



## Report to Oxfordshire Growth Board

### England's Economic Heartland Outline Transport Strategy

24<sup>th</sup> September 2019

#### 1. Overview

- 1.1. On July 16, 2019, England's Economic Heartland launched its *Outline Transport Strategy: A Framework for Engagement*.
- 1.2. The document sets out the nature of the challenges and opportunities faced collectively by the region in shaping the transport system for the longer term.
- 1.3. The Outline Transport Strategy provides the framework for a conversation with partners and a wider stakeholder community. Adopting this approach allows us, as a partnership, to collectively shape the policy and investment framework for the region to 2050.
- 1.4. The conversations and feedback received during the engagement period – alongside a suite of technical work - will help shape the policies set out within the draft Transport Strategy, due for formal consultation in the first half of 2020.
- 1.5. The publication of a regional transport strategy is a core function of Sub-national Transport Bodies and provides the partners with the mechanism to ensure the region's priorities are heard at the national level alongside those of regions such as the Northern Powerhouse and Midlands Connect.
- 1.6. Local partners need to continue to make the case as to why realising the region's economic potential should be a national priority. The Transport Strategy is a key mechanism for the partners to collectively make the case for the additional investment in infrastructure and services – by both public and private sectors - that will be required in order to realise that economic potential.

#### 2. Context

- 2.1. England's Economic Heartland was founded 5 years ago in autumn 2014 by Political leaders from Oxfordshire, Buckinghamshire and Northamptonshire County Councils who shared a common vision: that collaborative working at scale on infrastructure issues of genuine strategic importance was required if their shared ambition to realise the economic potential of their areas to the benefit of their communities and businesses.

- 2.2. A key driver for the EEH partners has been the added value of a single voice on issues that are of regional importance. Increasingly Government – through the DfT – look to Sub-national Transport Bodies (such as EEH) as being the mechanism through which it will seek a view on transport issues of genuine strategic importance.
- 2.3. Explicit throughout the development and evolution of England's Economic Heartland has been the Political Leaders' understanding that realising the region's economic potential requires aligning investment in strategic infrastructure – transport, digital, utilities and water resources – to a shared ambition.
- 2.4. It is in this context that in addition to being the Sub-national Transport Body, EEH provides leadership for the connectivity work stream that forms part of the Oxford to Cambridge Arc initiative.
- 2.5. The creation of the England's Economic Heartland partnership pre-dates and anticipated the work of the National Infrastructure Commission, who concurred with the driver underpinning England's Economic Heartland: that improved connectivity is fundamental to enabling the region realise its economic potential.
- 2.6. The UK Government subsequently identified the Oxford to Cambridge Arc as a national priority. The Joint Statement of Ambition published by Government as part of its 2019 spring statement set out the shared ambition to realise the region's economic potential whilst at the same time delivering net benefit to the environment.
- 2.7. The Arc – as defined by the Government – forms part of the Heartland geography: the latter reflecting the commitment of the EEH partnership to deliver the same ambition but at a bigger scale, as well as reflecting the reality that when it comes to strategic infrastructure (and services) the critical linkages are much wider than the Arc. .

### **3. Wider Strategic Infrastructure**

- 3.1. The ambition to create better places is dependent upon being able to ensure that investment in strategic transport infrastructure is not developed in isolation. It must be aligned with investment in digital infrastructure, utilities and water resources.
- 3.2. England's Economic Heartland's work on wider infrastructure is focused on identifying mechanisms for improving the efficiency and effectiveness of investment across strategic infrastructure (transport, digital, utility, and water resources) by aligning activities. EEH will continue to engage more widely at the national level to ensure investment in wider strategic infrastructure is aligned in ways that support the delivery of planned growth and achieve true connectivity – not just through physical transport connectivity.

