



## **Strategic Transport Forum**

17<sup>th</sup> May 2019

### **Agenda Item 6: Major Road Network/Large Local Majors Prioritisation**

*Recommendation:*

**It is recommended that the Group:**

- a) Reviews the approach for developing the programme of investment for the first five year (2020 – 2025) Major Road Network/Large Local Majors Programme in England's Economic Heartland.**
- b) Considers options for setting a minimum performance level for individual priority themes**
- c) Notes the conclusion of the prioritisation process will be submitted to the Forum for decision during its meeting on Friday 12<sup>th</sup> July 2019.**

#### **1. Context**

- 1.1. Forum members will recall that it is the Department for Transport's requirement that investment prioritisation for the Major Road Network and Large Local Majors investment programme is undertaken at the regional level, by the Sub-national Transport Bodies.
- 1.2. The Forum has an agreed position in respect of the Major Road Network which reflects the recommendations of the original research undertaken by the independent Rees Jeffreys Road Fund (Annex 1).
- 1.3. As the Sub-national Transport Body for the Heartland, this Forum is tasked with preparing the region's advice in respect of investment priorities for the MRN, along with the Large Local Major schemes. The Forum is required to submit its investment priorities for the first five year programme (2020 – 2025) to Government in July 2019.
- 1.4. In order to achieve this, DfT has required each region to put in place and maintain a Regional Evidence Base which, coupled with evidence submitted by scheme promoters (local authority partners), is to be used to inform the regional prioritisation.
- 1.5. England's Economic Heartland, through the Strategic Transport Forum's early sponsorship of its Regional Evidence Base in 2017, is very well placed to meet this requirement.

#### **2. Major Road Network/Large Local Majors Programme: Government Funding**

- 2.1. In the autumn 2018 Budget, the Government confirmed the amount of funding allocated to the National Roads Fund was £28.8bn (2020 – 2025). Of this, £25.3bn has been allocated to the Strategic Road Network, leaving £3.5bn for the Major Road Network and Large Local Major schemes across England.
- 2.2. Additionally, members need to be aware that as a consequence of commitments carried forward on the RIS programme – from RIS1 into RIS2 – it is anticipated that the first MRN 5-year programme will be 'back loaded'.

- 2.3. On 18 December 2018 the Department for Transport published its Investment Planning Guidance for the Major Road Network and Large Local Major schemes. A map of the proposed Major Road Network for England's Economic Heartland is shown in Annex 2.
- 2.4. The Forum will recall that it has acknowledged that this map represents a starting point, noting that the delivery of transformational infrastructure may require changes to it in due course. The Forum has resolved that it will review the MRN map as part of the work to develop the detailed proposals for the overarching Transport Strategy.

### 3. **Regional Framework for the First 5-Year Programme**

- 3.1. In January 2019, the Strategic Transport Forum agreed to a two stage approach:
  - a) In May 2019 (during this meeting), the Forum will consider and approve the approach to prioritisation: this includes considering the objectives set for scheme prioritisation, and reviewing whether there are any overall objectives that are such a priority (over others) that all schemes needed to demonstrate a minimum level of delivery against them.
  - b) At its following meeting, (12<sup>th</sup> July 2019), the Forum will receive and consider the output of the prioritisation process. Schemes will have been reviewed against the agreed objectives using the process set, reflecting any guidance that may be have set in respect of minimum performance requirements. The output of the prioritisation process will be presented and the Forum invited to use the output to shape England's Economic Heartland's submission to DfT.
- 3.2. A consistent theme for the Forum has been the importance of adopting a 'programme approach' when identifying its investment priorities. Such an approach would be aided by the identification of an indicative funding envelope for the region: a position set out in the region's submission to last autumn's Budget.
- 3.3. For this initial advice, the Department's guidance asks each STB to recommend up to ten schemes for funding between April 2020 and March 2025 that are priorities for their area.
- 3.4. It is recommended that the Forum note the Department's advice in developing its advice but that it should not feel constrained by it. It is clear that investment in the region's strategic infrastructure is required in order to support the delivery of growth already planned. It is therefore recommended that the Forum consider the merits of all proposals submitted for its consideration and develop its submission on the basis of that assessment.
- 3.5. When agreeing the region's submission at its July meeting, the Forum will want to ensure it captures those proposals that are time-bound (given links with build out timelines for housing or economic developments, for example) and are ready to proceed. This will ensure that the right schemes are being a) identified and b) delivered at the right time to unlock the benefits they create.

### 4. **First Five Year Programme: Overall Approach**

- 4.1. The approach to prioritisation has been developed in partnership with the Transport Officer Support Group and the 'Delivery Partners'.
- 4.2. Drawing on the experience of scheme assessment present within both groups is ensuring that the approach is fit for purpose, whilst avoiding the need for significant additional information to be produced in support of each proposal.
- 4.3. In this way the approach being used will ensure the right level of expertise and quality assurance is reflected in the process.

