

## Strategic Transport Forum

14<sup>th</sup> October 2016

### Agenda Item 8: Programme Director's Update

**It is recommended that the Strategic Transport Forum note the contents of this report**

#### 1. Strategic Context

- 1.1. Events at a national level that need to be taken into account include:
  - a) Following the referendum result and the change in national Government it is clear that the policies of the previous administration are being reviewed to see if they remain fit for purpose. In particular, the new administration has identified the need for a new 'Industrial Strategy' to underpin its approach to investment, including investment in infrastructure. The Strategic Alliance Leaders agreed a submission in respect of the Industrial Strategy at their meeting in September.
  - b) Within the DfT changes are being made within the Roads, Devolution and Motoring Directorate. Rupert Furness has been appointed as the new Deputy Director responsible for the southern half of England: an initial meeting with the Deputy Director was held on 22<sup>nd</sup> September.
  - c) The date of the Autumn Statement has been confirmed as 23<sup>rd</sup> November. Prior to leaving office the former Chancellor suggested that the financial rules that had previously set the framework for Government expenditure might be relaxed. At the time this was seen by the commentators as suggesting that the Government might be prepared to invest more in infrastructure where this was seen as supporting economic growth. The new Chancellor is expected to set out his approach to the financial rules as part of the Autumn Statement, making that all the more significant.
- 1.2. Briefings suggest that the new Secretary of State for Transport is keen to see progress being made on infrastructure projects, presumably as these are seen as supporting economic growth. In addition indications are that the Secretary of State is keen to explore new models of delivery.
- 1.3. On devolution, briefings indicate that the Secretary of State is looking for proposals that are able to set out a clear message as to the added value that they provide. In this respect the Strategic Alliance approach – whereby the proposal has grown organically from the partners, as opposed to being something promoted by national Politicians – may offer us an advantage. Certainly the fact that we are in the process of developing our proposal means that we are able to take into consideration the emerging priorities of the new Government.
- 1.4. The original ambition was to have the proposal for a statutory Sub-national Transport Body to be ready for the end of the calendar year. It is now proposed that this be revised to end

of March 2017, the sub-regional event being planned for 9<sup>th</sup> March 2017 at Silverstone potentially offers the opportunity to act as a launch event for the proposal.

## **2. National Infrastructure Commission**

- 2.1. The work commissioned by the Local Enterprise Partnerships in response to the call for evidence from the Commission was endorsed by the Strategic Alliance Leaders as an agreed position across the Heartland area. The evidence was submitted to the Commission on 5<sup>th</sup> August (copy attached as Appendix 1).
- 2.2. The submission provides the underpinning for the key messages of the Strategic Alliance. By starting to identify the infrastructure requirements necessary to realise the economic potential across the Heartland area, the submission helps to both identify the key projects for the Strategic Alliance ahead of the autumn statement, as well as identifying the issues that need to be considered in greater detail as the Alliance looks to develop a programme of investment for the longer term.
- 2.3. The Task and Finish Group developing the transport position statement have used the context provided by the submission to shape their work.
- 2.4. The original brief for the Commission was to provide an interim report to the Chancellor by the end of the year. This has been taken by most commentators as meaning that the Commission will feed in ahead of the Autumn Statement: if true that means the window to influence the Commission's input is very limited.
- 2.5. From a Strategic Alliance perspective, and drawing on the submission to the Commission, a 'win' for the Heartland would be a commitment to accelerate the delivery of East-West Rail (both western and central), a positive statement on the East-West Expressway, and positive support for the Strategic Alliance as a mechanism for providing the strategic leadership and governance that enables proposals to be delivered.

## **3. Highways England**

- 3.1. There are a number of strands of work being undertaken by Highways England that are relevant to the work of the Strategic Transport Forum:
  - a) A428 Black Cat to Caxton Gibbet Improvement Scheme – a scheme identified in RIS1, with £280m of funding identified towards the delivery of a long-term solution. A major bottleneck on the east-west expressway route, delivery of a long-term solution could form part of a strategy to deliver the ambition for an Expressway.
  - b) East-West Expressway Strategic Study – the initial report from the study team was published in August. Key messages from the report (which looks at the strategic case for the new expressway) include:
    - There is a strong case for transport interventions within the broad arc defined by the study area. Such interventions would improve east-west connectivity, build transport network resilience and promote economic growth

- Interventions in the corridor could provide opportunities at three functional levels:
  - Strategic – the role of the corridor in the context of the national rail and strategic road network
  - Regional – supporting significant growth planned along the corridor and the contribution that these areas have to the UK economy and international markets, and
  - Local – sections of the corridor will have potential positive impacts in their own right, such as access between homes and jobs
- Transport investment will led to productivity benefits for firms and workers as transport improvements support economic interaction between firms and firms and consumers
- Study area interventions will enable firms to reach wider markets, support the growth of the knowledge rich service sectors clustered in Oxford, Milton Keynes and Cambridge and increase the catchment area of employees able to access these productive areas of activity
- Transport investment can alter patterns of private sector investment by making locations more attractive for investment

The report makes explicit reference to England's Economic Heartland Strategic Alliance and the identification of east-west connectivity as one of its strategic transport priorities.

- c) A1 East of England Strategic Study – published at the same time as the initial report from the east-west expressway, the initial report from this study reports the strategic case for improved connectivity on the A1 corridor. The report sets out the role of the A1 as a facilitator of agglomeration economies across the wider South East and a key connector for growth areas such as the London-Stansted-Peterborough corridor. The report continues by noting that the A1 is a key route for logistics, businesses and communities and recognises the role of the corridor in terms of regional and national connectivity
- d) RIS2 Input – Highways England is working with the emerging Sub-national Transport Bodies as they develop their input into the next Roads Investment Strategy. Highways England is currently assessing the information submitted over the summer in response to their open call for problem identification. Working with Highways England locally, there is the opportunity to work collaboratively to ensure that any work commissioned by Highways England at this stage is informed by the Strategic Alliance priorities for investment. It is also understood that Highways England has commissioned work to develop a 2050 vision for their network, a vision that needs to be informed by work underway across the Heartland by a number of agencies

#### **4. East-West Rail**

- 4.1. The East-West Rail Consortium hosted a visit by the National Infrastructure Commission on 12<sup>th</sup> September. This represented an occasion to reinforce the key messages previously set

out in the submission to the National Infrastructure Commission in respect of the critical importance that delivery of EWR has in supporting planned levels of economic growth.

- 4.2. The Consortium is continuing to use the existing governance structure to continue to press the case for accelerating delivery of the scheme: this is being supported by the Strategic Alliance in the run up to the Autumn Statement.

Martin Tugwell  
**Programme Director**

**October 2016**