevant, and presented in an easily understandable manner. Transport work by the RDA and Assembly was well connected to evidence. However, transport is a sphere where evidence is sometimes gathered to support priorities – it is far better to gather evidence of the likely impact of a range of options *before* setting priorities.
- f) **Clear definition of what are pan-regional, regional, and local issues.** The Northern Transport Compact has been effective in allowing pan-regional debate on issues and priorities. To support this, it is important to have a clear understanding of what pan-regional actually means and maintain a clear focus, supported by evidence. An independent chair who can lead the debate whilst having no constituency or schemes to represent is also very helpful.

- g) It is important to **understand and listen to what Government is doing**, and help to develop and deliver its agenda. In that respect, development of new evidence is particularly important together with constructive dialogue. Offering a new approach or perspective rather than pure lobbying on the basis of aspirations is usually more effective. The progress made by the Northern Way transport activity shows the value of an evidence-led approach.
- h) **Bringing money to the table for investment is helpful**, however this has to be targeted effectively bearing in mind regional priorities. It is important to find opportunities where relatively small investments can make a genuine difference. Again this approach needs to be evidence based to show the economic added value of investment. Additionality is important to avoid substitution or removing the need for others to invest. It is also important to ensure funding and delivery timescales are consistent. Transport projects can take time to deliver, and availability of funding does not necessarily mean that delivery will be possible unless sufficient time is allowed. Whilst the £100 million Northern Way growth fund was welcome, this inevitably led to a focus on Northern Way managing and distributing funding in the 2005-2008 period. This was potentially a diversion from its main purpose of influencing national policy and addressing the economic gap.
- i) **Understanding partner agencies priorities and procedures is vital**. For example, Network Rail has its own contracting processes that are not necessarily widely known to non-rail stakeholders. Early discussion and understanding of contract procedures is essential and experience shows that this cannot be left to the last minute.
- j) **A larger, louder and unified voice makes lobbying more effective**. It can be difficult to get Government to respond to local concerns about transport and to influence policy. Besides having good evidence and a strong, feasible and deliverable case for action, the wider the support for a transport priority the more chance it has of being noticed and addressed. Working at the Yorkshire and Humber level helped, and the Department for Transport appeared helpfully impressed that the region's partners were able to agree priorities jointly. Working at Northern level took that up a gear and had still greater influence and impact.

How the transport agenda is progressed in a new economic era where localism is the buzzword, resources are scarce, and Local Economic Partnerships have the strategic lead, is as yet hard to predict. However, finding ways for localities to make the case for and deliver with transport funding, individually or collectively, will continue to have important economic consequences. As John Jarvis, the Northern Way Transport Director, put it:

“In the next few years a number of critical decisions will be made on transport spending and strategy that will potentially have a long lasting impact on Yorkshire and the Humber and the North as a whole. Yorkshire Forward and the Northern Way have established the benefits of working together on transport. There is now a challenge for the emerging Local Enterprise Partnerships to create new ways of working together to develop the evidence and make the case for the transport investment that is absolutely essential for Yorkshire and the Humber and the wider North's economic futures.”

Annex A: Further Information on Regional Transport Priorities

Summary of Progress against 2001 Transport Priorities

Priority	Actions envisaged in 2001/2	Current position (2011)	Comment
Trans-Pennine links.	<ol style="list-style-type: none"> 1) New trains. 2) More frequent and faster journeys. 3) Ability to handle more and larger freight trains. 4) Better management of M62. 	<ol style="list-style-type: none"> 1) Train fleet replaced in 2006. 2) 4 trains per hour Leeds-Manchester from 2004. 3) Gauge design work ongoing. 4) Managed motorway schemes. 	There has been lots of progress, at a time of greater interaction between Leeds and Manchester, and Manchester-Sheffield but journey times are still slower than ideal. Sheffield-Manchester train frequency could be improved. Northern Hub will reduce journey times and this could lead to more trains.
Strategic North South Routes.	<ol style="list-style-type: none"> 1) Upgrade East coast Main Line. 2) Improve track and trains on Midland Main Line. 3) Upgrade A1 to motorway. 	<ol style="list-style-type: none"> 1) Some improvements to East Coast though major upgrade has not happened. New trains planned but not committed. 2) Sheffield-London route upgraded to half hourly, with modern rolling stock. 3) Most of A1 upgraded or planned to be. 	Some improvements though East Coast Main Line does not compare favourably with West Coast, particularly on frequency. Midland Main Line has improved but journey times are still not as attractive as they could be. Cancellation of last A1 scheme in North Yorkshire will leave a gap in motorway.
Leeds to Sheffield corridor.	<ol style="list-style-type: none"> 1) More reliable and frequent rail links. 2) Faster trains. 3) Upgrade parts of M1. 	<ol style="list-style-type: none"> 1) Cross Country timetable provides 1 fast train per hour from 2003 with modern trains – previously 2 hourly. 2) 2 fast trains per hour on Barnsley route introduced in stages 2004/8. Previously none. 3) Managed motorway plans in Sheffield area, 	There has been significant progress in securing more fast or semi-fast services – this has gone from 1 every 2 hours to 3 per hour. But journey times are still relatively slow and only just competitive with car. Plans to upgrade M1 have been downscoped or cancelled.
Development of Air	<ol style="list-style-type: none"> 1) Better surface access to 	<ol style="list-style-type: none"> 1) Bus services to LBIA have been 	Road access to LBIA remains as 2001.

