NIC Infrastructure Assessment2 Call for Evidence

Submission by Transport for the East Midlands (TfEM)

Transport for the East Midlands (TfEM) brings together the 10 Local Transport Authorities in the East Midlands under the auspices of East Midlands Councils. TfEM is chaired by Sir Peter Soulsby the City Mayor of Leicester. The Vice Chair is Cllr Richard Davies, transport lead for Lincolnshire County Council. The basis for this submission was agreed at the TfEM Board meeting of 6th December 2021 and is in respect of Questions 16 and 17 only.

East Midlands Background

The East Midlands is a region of 4.87 million people and 397,000 businesses. Total regional output in 2019 was £130 billion, equivalent to 5.9% of the UK economy[1]. The region has 'polycentric' settlement structure comprising urban, suburban, rural and coastal settlements. There are 40 local authorities in the East Midlands, 10 of which are Local Transport Authorities (4 County Councils and 6 Unitary Authorities). There is no Combined Authority or Integrated Transport Authority.

Transport in the East Midlands remains overwhelmingly road-based: 80% of journeys to work are undertaken by car (the highest of any English Region), compared to 68% for the UK[2]. The M1, A1, A14 and A46 are major national routes particularly for freight and form part of the Strategic Road Network (SRN) managed by National Highways, but the vast majority of the road network is maintained by the Region's ten Local Transport Authorities

Bus is the most popular form of public transport in the region. However, bus patronage in the East Midlands in 2019 was only 61% of that recorded just before bus deregulation in 1985[3] and the sector has faced continuing financial pressure from reducing public subsidy, the impact of concessionary travel and latterly the Covid pandemic. Only Nottingham City has been able to maintain and slightly increase bus patronage over the last 10 years[4] and also operates the regions only mass transit system: the Nottingham Express Transit (NET).

The East Midlands does not have an extensive rail network compared to London or the main provincial metropolitan areas and there has been historic under-investment in both rolling stock and services. Although rail patronage has shown strong consistent growth over the last 20 years, this has been from a low base. In 2018, 36 million journeys were made by rail in the East Midlands, compared to 94 million in the West Midlands[5].

Transport spending per head in the East Midlands has been very significantly below the UK average level for all of the last 20 years, declining to just 58% of the UK average in 2019/20, again the lowest level of any UK region or nation[6]. If the region was funded at a level equivalent to the UK average, the East Midlands would have an extra £1billion a year to spend on transport.

[1] https://researchbriefings.files.parliament.uk/documents/SN06924/SN06924.pdf
[2] tsgb0109.ods (live.com)
[3] bus0108.ods (live.com)
[4] bus0109.ods (live.com)
[5] Rail Factsheet - December 2019 (publishing.service.gov.uk)
[6] https://www.gov.uk/government/statistics/public-expenditure-statistical-analyses-2021

***Question 16**: What evidence is there of the effectiveness in reducing congestion of different approaches to demand management used in cities around the world, including, but not limited to, congestion charging, and what are the different approaches used to build public consensus for such measures?*

Nottingham City Council was the first UK local authority to introduce and Workplace Parking Levy (WPL) in 2011, and it remains the only the only such scheme in the country[7]. Elsewhere in the East Midlands, Leicester City Council is currently consulting on proposals to introduce its own WPL[8].

Over the 10 years the Nottingham WPL has been operating it has raised over £75 million towards the development of the Nottingham Express Transit system, the redevelopment of Nottingham Railway Station and improved bus services. The WPL has a 100% compliance rate making it an extremely reliable and cost-effective means of raising local revenue to finance public transport initiatives. There is also evidence that that the WPL has had a constraining impact on congestions growth[9]

The proposed Leicester WPL is designed to support ambitious 10 year investment plan to extend and improve local bus and cycle networks[10]

Like any new tax, introducing a WPL will be controversial, particularly with the business community. Experience has highlighted the following as factors contributing to the successful introduction of a WPL[11]:

- The need for a WPL and its benefits will need to be clearly explained to all affected businesses and related stakeholders.
- WPL objective/s must be clearly stated and readily quantifiable.
- The geographic boundary of the Levy must be appropriate, clearly defined, deliverable and enforceable.
- Exemptions, discounts, and the rationale for them, must be clearly stated and justified.
- The Council will need to clearly state how the hypothecated revenue from the WPL will be utilised.
- There will be a need for clear and consistent communication and consultation between the Council and all affected businesses.
- The need for a WPL policy champion to acts as a focal point of the policy

The application of WPLs is likely to be limited to larger cities because that is where the economic cost of congestion, the concentration of larger employers and the potential for developing high volume public transport alternatives are all greatest.

In smaller towns and in rural areas the focus of LTAs has also been on measures to reduce the need to travel, promote active travel and public transport (particularly for new development) and the transition to electric vehicles[12] However, funding these initiatives remains highly dependent on central government grants in the absence of additional local revenue.

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[7] The Workplace Parking Levy: Nottingham pioneers the way ahea (transportxtra.com)

[8] Workplace Parking Levy - Leicester City Council - Citizen Space

[9] (PDF) Evaluating the impact of a workplace parking levy on local traffic congestion: The case of Nottingham UK (researchgate.net)

[10] Leicester Workplace Parking Levy – Business Case

[11] WPL An evidencebased review of policy and prospects for Leicester .pdf

[12] For Example: Local Transport Plan | Let's Talk Lincolnshire

Although LTAs in rural areas have a role in setting out strategic car parking polices as part wider approaches network management[13], car parking charges are set locally by district councils in two tier areas and are used to maintain existing facilities, not for demand management. This division of responsibilities along with the reliance by some councils on parking revenue can undermine efforts to promote model shift.

There is often concern that the viability of smaller towns could be undermined by excessive car parking charges particularly given rise to on-line shopping and competition from out-of-town retail. Whilst there is a lack of a clear evidence linking car-parking charges with footfall, it likely that that charging for car parking is one of a complex mix of factors that can influence town centre vitality which are often highly localised and specific[14].

[13] For Example: Parking Policy: Consolidation of Existing Policy, Guidance and Working Practices (leicestershire.gov.uk)

[14] 150610-assessing-impact-car-parking-charges-town-centre-footfall-en.pdf (gov.wales)

Question 17: *What are the barriers to a decision-making framework on inter-urban transport that reflects a balanced approach across different transport modes*

Transport planning, funding and delivery outside of London is hugely fragmented and complex, which makes developing a balanced multi-modal approach to inter-urban transport in a region like the East Midlands extremely challenging.

In the East Midlands:

- The Strategic Road Network in the is managed by National Highways (including the M1, A1, A14, and parts of the A46, A52, & A453)
- All other roads are managed by the regions 10 LTAs
- Bus services & coach services are largely delivered by the private sector (with the exception of Nottingham City Transport), with public subsidy from LTAs for some routes
- The Nottingham Express Transit is owned and operated by a public/private joint venture company;
- Rail services are delivered by a number of Train Operating Companies with subsidy from the DfT, primarily East Midlands Railways, but also CrossCountry, LNER and Northern.
- Local cycling and walking routes around transport hubs are the responsibility of both LTAs and Local Planning Authorities in two tier areas.

There is no inter-urban multi-modal smart ticketing available in East Midlands. However, Midlands Connect is looking to progress a project (subject to DfT funding) that would integrate Nottingham's Robin Hood Card[15] and the WMCAs Swift card through the establishment of a back-office 'brokerage system', which could then be extended more widely[16].

The funding and regulatory framework within the Department for Transport is similarly fragmented and split by mode, which makes area based integrated approaches to inter-urban transport extremely challenging to deliver.

