

EEH Business Unit
c/o Buckinghamshire Council
Walton Street
Aylesbury
HP20 1UA

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Sent via email to futureoftransport@dft.gov.uk

FUTURE OF TRANSPORT: RURAL STRATEGY

England's Economic Heartland (EEH) brings together political and business leaders in a pan-regional strategic partnership, with a focus on the planning, development and delivery of strategic infrastructure. It is the Sub-national Transport Body for the region. Its membership stretches from Swindon to Cambridgeshire and from Northamptonshire to Hertfordshire, and includes the area identified by Government as the Oxford to Cambridge Arc: a nationally significant economic priority.

In February 2021 EEH will publish the region's Transport Strategy. The Strategy is a 30year blueprint setting out the way the Heartland's transport system must evolve if it is to achieve a green economic recovery, level up parts of the region and achieve net-zero carbon emissions from transport no later than 2050 (with an ambition to reach this by 2040). The Strategy is grounded in an evidence-led assessment of the region's requirements. It has been endorsed by partners through two rounds of engagement. It sets out the step-change in approach that is required to deliver a transport system that supports a green economic recovery and enables growth. It frames our approach within the context of preserving and enhancing the region's natural, historic and built environment, creating opportunities for residents no matter their individual circumstances, and, crucially, responding harder and faster to climate change.

This vision and principles are consistent with the Government's overarching 25-year Environment Plan and the National Infrastructure Commission's ambition; to realise the economic potential of the Heartland in a way that delivers net environmental gain. To achieve this, we need a step change in the way we plan, develop and deliver planned growth, and do so in a way that harnesses the potential for future transport solutions, data and digital connectivity.

The UK's traditional approach to identifying future transport requirements is no longer fit for purpose. The rise in e-commerce, driven by societal trends and enabled by investment in digital infrastructure is changing the way people access services and facilities. Increasingly the focus is about our ability to 'connect' with a service, be it to plan a journey by utilising intelligent transport systems and technologies or removing the need to travel at all. The future of our transport system is as much a consideration of digital infrastructure as a way of connecting as it is physical infrastructure.

It is in the context of delivering the Transport Strategy that England's Economic Heartland welcomes the opportunity to respond to the Government's Future of Transport: Rural Strategy call for evidence.

Rural Connectivity – Trends within England's Economic Heartland

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A quarter of EEH's residents live in rural areas, where (under Defra's definition), settlements contain fewer than 10,000 people. This is significantly higher than the England and Wales average of 18.5%.

Defra's 'Local Authority Classification' method for measuring rural populations identifies 'rural hub towns' ranging in population from 10,000-30,000 people and classes them as part of the rural population. Under this classification, 34% of Heartland residents live in 'rural or rural hub' areas, compared with 23% in England and Wales.

Evidence from the EEH Regional Evidence Base shows that residents in the Heartland area are likely to travel further and use their car more than the national average. This has contributed to nearly 50% of carbon dioxide emissions in the region arising from transport – and these, until recently, had been growing faster than the national average.

Poor transport connectivity in the Heartland region leaves many communities in rural areas with limited choices, a constraining social inequality. A key focus in the regional transport strategy is the importance of giving all Heartland businesses and residents choice in the way they connect – either physically or digitally.

Our Integrated Sustainability Appraisal undertaken as part of developing the Transport Strategy identified future demands on rural transport. The region's increasing ageing population will place a strain on our services and infrastructure, exacerbated by our higher than average number of people living in rural areas.

As part of our Regional Evidence Base, EEH has created a First/Last Mile Tool to provide insight into and plan for people living in the Heartland. Informed by Experian's Mosaic data, the tool enables those responsible for delivering transport infrastructure and services to tailor their approach to the specific needs of a local area, thereby ensuring that investment made is more likely to be viable and successful. Two dominant personas in the Heartland that are relevant to rural connectivity are:

- i) Country Living – this persona makes up 7% of the population of EEH, but up to 51% in some settlements such as Calvert. Country Living households are well-off homeowners in a small rural town, enjoying the benefits of country life. They typically have two cars but also have high internet use. The people in this category have poor access to key local facilities and also a lower propensity for embracing new technology and shared transport options.
- ii) Rural Reality – this persona makes up 8% of the population of EEH but up to 66% in some rural settlements such as Chatteris. Rural reality households are characterised by householders living in inexpensive homes in village communities or outlying houses. They may experience slower internet speeds, have poor access to key local facilities and currently a low propensity to use shared transport options making their connectivity choices and access to opportunities weaker.