Transportation.	Leeds Bradford Airport, 2) Better rail links to Manchester Airport,	improved. 2) Rail access to Manchester has been improved since 2004 with new franchise.	There has been talk of rail access but this remains very long term. Northern Hub offers potential for better rail access to Manchester, e.g. from Calder Valley.
Ports and Waterways,	1) Improve rail access, 2) Manage M180 better and upgrade A160, 3) Improve roads in Hull,	1) Rail routes to both south and north bank ports upgraded, 2) Improvement scheme programmed for A160,	There has been significant progress on rail to create more capacity and upgrade infrastructure. Key road schemes are programmed, but won't take place until after 2015.
Access to Strategic Economic Zones,	1) Organise better access to SEZs,	1) Some local roads upgraded and bus services improved. Planned motorway and Supertram schemes delayed or cancelled.	The SEZs were a component of the Objective 1 programme which ended in 2006.
Strategic Access to Regional Centres,	1) Extend Sheffield Supertram, 2) Introduce Leeds Supertram,	1) Sheffield-Rotherham Tram Train scheme being pursued. 2) Supertram schemes cancelled by Government in 2005. Bus based alternatives being developed.	These issues will need to be taken forward at city region level.

Annex B: Experience Elsewhere

The approach followed by Yorkshire Forward differs from that of other RDAs in that economic development funding from the RDA single pot was used for investment in transport projects. Elsewhere there was in general resistance to this concept, or only small amounts of RDA funding made available.

The degree of collaboration and consent achieved in Yorkshire and Humber between different agencies is also a distinguishing feature, particularly since 2001.

The level of collaboration and progress made by the Northern Way is unique. A number of similar initiatives were explored by consortia of regions at the same time prompted by the 2004 Sustainable Communities Plan, but all were short-lived.

This paper is part of a suite of 'Learning Legacy' reports produced by Yorkshire Forward in 2011. The series is intended, as far as we can, to capture knowledge, achievements and lessons learned from regional economic development. It seeks to pass knowledge on to other bodies who may be able to apply it now or in the future.

We are grateful to all the many partner organisations, businesses and individuals who have contributed to this work over Yorkshire Forward's lifetime.

In addition to an Overview, the full range of modules in the series covers:

- 1: Economic Strategy
- 2: Research, Intelligence and Evaluation
- 3: Responding to Economic Shocks
- 4: Low Carbon Economy
- 5: Enterprise - Helping New Businesses to Start and Survive
- 6: Supporting Existing Businesses
- 7: Access to Finance
- 8: International Trade and Investment
- 9: Sectors and Clusters
- 10: Innovation
- 11: Skills
- 12: Urban Renaissance and Physical Regeneration
- 13: Social Regeneration and Inclusion
- 14: Transport
- 15: Rural Renaissance
- 16: Tourism and Major Events

Useful web links and access points for modules from this series will include:

Leeds City Region LEP <http://www.leedscityregion.gov.uk/LEP.htm>

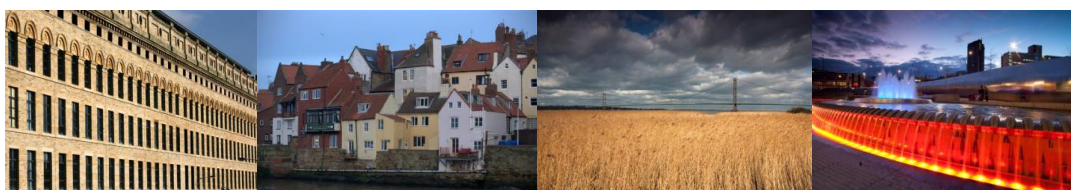
Sheffield City Region LEP www.sheffieldcityregion.org.uk/local-enterprise-partnership

York and North Yorkshire LEP <http://www.ynylep.co.uk/>

Humber LEP (web address to be confirmed)

BIS Local <http://www.bis.gov.uk/policies/economic-development/bis-local-offices>

Yorkshire Forward www.yorkshire-forward.com



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