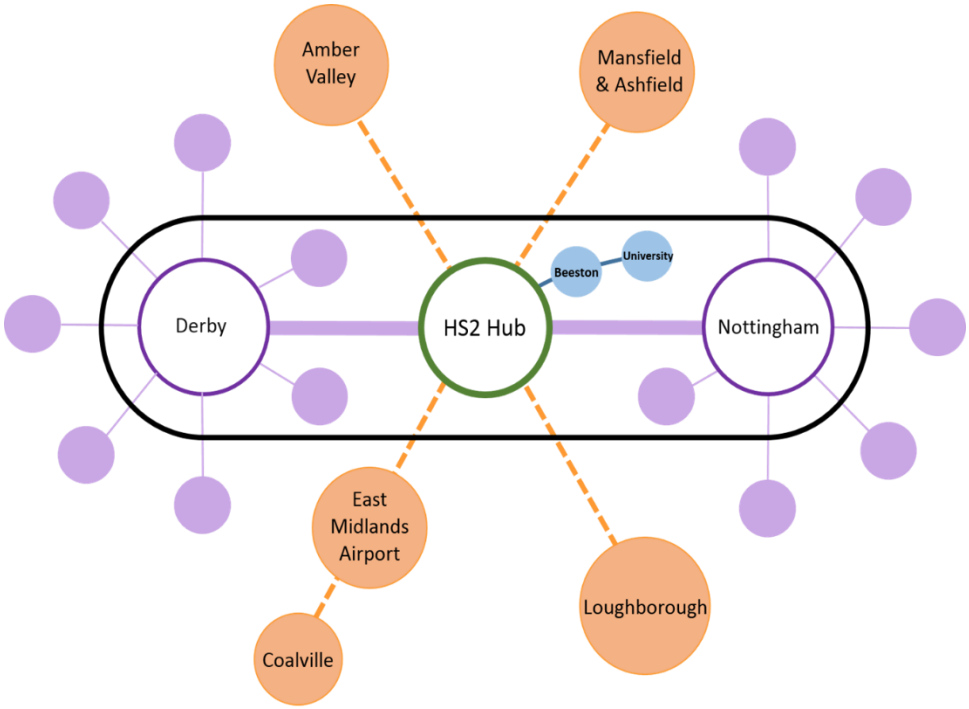
Following a review of the Roads Programme in 1997, the then Government progressed a number 'Multimodal Studies' (MMS) to deliver integrated multi-modal transport solutions to address predicted traffic growth along strategic corridors[17]. There were three such studies in the East Midland covering the M1 corridor, the A453 (M1 to Nottingham) and the A52 (A46 to Nottingham), in addition to an East-West Midlands study.

All of these studies recommended a package of interventions comprising (revenue funded) behavioural change measures to reduce travel demand, public transport enhancements and highway improvements to address residual traffic demand. However, there was no funding mechanism identified to deliver behavioural change measures, and whilst some public transport investment was delivered (for example the NET extension to Clifton as part as the A453 MMS), the majority of investment was focussed on the road network. The integrated nature of the packages was not taken forward into implementation because of the fragmented nature of the Departments funding and delivery mechanisms.

[15] Robin Hood - Nottingham City Transport (nctx.co.uk)
[16] Midlands Connect | Midlands' oyster-style' smart ticketing system 'essential part of levelling-up agenda' say MPs
[17] (PDF) The multi-modal study transport invetment plans (researchgate.net)

More recently, local and regional partners in the East Midlands worked together to establish the East Midlands Gateways Connectivity Study extending across Derbyshire, Leicestershire and Nottinghamshire.[18]

The Study was established to take forward the initial priorities set out in the 2017 East Midlands HS2 Growth Strategy and covered broad geography based around the corridors and hubs illustrated below.