**5. First Five Year Programme Prioritisation: Methodology**

- 5.1. Working with the Transport Officer Group and Delivery Partners, the EEH Business Unit has developed on a Multi Criteria Assessment Framework. This captures both England’s Economic Heartland’s priorities and the Department’s objectives for the Major Road Network/Large Local Majors programme. In addition the approach being adopted will consider schemes against DfT’s Early Assessment and Sifting Tool.
- 5.2. The Framework developed will allow Members to assess how well a scheme has performed against each of these groups of priorities.
- 5.3. Application of the framework will be overseen by the EEH Business Unit, with support from the Delivery Partners. Each proposal will be considered within the context provided by the framework, with proposals receiving a red, amber or green rating against each group of priorities.
- 5.4. At its July meeting the Forum will receive the output of this process in the form of a red, amber and green assessment that demonstrates how far a scheme delivers against:
  - a) EEH’s priority principles (see section 5.6 below)
  - b) DfT’s objectives for the MRN/Large Local Majors Programme (see section 5.9 below)
  - c) DfT’s Early Assessment and Sifting Tool.
- 5.5. The Forum is invited to consider whether it should apply a minimum threshold in terms of the assessment of proposals. Such an approach would ensure that proposals put forward for funding genuinely meet the region’s (and DfT’s) strategic requirements. It would not necessarily preclude a proposal being taken forward by the promoter rather it would require funding from alternative sources being secured.

**England’s Economic Heartland Priority Principles.**

- 5.6. In December 2018, the Forum agreed the Transport Strategy’s vision – ‘connecting people and places with opportunities and services’.
- 5.7. It also agreed the three priority principles that underpin the Strategy – ‘economic growth’, ‘accessibility and inclusion’ and ‘quality of life and environment’.
- 5.8. Each proposal submitted to the Forum for consideration will be assessed to determine the extent to which it supports these three principles.

<b>Theme</b>	<b>Measures to be considered</b>	<b>Minimum Standard</b>
<b>Economic Growth</b>	Schemes will be reviewed against their ability to deliver a substantial or transformational contribution to the economic growth ambition of the region – by unlocking new and existing jobs, skills or housing markets or alternatively by improving regional, national or international connectivity. Schemes will also be considered against their ability to deliver improvements to journey time reliability and supporting the efficiency of the transport network.	The scheme will demonstrate an ability to support at least two economic considerations.
<b>Accessibility and Inclusion</b>	Schemes will be considered against their ability to bring benefits to all road users, including non-motorised forms of transport. Schemes will also be considered against their ability to bring clear and direct improvements for road users with protected characteristics. Assessments will consider the linkages between proposed schemes and planned or existing public transport interchanges.	The intervention will have to demonstrate a positive impact to at least two of these themes and will not, negatively affect any of them.

<b>Quality of Life and Environment</b>	Schemes will be considered against their ability to remove negative impact caused by congestion to: air quality; biodiversity, noise, flood risk, water quality, landscape and cultural heritage sites	The intervention will have to demonstrate a positive impact to at least two of these themes and will need to demonstrate a proactive approach to reversing any potential negative impacts.
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### **DfT's Objectives for the Major Road Network/Large Local Majors Programme**

5.9. In December 2018, DfT published five objectives for the MRN and Large Local Majors Programme. These are set out below, including a description of the measures that DfT is expecting schemes to deliver.

<b>Theme</b>	<b>Measures to be considered</b>	<b>Minimum Standard</b>
Reduce congestion	Schemes will be considered against their ability to alleviate local and regional congestion, reduce traffic jams and bottlenecks; support roads to cope with demand by adding capacity to reduce congestion and crowding.	Minimum would demonstrate a minor improvement in congestion, where congestion levels are currently at an unacceptable and unpredictable level
Support economic growth and rebalancing	Schemes will be reviewed against the extent to which they support the delivery of the Industrial Strategy.	Minimum standard would be a partial contribution to one or more of the emerging economic growth priorities of the region
Support housing delivery	Schemes would be assessed against their ability to unlock land for new housing developments and create new links between communities and workplaces to deepen local labour markets, connect housing developments to the network, provides new routes on city and commuter networks.	Minimum standard would be a minor improvement to housing site access.
Support all road users	Schemes will be assessed against their ability to recognise the needs of all users, including cyclists, pedestrians and disabled people	A minimum standard will have some impact on one or more road user type beyond single occupancy vehicle use.
Support the Strategic Road Network	Schemes will be assessed against their ability to complement and support the existing SRN by creating a more resilient road network in England	A minimum standard would be to ensure minor improvements to end to end journey times on journeys including the strategic road network.

