Institute for Public Policy Research

FUTURE TRANSPORT INVESTMENT IN THE NORTH

A BRIEFING ON THE GOVERNMENT'S NEW REGIONAL ANALYSIS OF THE NATIONAL INFRASTRUCTURE AND CONSTRUCTION PIPELINE

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60-SECOND SUMMARY

The Infrastructure and Projects Authority (IPA) recently published the annual National Infrastructure and Construction Pipeline, which sets out the government's infrastructure plans for the coming years.

Previous iterations have shown planned transport infrastructure spending to be vastly higher in London than in the rest of the country. This year, the IPA introduced a new regional analysis, which showed much more even regional spending. This is because the data and the methodology used by the IPA is different from that used by IPPR North.

IPPR North commends the IPA for responding to our frequent calls to improve the available data on regional infrastructure and accepting the argument that it is important to disaggregate public spending on a regional, per capita basis. We support some of the assumptions made in the new regional analysis including the importance of allocating 'national' projects, including HS2, across different regions and excluding private-only investments.

However, there are a number of assumptions which may have been applied accurately but manage to disregard large amounts spent in London and many people might consider misleading. Based on the new data available through the latest pipeline and our consideration of the methodological assumptions made by the IPA, IPPR North has been able to carry out its own new analysis of the regional figures.

For those who take an interest in the detail of transport spending we hope this briefing helps to elaborate the different methodological issues at stake when it comes to making regional comparisons. These debates would be greatly assisted if the IPA and the Department for Transport published more details of their new regional analysis and applied greater consistency to the ways in which they make regional allocations. For the majority of road and rail users, there should be significant concern that – however government chooses to present the figures – London will continue to receive the lion's share of tax-payers' money spent on transport and that these disparities will widen further as the Greater London Authority gets to keep business rate revenues which have historically been pooled, in part, to rebalance the economy.

Unless and until central government makes significant new investments in transport priorities outside the capital and affords bodies like Transport for the North the same powers as those exercised by TfL, it will be impossible to repaint a different picture and we will continue to live in a nation which is dangerously unbalanced.

TRANSPORT INVESTMENT IN NUMBERS

IPPR North figures show...

1 Planned transport investment in London is almost **2.6 times higher per capita** than in the North.

2 **£4,155 per capita** is planned on for London, compared to just **£1,600 in the North** as a whole.

3 Planned spending in London is almost **five times more per capita** than in Yorkshire and the Humber or the North East – the lowest of all English regions.

4 The North West is set to receive more than the England regional average, at £2,439 per capita, but still **far less than London, and also less than the West Midlands** (£3,029 per capita).

5 It is wrong to exclude **spending after 2020/21** and to exclude **all local spending** and, in particular, the £11.7 billion spending planned in London.

When we include all public and public/private spending, and spending from central and local governments and all combinations of these where possible; and when we include spending after 2020/21, our own figures show that...

Source: IPPR North analysis of HM Treasury and the IPA 2017a

IPPR North analysis of planned central and local public/private transport infrastructure spending per capita 2017/18 onwards (real terms 2016/17 prices)

The progressive policy think tank

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