### **4. Long Term Transport Strategy**

- 4.1. A key work strand of England's Economic Heartland, and a pivotal next step as the Sub National Transport Body for the region, is the development and publication of the overarching Transport Strategy for the region.
- 4.2. The Government is placing increased emphasis on the role of Sub National Transport Bodies in advising on future investment priorities, including: the Major Road Network and Large Local Majors process. In addition, within rail policy, Sub National Transport Bodies work with Network Rail to identify future priorities for development funding; indeed England's Economic Heartland has co-funded work on the Oxfordshire Rail Corridor Study.

- 4.3. In line with England's Economic Heartland's overall ethos as a strategic collaborative partnership, the Transport Strategy is being developed as a true collaboration of ambition. We want to work with partners; from both the public and private sector, to develop a strategy and approach that rises to the challenge and expectations of local partners.
- 4.4. The Outline Transport Strategy to 2050 maps out how England's Economic Heartland, is the first step in making the case for investment in strategic transport infrastructure and services; and also starts to set out how we are working with our partners to develop the capacity and capability that addresses barriers to delivery.
- 4.5. England's Economic Heartland is currently undertaking a period of engagement in order to further shape and develop the Transport Strategy, building on the strategy work undertaken to date, and presented in the Outline Transport Strategy.

## 5. Vision and Objectives

- 5.1. The proposed vision for England's Economic Heartland's Outline Transport Strategy's proposed vision is:

**'Connecting people and places with opportunities and services'**

- 5.2. Partners across the Heartland have reaffirmed their commitment to ensuring that the Heartland's growth potential is realised in a way that delivers net environmental gain. For it is the quality of the environment – man-made and natural, urban and rural - that makes the Heartland an attractive place to live, work and play.
- 5.3. As a result, and as a first step: **the Outline Transport Strategy proposes that the region should set itself the ambition for its transport system to be zero-carbon by 2050.** Whether this is in itself sufficiently ambitious is something that will be tested as part of the engagement.
- 5.4. The Government's Industrial Strategy, and four Grand Challenges within it, provides part of the framework for ensuring the transport strategy can deliver on these ambitions. By leveraging the opportunity that the Industrial Strategy Grand Challenges present as a catalyst for change, it is possible to square the circle of delivering infrastructure that can support economic growth and while still addressing environmental impact.
- 5.5. The scale of the opportunity is huge; the nature of the challenges significant, but the prize is worth securing. However, achieving our ambition for the Heartland will not be delivered if we rely on a 'business as usual' approach.
- 5.6. We must have a new overarching strategic approach, one that establishes at the regional level the need for a new paradigm, one in which we define where we want to be in the future and then direct our investment to achieve that ambition (in comparison our current approach relies on understanding where we've come from and projecting that forward). Such a new paradigm is increasingly referred to as 'decide and provide'.
- 5.7. As a result, and capturing the key values for a long term transport strategy for the region, the Strategic Transport Forum agreed three priority principles to underpin the Outline Transport Strategy:



**Enabling economic growth** – with an emphasis on ensuring that the delivery of planned economic and housing growth is realised through co-ordinated investment in infrastructure and services, doing so in a way that encourages innovation and smarter use of existing assets

**Accessibility and Inclusion** – with an emphasis on ensuring that we actively encourage the development of a transport system that provides residents and businesses with attractive, affordable and reliable travel choices

**Quality of life and environment** – with an emphasis on the need to ensure that our approach to investment improves the general well-being of our people and communities, unlocking in the process opportunities for them to lead healthier, more fulfilling and prosperous lives.

- 5.8. Taking on board the ambition for England’s Economic Heartland, the Growth Board is invited to consider the following areas for discussion:

1. Does the draft vision provide sufficient focus for the Transport Strategy?
2. Is the ambition to have a zero-carbon transport system by 2050 sufficiently challenging?
3. Do the three key principles provide an appropriate framework within which to develop the Transport Strategy?

