# connecting cities

local transport, national connectivity, and economic growth

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# **Executive summary**

Connecting Cities reflects the views of local stakeholders in five of England's regional cities, where local transport has been the subject of intense debate in recent months. The report is based on a series of five seminars – and brings together a range of messages for national decision-makers.

Connecting Cities does not make definitive policy recommendations. Instead, it reports on the state of the transport debate in England's cities. The views expressed by local stakeholders were particularly strong in six topic areas:

### 1. Reform of local transport governance

In big conurbations like Tyne and Wear or Birmingham, stakeholders favour the creation of strategic city-regional transport authorities exercising public transport, highway and traffic powers. This suggests that Passenger Transport Authority/Executive (PTA/E) reform should be tackled by the Road Transport Bill and the Sub-National Review of Economic Development and Regeneration. In smaller cities, like Bristol and Reading, the key challenge is to develop effective sub-regional transport arrangements that reflect local economies and markets.

# 2. Devolution of financial power to cities and city-regions

Local stakeholders agree that greater financial freedom – with local revenue streams to unlock investment in urban transport priorities – is critical. Cities, business leaders and government must reach agreement on supplementary business rates, which would jump-start key projects like the development of Birmingham New Street Station. Cities also argue that their investment depends on retaining local road-user charging revenues for 30+ years.

# 3. Road-user charging

England's cities accept that there is a strong case for road-user charging in principle. However, they have important concerns about implementation. As the Government continues to encourage the development of local road-user charging schemes, Ministers need to account for cities' concerns –

such as the scale of up-front investment, incentives to overcome 'first mover disadvantage', and the uncertain impact of road charging on local economies. And stronger city leadership will be critical to making local road-charging schemes work.

### 4. Bus services

Cities believe that the Government's proposals for bus reform would give them the freedom to choose the best model for local bus services, in order to connect people to jobs, support regeneration, and enable economic growth. The 'menu' approach proposed – where cities would have a range of options, including the current deregulated system, stronger partnerships, or London-style franchising – is the right way forward, but the cost implications remain unclear.

### 5. Inter-city rail services

Local stakeholders prioritise improved rail connections between regional cities – not high-speed rail. Future rail investment plans must tackle both national and local needs. In major employment centres, stronger commuter rail services would deliver economic benefits, reduce congestion, and promote public transport use.

# 6. Airports and ports

Cities agree that international gateways are essential to the economic prospects of England's regional cities, but they must be managed in a sustainable manner. Improved road and rail access to key hubs, such as Birmingham and Manchester airports, is a top priority. And local stakeholders believe that targeted expansion at Manchester and Birmingham would positively affect the economies of the Midlands and the North.

In England's regional cities, there is a strong will to engage with the private sector to leverage greater local transport investment. Forthcoming legislative reforms and policy changes must enable cities and private-sector partners to work more closely together to deliver key local transport improvements.