A key theme recognised through EEH's programme of engagement is ensuring that rural transport and connectivity seeks to address common issues of isolation, loneliness and lack of access to opportunities. Through EEH's Influencer's Group, we are seeking to capture a broader range of needs and perspectives so that they can be better reflected in the Transport Strategy and its associated workstreams.

Issues facing Rural Connectivity

A key issue facing rural areas is digital connectivity – or rather the lack of/inconsistency of digital connectivity. The transformative potential of improved digital connectivity to reduce the need to travel is most acute in rural areas. It is in these places where historically, digital services have been poor, despite the high dependence on journeys by private car.

Realisation of the full potential of new and innovative transport solutions in rural areas is as likely to be as dependent upon the provision of ubiquitous digital connectivity more commonly reserved for urban areas. EEH's Transport Strategy argues that digital connectivity is integral to a connectivity strategy for the 21st century. By prioritising high quality digital connectivity, rural areas are more able to support businesses, remote working patterns and other economic activity.



Traditional business models for rural public transport are unsustainable, leading to the continual reduction in, and in many instances the removal of services. EEH recommends that the Government's Future of Rural Transport Strategy should look beyond transport issues to consider how residents and businesses will seek access to services, education and employment. Changes in user expectations have the potential to be met through solutions that are not transport related, but which have implications for the future of our transport system.

The wider social and economic benefits of providing rural communities with access to public and sustainable transport make the issue of strategic significance and therefore something to be addressed through the regional Transport Strategy. Working with our partners and the EEH Bus Operators Association, we are committed to identifying the most appropriate business model that will enable the creation of an accessible and future-ready public transport and active travel network across the region.

Currently, the demand for alternative modes to private car in rural areas is low, making public transport solutions harder to succeed using a traditional business case. It is true that technology and innovation are part of the solution in rural areas but, in parallel, we must review and reassess the business model for rural transport.

Safe access to walking and cycling infrastructure is a common barrier for these being viable and attractive travel options in rural areas, resulting in increased car dependence. There is a need for sustained investment in providing continuous, safe, direct and legible routing for walking and cycling in order to address this issue.

In addition, in rural areas, the consequences of limited transport provision are felt more severely by households with lower incomes. A recent report by the Government Office for Science found rural households on average must spend 24% more of their income on transport costs compared to urban households. The impact of car dependency in rural areas is significant: without access to a car, households are often excluded from access to economic and social opportunities. In parallel, households on lower incomes have less financial capacity to adapt to transport alternatives or to invest in new transport infrastructure (such as an e-bike). This, along with limited access or capability to use digital or new technologies, will present a major barrier to future transport solutions for some rural households.

When considering the connectivity needs of rural communities, context is important. Where a town acts as commuter settlement for a larger regionally significant hub, this results in a concentrated flow of movements that are predictable and capable of sustaining local public transport services. However, a similarly sized town that is free-standing is more likely to perform as a sub-regional centre for its rural hinterland. The resulting pattern of movements is more varied and disparate, making the case for traditional solutions harder to sustain. The Government's Future of Rural Transport Strategy will need to more carefully consider these variations.

Developments in Transport Innovation

We welcome and support transport innovation that has the potential to transform how people and goods move around rural areas, particularly: increasing the use of active travel modes; micro mobility, including scooters; more effective integration of journeys; digital modes and new modes, such as rural shuttles.

However, transport innovation alone can not solve the needs of rural areas. Connectivity in rural areas needs to be part of a whole systems approach. Decisions made in the provision of services, such as health, education or planning have a profound impact on the connectivity, both physical and digital, of residents and businesses in rural communities.

Central to this is the need for investment in digital connectivity in rural areas. Better digital provision enables businesses and residents to operate more efficiently and provide opportunities to conduct business and access services remotely, thereby reducing the need to travel, or at the very least the distances to be travelled.



There is a consistent aspiration for innovation in rural transport provision, however the current business model can often make these options commercially unsustainable. This has been reinforced by EEH's work on first mile/last mile provision. EEH commissioned work to capture examples of best practice across the region, the UK and internationally for emerging transport technologies and first mile/last mile provisionally. Almost universally, best practice is identified in urban environments, reflecting the specific challenges of delivering a future-proofed rural transport service for all.