## 6. The Case for Investment

- 6.1. The National Infrastructure Commission identified the potential to double, if not treble the region’s economy in the next 30 years. Such an ambition is transformational in nature. Delivering it requires an approach that is not ‘business as usual’. As a result, our Transport Strategy must ensure investment in strategic infrastructure and services in the region brings benefits that are greater than the sum of its parts to businesses and communities in the region, both now and in the future.
- 6.2. Congestion on our transport networks has increased: incidents quickly result in widespread disruption, demonstrating how unreliability and lack of resilience remain issues to be addressed. The implications for business productivity and business confidence are very real and serve as a on-going challenge. They also serve to act as a constraint to further economic and housing growth.
- 6.3. These factors combine to reinforce a simple message: the region’s continued economic success cannot be taken for granted and is dependent upon continued investment in strategic infrastructure and services.
- 6.4. Government has legislated for the creation of Sub-national Transport Bodies to provide leadership on regional transport investment priorities: it looks to STBs to provide advice on investment priorities for the both the Strategic and Major road networks and to work with partners to create a regional evidence base that provides the framework and justification for our long term investment priorities.
- 6.5. A key priority for the Transport Strategy must be to show how we will continue to engage more widely at the national level to ensure investment in wider strategic infrastructure is aligned in ways that support the delivery of planned growth

- 6.6. In doing so, it is essential that our investment planning takes place within an overarching framework at the regional level upon which delivery agencies and local partners can draw to deliver the new paradigm. It requires an approach that:
- Reflects Changes in Society – as individuals the way we access opportunities and services continues to change, driven in part by the rise of the digital economy and services, but also through changes in our expectations as users and consumers.
  - Stimulates New Services and Markets – the Government’s Industrial Strategy identifies the need to reduce the consumption of resources: it’s 25-year Environment Strategy the need to reduce the environmental impact of growth. We must use these catalysts to stimulate businesses that provide new solutions
  - Embraces a Vision Based Approach – enabling transformational growth requires a approach that begins with a shared understanding of what the ambition for the region looks like and then uses our infrastructure investment choices to deliver on that ambition (the ‘decide/provide’ approach)
  - Transformational infrastructure projects – such as East West Rail – will fundamentally change spatial geographies (indeed the very prospect of the investment already is). What is currently a series of connected strategic housing markets will become one: functional economic geographies will change as access to labour and markets are improved by investment in strategic infrastructure.
- 6.7. In progressing the Transport Strategy to the next stage, England’s Economic Heartland is developing a coherent investment plan: underpinned by a deeper evidence of the medium and long term investment priorities of the region and is exploring with Government the most effective funding solutions to deliver the investment plan.
- 6.8. Taking on board the proposed investment approach for England’s Economic Heartland, the Growth Board is invited to consider the following areas for discussion:

4. Is the approach to investment set out above the right one?

## 7. Key Policy Priorities

- 7.1. The Strategic Transport Forum has developed the Outline Transport Strategy to ensure the region is able to deliver on the vision and three key principles for its transport system.
- 7.2. The Outline Transport Strategy has four main chapters which reflect its vision. These are set out below, including areas that the Growth Board are encouraged to consider further.

### **Connecting People** (*Outline Transport Strategy pages 22 – 33*)

Key Themes:

- The Heartland’s transport system will be centred on the ambition to offer frictionless travel across the region for the people who use it
- Investment needs to be delivered as part of a radical approach to achieving fully integrated ‘end-to-end’ journeys

- The transport system must address physical, cultural and digital barriers to travel
- Changes in travel behaviour, led in particular by the expansion of digital services, must shape our future investment priorities
- Integrated ticketing solutions that provide passengers with ease of access and frictionless travel between modes and service providers will be prioritised.

Areas for consideration by the Growth Board:

5. What are the key factors influencing people's choice of travel mode?
6. What are the key barriers that need to be addressed if we are to achieve frictionless travel?
7. What performance measures should be used to identify the levels of service users require of the transport system?
8. Should the strategy include and define appropriate 'nudge principles' (small changes which can influence user-behaviour to encourage more people to use public transport in the Heartland area?)