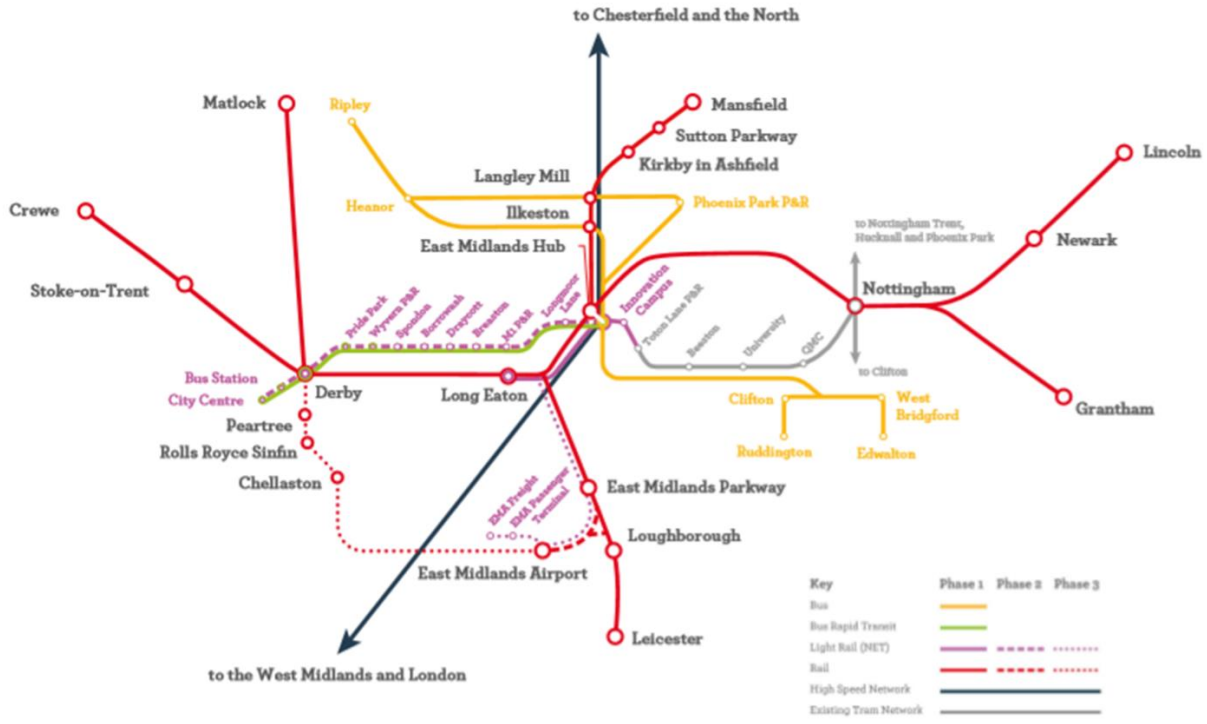
The Study was underpinned by the development of a new multi-modal transport model with a land use component which has subsequently been used to inform local plan reviews and transport assessments.

The Final Study Report was published in March 2020 and described as 'Access to Toton'[19]. After assessing a wide range of potential interventions, it recommended a multimodal package of measures delivered in three phases over 25 years (illustrated below).

The first phase costing £455m with BCR of 4 to 1 was designed to be implemented within the first 10 years and focused on linking Toton with surrounding settlements and each other in preparation for the arrival of HS2.

- NET extension to Long Eaton via Hub Station & Innovation Campus
- New bus services
- New 'Bus Rapid Transit' service from Derby (partially segregated)
- Local road improvements
- Maid Marion Line (Mansfield - Derby/Leicester rail service)
- Trowell Chord (enabling 4 trains per hour between Derby & Nottingham with links beyond)

[18] final-access-to-toton-report.pdf (midlandsconnect.uk)
[19] https://www.midlandsconnect.uk/media/1706/final-access-to-toton-report.pdf



Whilst the IRP will change the basis on which these proposals have been assessed, some will remain viable and others my need to be considered.

However, the challenges of fragmented funding and delivery mechanisms endure, and all schemes will have to be justified and funded on an individual basis rather than as part of an integrated package.