5.10. DfT expect proposals submitted for funding as being able to demonstrate their ability to deliver against the above priorities.

#### **DfT's Early Assessment and Sifting Tool**

5.11. All proposals will be required to demonstrate their ability against the DfT's Early Assessment and Sifting Tool. The performance of schemes against this framework will be included in the advice to the Forum in July 2019.

### **6. Framework for a Long Term Approach**

6.1. The Forum's submission to the Government will be developing in a way that is consistent with the Department's guidance. However, for the period beyond the initial 5-year MRN programme it is proposed that the Forum adopt a more strategic approach to investment planning.

6.2. Concurrent to the work for the first 5-year programme, work has begun with the development of the long term investment programme. In this the MRN and Large Local Majors programme will form a key part of, but not work in isolation of, a wider investment plan for the Heartland region.

6.3. The Spending Review later this year provides an opportunity to set out the case for a commitment by Government to long term investment plan for the region.

6.4. There are already a number of strands of work that will inform and shape the long term investment plan for EEH, including:

a) **EEH Transport Strategy** – the overarching Transport Strategy will play a key role in shaping transport priorities to 2050. As the Strategy develops, there will be growing clarity over investment priorities. Following publication of the outline strategy this summer, we will undertake a period of wider engagement – which will provide an ideal opportunity for the strategy to undergo a broad phase of external review and validation, including consideration of the user's perspective.

b) **Connectivity Studies** – the development of connectivity studies across the Heartland provide the ideal level of robust analysis that will inform future prioritisation of the MRN and Large local majors programme.

c) **Performance indicators across the Heartland** –following the Forum's decision in December 2018 to include performance indicators in the final Transport Strategy (to be published in summer 2020), work to define Performance Indicators for the EEH Transport Strategy has recently commenced and will play a key role in identifying priority areas for improvement across the Heartland transport network.

d) **Evidence Base** – the EEH evidence base – through the Databank and Policy Scenario Model will continue to develop, strengthening their functionality and thus our ability to draw conclusions from them.

**Naomi Green**  
**Head of Technical Programme**  
**May 2019**

## EEH'S PRIORITY ASPECTS FOR THE MAJOR ROAD NETWORK – AS IDENTIFIED BY THE STRATEGIC TRANSPORT FORUM

This Forum has previously identified a number of key aspects which should be used to define our approach to the Major Road Network as a concept:

**A single road network** – the original Rees Jeffreys Road Fund research proposed that the Major Road Network should be a combination of Highways England's Strategic Road Network and the more significant local authority owned roads – the argument being that it is the combination of the two that forms the Major Road Network.

However, in the Autumn Budget, the Government confirmed funding for the National Roads Fund of £28.8bn (2020 – 2025). Of this, £25.3bn has been allocated to the Strategic Road Network, leaving just £3.5bn for the Major Road Network and Large Local Major schemes across England. The split of funding between the MRN and Large Local Major schemes and associated annual profiling is still to be determined.

Introducing a distinction between Highways England's Strategic Road Network and Major Road Network represents a significant departure from the original concept proposed by the Rees Jeffreys Road Fund. This continues to be a concern for the Forum: our users do not differentiate between road 'types', and a user-derived system would not differentiate between the SRN, MRN and local roads.

Additionally, separating the roads funding so clearly reduces the chances of designing the right investment solution in a defined corridor as it won't be exploring solutions across the network as a whole, regardless of who 'owns' the road.

**Responding to Change** - the MRN map cannot remain static. Transformational growth planned for the Heartland region through multi modal solutions, such as East West Rail as well as the Expressway will fundamentally affect travel patterns: functional economic geographies are likely to change as are strategic housing market areas. The Major Road Network must be able to respond to these changes. EEH has been clear that we expect the MRN network to be reviewed on a frequent (5 year) basis.

**Programme Approach** – the proposal to introduce greater certainty to investment in the Major Road Network is welcomed. However, to realise maximum value of the investment, DfT should adopt a 'programme approach' – and agreed package of investment within each STB area. This approach would allow the Strategic Transport Forum to lead the identification of investment priorities based on an overall programme, and informed by wider work on the EEH transport strategy.

Taking the MRN forward as a managed programme – in a similar way to that employed by Highways England in the form of the Road Investment Strategy – would offer significant benefits in terms of: ensuring that investment supported delivery of economic opportunities across the STB geography; allowing better management of funds; and enabling local partners to secure reductions in the overall cost of delivery.

## ANNEX 2 – MAJOR ROAD NETWORK MAP (as published)



### Legend

- Major Road Network
- Strategic Road Network