**Connecting Places** (*Outline Transport Strategy pages 34 – 63*)

- Delivering investment in strategic transport corridors will transform travel patterns, improve connectivity and help ensure that the sum of the parts is bigger than individual components
- Delivery of East West Rail and investment in the strategic road network are key elements of the new multi-modal east-west spine across the Heartland region
- Investment in north-south strategic corridors is as vital to our long term economic success
- Where investment is being made in strategic transport corridors, these should include investment in digital infrastructure at the same time
- The implications of improved digital connectivity on future travel demand needs to be reflected in the design of the strategic transport corridors.

Areas for consideration by the Growth Board:

9. What weight should be given to the changes in travel demand arising from the delivery of transformational infrastructure?
10. What weight should be given to the potential of the rail network to accommodate a higher proportion of future travel demand?
11. Have we identified the key strategic transport corridors?
12. Are there specific issues that should be taken into consideration as part of the connectivity studies?
13. To what extent should we look to the growth in digital services to change the nature and scale of future travel demand?



**Connecting Opportunities** (Outline Transport Strategy pages 66 – 77)

- Improved connectivity is critical to enabling economic opportunities to be realised
- Harnessing these offers opportunities to ensure that economic growth helps us achieve a zero carbon transport system by 2050
- Improved connectivity to international gateways will support business activity by providing access to global markets

Areas for consideration by the Growth Board:

14. What are the core connectivity requirements for businesses operating from the region?
15. What are the key performance measures for the Transport System from a business perspective?
16. What measures should the overarching Transport Strategy include in order to enable the potential that exists within the four Grand Challenges of the Industrial Strategy to be realised?
17. To what extent is investment in digital infrastructure more significant and/or urgent than physical infrastructure?

**Connecting Services** (Outline Transport Strategy pages 78 – 87)

- The region's people and businesses are reliant on their ability to access the goods and services they need in a timely and predictable way
- Shaping the way people access goods and services is a fundamental part of creating thriving communities that are sustainable
- Improving digital connectivity is a fundamental aspect of England's Economic Heartland's work
- Shaping the way the freight industry is supported, evolves, and is regulated requires coordination at a regional level
- Smarter freight management is required to reduce the unwanted impact of freight

Areas for consideration by the Growth Board:

18. How will the way we access goods and services continue to change, and what are the key issues that need to be addressed in the Transport Strategy?
19. What freight and logistics services are important for people and businesses? For example, accessing goods (via delivery or in person); a thriving high street; access to health, education and leisure facilities?
20. Just in time and last minute operations are affecting the way people and businesses access goods and services. How should this growing trend affect the way we plan transport now, and in the future?



## 8. Conclusion and Next Steps

- 8.1. The approach proposed in the Outline Transport Strategy is one that seeks to meet the challenges facing the region's transport system. The user focused approach better reflects the reality of how our expectations of the transport system have changed and continue to evolve.
- 8.2. The linkages with the Industrial Strategy and the opportunities this identifies is consistent with this approach and also looks to draw upon the inherent strength of the region as the UK's centre for science and technology based innovation.
- 8.3. The Growth Board's perspective on the Outline Transport Strategy will be helpful given the experience of partners across Oxfordshire in developing and driving forward an agenda for change.
- 8.4. Indeed EEH already benefits from the Oxfordshire experience through a Memorandum of Understanding that sees EEH's work on innovation co-ordinated by officers from Oxfordshire.
- 8.5. The Growth Board is also reminded that is able to nominate a Political representative to sit on the Strategic Transport Forum: a facility that has existed since the Forum was established in February 2016. Under the Terms of Reference for the Forum, that representative should be from one of the local planning authorities: the County Council is already a member of the Forum as the Local Transport Authority.
- 8.6. The Forum will consider the responses from the engagement process later this autumn, with a view to developing and publishing the draft Transport Strategy in the first half of 2020. As a member of the Forum, the Oxfordshire Growth Board has the opportunity to be part of that on-going process.

**England's Economic Heartland Business Unit**

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