

Panel Question (i)

How do transport investment priorities, as set out in Tables 10.2a-e, address RSS and RES objectives? Do they take account of the likely resources available to deliver them?

1.1 As explained at the Transport Technical Seminar held on 11th September 2006, the methodology for determining transport investment priorities developed for the Assembly by JMP Consulting¹ focuses on how transport interventions support wider regional economic, environmental and social objectives, rather than appraising specific transport merits. A similar approach has been adopted for the scoring system, with a framework derived from policy objectives to ensure a clear and robust approach to scoring has been taken. RSS and RES objectives were integral to this approach, hence the transport investment priorities that emerged reflect these objectives and those of other strategies taken into consideration such as the Regional Housing Strategy. Obviously, if RSS objectives are amended as a result of proposed changes by the Secretary of State, it would become necessary to undertake a major review of the methodology and its application to ensure consistency is maintained.

1.2 The JMP methodology also takes into account deliverability and value of money, taking account of the framework for indicating status of priority measures as set out in the Guide to Producing Regional Spatial Strategies issued by the Department for Transport.² However, because of the broad nature of many of the interventions considered, they mostly fell into the latter two categories of the framework. Similarly, for value for money, the Department's guidance³ was used where information was available.

1.3 Subsequent to JMP being commissioned, the Government announced its intention to publish regional funding allocations for transport, set alongside allocations for regional economic development and housing⁴. Guidance on preparing advice was issued in July 2005⁵, with regions requested to submit their recommendations to Government by the end of January 2006. For transport, the Regional Funding Allocation comprises capital funding for major schemes (generally costing over £5 million each) under the Local Transport Plan system and for major Highways Agency schemes other than those on routes of the greatest strategic national and international importance⁶. Rail infrastructure and franchise expenditure are not currently included. In the North West, the Regional Funding Allocation for transport rises from £113 million in 2005/06 to an indicative £135 million in 2015 to 2016.

1.4 As explained at the Transport Technical Seminar, a separate prioritisation exercise was carried out for the Regional Funding Allocation process which built on

¹ A Methodology for Determining Regional Transport Priorities in the North West Final Report, JMP Consulting, February 2006

² Regional Spatial Strategies: Guide to Producing Regional Transport Strategies Consultation Draft, Department for Transport, July 2005. In the final version issued by the DfT in July 2006, this Framework remains unchanged. It comprises Committed schemes, Schemes within the programme, Schemes under investigation and Schemes proposed for investigation.

³ Guidance on Value for Money, Department for Transport, December 2004, modified, January 2006

⁴ Devolving Decision Making: A Consultation on Regional Funding Allocations, HM Treasury, DfT, ODPM, DTI, December 2004

⁵ Regional Funding Allocations: Guidance on Preparing Advice, HM Treasury, DfT, ODPM, DTI, July 2005

⁶ In the North West, routes of strategic national importance comprise the M6/A74, M56/A5117/A550, M60 and M62

and complemented the work undertaken by JMP for the Assembly. A summary of both methodologies will be found in Briefing Paper 8 'Transport Investment Priorities' which, as agreed, is to be made available to the Panel by 1st December 2006. The North West's advice was submitted to Government following endorsement by the North West Regional Assembly and the Northwest Regional Development Agency, and recommended 25 transport schemes for funding over the period 2006/07 to 2015/16, with 4 contingency schemes also identified. A further 11 schemes to be funded through the RFA are either committed or under construction. The 25 schemes recommended for funding are listed in Table 10.2b in the Submitted Draft RSS and the 4 contingency schemes in Table 10.2c; the 11 committed schemes are listed in Table 10.2a (together with 3 schemes which are being funded nationally). The transport priorities set out in these three tables therefore take full account of the likely resources available to fund them. What has changed since the submission of the Draft RSS to Government in January 2006 are the costs and likely start dates of a number of the schemes in the RFA Programme, the spending profile of which was revised in June 2006 to take account of changes to scheme costs and delivery profiles.

1.5 Tables 10.2d and 10.2e set out those schemes and broader interventions which emerged from both the JMP and RFA prioritisation work⁷. These are either currently under investigation or proposed for investigation. Delivery before 2021 will depend on the availability of resources within the relevant funding mechanism, including the Transport Innovation Fund (TIF). The schemes and interventions in Table 10.2d are either public transport or highway network management, a number falling into the RFA remit where funding is already allocated to 2015. Where this is the case, the Table states clearly that the likely start date is beyond 2015. Similarly, for schemes and interventions in Table 10.2e, likely start dates are beyond 2021, ie outwith the RSS timescale. Reviews of priorities as part of future reviews of RSS, together with longer term funding availability will determine whether any of these schemes or interventions actually come to fruition; the tables do, however, provide scheme delivery agencies with an indication as to where future scheme development should take place.

Panel Question (ii)

How Policy RT8 and Tables 10.2a-e could be improved in terms of setting achievable outcomes for transport improvements?

2.1 Policy RT8 as written sets out the broad priorities for transport investment and management, although the Assembly would suggest removal of the phrase 'in order of importance' to avoid potential perverse outcomes. Tables 10.2a to 10.2c present factual information about schemes either committed or under construction and schemes within the programme. This information is correct to the time of submission (ie January 2006), although it is questionable whether estimated scheme costs need to be shown. One issue the Panel may wish to consider is whether these three particular tables should remain where they are in the document or be moved to either an appendix or into the Implementation Framework, with appropriate cross-referencing. The recently published Guide to Producing Regional Transport Strategies⁸ requires that the status of prioritised schemes or options under investigation should be indicated, together with likely timescales for implementation

⁷ The RFA prioritisation work was undertaken by Atkins on behalf of the now defunct Regional Transport Forum, and reflects the regional criteria developed by JMP for the Regional Transport Strategy. The Regional Transport Forum was chaired by GONW and included representation from the NWDA and the Assembly.

⁸ Regional Spatial Strategies: Guide to Producing Regional Transport Strategies, DfT, July 2006

and the lead organisation responsible for delivery. This information is presented for every scheme or intervention in each of the five Tables 10.2a to 10.2e.

2.2 With regard to Tables 10.2d and 10.2e, the two key questions are whether they should be included at all, and if so, what information should be provided within them. On the one side, the tables as presented could give the impression of being a wish list; however they have been subjected to prioritisation based on their contribution towards achieving wider economic, environmental and social objectives. Furthermore, as already stated, above, the tables do provide delivery agencies with an indication as to where future scheme development should take place. The tables as presented are cross-referenced to the RTS objectives; it may be worth considering whether they should also be cross-referenced to wider RSS objectives and/or policies.