Creating levels of demand for public transport in rural areas must be considered in a way that supports commercially viable operations. EEH welcomed the Government's commitment to pilot initiatives through the Rural Mobility Fund. As we support the three successful pilots within the Heartland region, we will ensure lessons learnt are used to inform future approaches.

EEH is committed to the principle of mobility hubs and working with our partners to make these happen. Mobility hubs create locations where demand for movement can be concentrated in a way that supports local public transport services, primarily via bus provision, ensuring greater opportunity to run services where they otherwise may not have been viable. Park and ride facilities are an example of mobility hubs, but they could also act as a viable way of improving local connectivity between district centres in larger urban areas.

The establishment of 'mobility hubs' that serve local communities within a larger urban area offers the opportunity to offer 'frictionless' interchange between modes, primarily bus, rail and active travel. In addition, mobility hubs provide an opportunity for integrated planning of modes, integrating not just public transport but future mobility solutions and a comprehensive network of pedestrian and cycling routes. Onward connectivity from the hubs into local communities creates opportunities to encourage active travel to/from local public transport services.

In the region, examples such as interchange points on the Cambridge Guided Busway, provision of secure parking in rural towns, and community car clubs (such as Hook Norton Car Club) are enabling opportunities for rural communities to ingrate with sustainable transport options. These remain isolated examples at the moment, but the appetite for change and commitment for action is universal across the Heartland.

Realising the potential for innovative solutions further emphasises the need for ubiquitous digital connectivity to be available – investment in digital infrastructure should be seen as enabling realisation of broader public sector policy objectives/outcomes.

To achieve decarbonisation, electric vehicles, ideally through car clubs and car sharing must be an important element of the solution. To deliver this requires the right level of infrastructure, such as charge points, to support it. This will require alignment of transport objectives with the work of the utility sector: on the latter there may be a need to review whether the current economic regulatory framework is fit for purpose in terms of enabling/incentivising investment by the utility sector to support the electrification of the vehicle fleet.

Building on Future of Transport Principles

We welcome the Future of Transport Principles developed by the Department for Transport for its Future of Urban Transport Strategy. We believe the principles can be applied to rural areas equally as well.

While the principles are correct for rural areas, current business models for operation of solutions are not fit for purpose in rural areas. A key issue is the basis on which investment decisions are made: the wider social and environmental benefits of improved transport connectivity in rural areas needs to be better reflected in the decision-making framework to encourage more appropriate solutions to be brought forward and funded. Market forces alone will not deliver the step change we require in favour of sustainable transport



Testing and Governance

Beyond the principles-based approach to innovation in rural areas, we welcome DfT's commitment to testing, trialling and ensuring the right governance is in place to support new technologies to emerge. The uptake of new forms of technology will, in many rural communities, require a significant shift in behaviour. To that end, market forces alone will not bring the new opportunities to fruition.

There is a role for the private sector, to stimulate ideas but there is an additional key role for the public sector to support, enable and pump prime solutions – ensuring a market for demand can grow to levels that enable services to become commercially viable. To that end, Government should be ready to work with local areas to consider a broad range of initiatives to support behaviour change, including demand management; incentives; and shared risk. It is also essential to ensure that the private sector has access to as much information as it can. In EEH's case, this would include our First/Last Mile Tool.

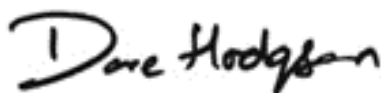
In order to deliver rural mobility solutions, there is a role for central government to increase levels, and provide greater certainty of funding to support rural connectivity. Acknowledging different levels of rurality: market town challenges are different to those in very rural locations will result in much more viable and sustainable solutions.

A pan Government commitment to work on designing solutions for rural areas, ensuring decisions on service provision or planning consider the wider connectivity 'costs' of the decisions they make will contribute positively towards the outcomes of the Future of Transport Rural Strategy.

Sub-national Transport Bodies play a key role in supporting rural areas. We have developed a significant suite of technical evidence that can inform and shape decisions. Through our evidence-led, outcome focused approach Sub-national transport bodies are able to bring together the transport implications of choices in other areas of public sector policy that have implications for the scale and nature of future travel demand: identifying the synergies and opportunities arising from the alignment of policy choices in terms of how they act in combination in a place is a key role for STBs.

STBs have a key role to play in using their powers to convene as a means of encouraging thought leadership and enabling action, working across public and private sectors. We stand committed to work with Government, local partners and businesses to achieve the step change needed in rural connectivity.

Mayor Dave Hodgson



Chair, Strategic Transport Forum England's Economic Heartland

