



Lord Andrew Adonis
Chair - National Infrastructure Commission
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Date: 08 January 2016

Dear Lord Adonis,

Midlands Connect response to “Critical Infrastructure Challenges Submission to Infrastructure Commission”

Thank you for the opportunity to respond to the above document.

As part of last summer’s budget, Government confirmed its commitment to backing the Midlands to ensure it is Britain’s Engine for Growth and allocated **£5 million of additional funding for Midlands Connect** to help develop its vision and strategy for transforming transport connectivity across the Midlands (background information on Midlands Connect is enclosed for your information).

The strategy, currently being developed by the Midlands Connect Partnership together with the Department for Transport, will set out credible long-term strategic transport investment priorities to help unlock growth and jobs.

The Midlands Connect partnership believes the establishment of the national infrastructure commission presents an excellent opportunity to achieve a more consensual and long-term strategy for strategic transport infrastructure in the UK.

However the Commission’s current focus on northern connectivity, London’s transport infrastructure and energy is of concern to the Midlands Partnership as it gives no consideration to the Midlands and its strategic infrastructure transport requirements.

As you know the Midlands Connect Partnership met in December 2015 in Derby when it established a new strengthened governance arrangements with Government including the appointment of Sir John Peace as the Independent Chairman of the Strategic Board. The newly formed Midlands Connect Strategic Board will be meeting for the first time on February 4th.

I take this opportunity to invite you to join us on the day so we can learn first hand about the work of the Commission and explore opportunities for greater engagement with the Midlands as the work of the Commission develops further.

Yours Sincerely,

Maria Machancoses
Midlands Connect Programme Director
Midlands Connect Project Team



Midlands Connect Response to Critical Challenges - Northern Connectivity

Question 1: To what extent are weaknesses in transport connectivity holding back northern city regions (specifically in terms of jobs, enterprise creation and growth, and housing)?

Through our work on Midlands Connect our analysis shows that there will be large economic benefits from improving road and rail connectivity in the intensive growth corridors, by reducing the costs of travel, increasing output by facilitating business clustering, and unlocking job creation in our growth areas. This will require concerted action to tackle the connectivity challenges that we have identified.

There are significant connectivity challenges that will constrain the ability of the Midlands to realise its ambitions for growth. Whilst the Midlands lies at the heart of the UK's road and rail networks, the mix of long-distance, regional and local travel needs is placing heavy demands upon them.

The Midlands motorway network is subject to heavy congestion, with traffic delays and poor journey reliability, meaning that businesses, commuters and leisure travellers have to schedule additional time into the journey to give confidence that they can arrive at destinations on time.

This wasted time significantly increases the direct costs of travel, impacts on business productivity and is constraining the potential for business growth. Increased demand for travel in the Midlands will place the system under further strain, increasing costs of travel and constraining job creation. The analysis completed to date as part of Midlands Connect highlights that we will need to tackle congestion hotspots as well as looking at the reliability, resilience and quality of journeys provided by the strategic road networks.

There are fast, frequent rail links connecting large parts of the Midlands to the north and south, via the West Coast, Midland and East Coast Main Lines. However, there are major challenges travelling by rail between the Midlands cities, with long journey times and low service frequencies impacting on connectivity. This is a particular issue for the more rural areas such as The Marches, Worcestershire and Lincolnshire as this makes travel by rail inconvenient, leading to an increased reliance on car travel and reducing the scope for interaction between our cities. In particular, the slow speeds between the key regional cities of Nottingham and Birmingham highlights the need for improvements to be made to the classic rail networks in advance of HS2 Phase 2 which is scheduled for completion after 2030.

As connectivity between cities becomes more important in future, this will significantly constrain the capacity for growth in the cities across the Midlands. There is also an increasing problem of capacity and crowding on services entering and crossing Birmingham. This will cause problems both in accommodating growth in Birmingham and in improving rail connections across the whole Midlands.

Whilst the commission is focused upon connectivity, the importance of integrating growth plans and transport plans should be also recognised. Improving connectivity for the Midlands will create investment opportunities, but site development viability remains a long term constraint to the central urban areas absorbing the projected growth and realising the estimated anticipated economic benefit. Integrating strategic land use and strategic transport planning is crucially important.



Question 2: What cost-effective infrastructure investments in city-to-city connectivity could address these weaknesses? We are interested in all modes of transport.

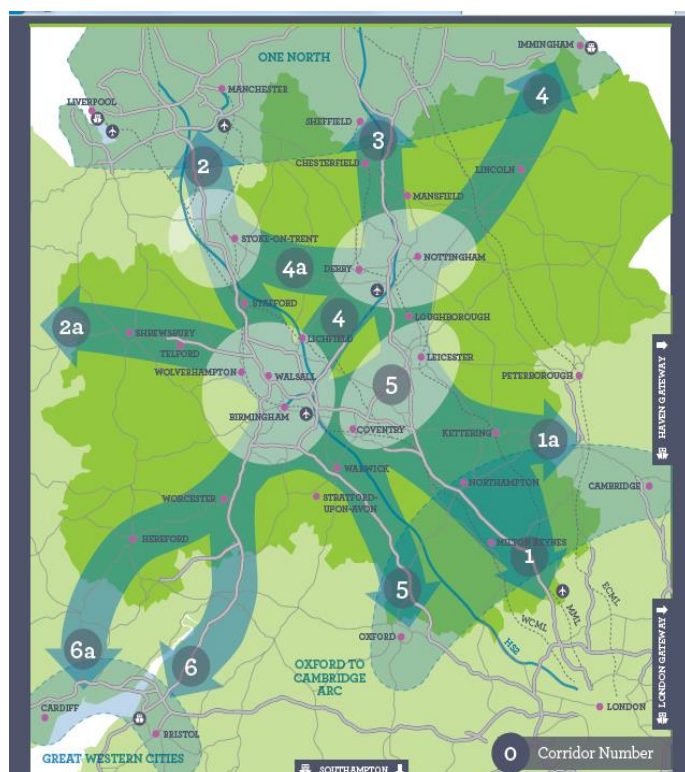
At this stage of Midlands Connect we have not defined solutions. With the support from DfT we are now developing the Midlands Strategic Transport Strategy that will set out our priorities with a clear evidence base.

Highways England and Network Rail are in the process of undertaking Route Studies across the Midlands to inform investment strategies post 2020. There are also medium to long-term opportunities to deliver HS2 Growth Strategies to fully capitalise on the opportunities for the whole Midlands. Midlands Connect will provide the mechanism to inform and draw together these elements into a single strategy that delivers much more than the sum of the parts

High Speed 2 will transform north-south travel, bringing Birmingham within 40 minutes and the East Midlands within one hour from London. It will also significantly improve connections between Nottingham and Birmingham. However, it will be critical to develop full connectivity packages to fully capitalise on the opportunities provided by new stations serving the West Midlands, East Midlands and North Staffordshire. It will also be important to reconfigure classic rail services to better meet the connectivity needs of the whole Midlands, including Northampton, Coventry and Leicester. However, prior to the arrival of HS2 and in particular the Phase 2 links, it is vital that the classic rail network continues to be enhanced and services improved to enable the continued growth of the Midlands economy.

Question 3: Which city-to-city corridor(s) should be the priority for early phases of investment?

Midlands Connect Partnership has identified six “intensive growth corridors” and four major hubs of economic activity across the wider Midlands - an area with a population of 11 million. These are shown in the map below.



The table below provides a summary of the impacts of improvements to connectivity (generalised journey times) to the Midlands by both road and rail, for both 2026 and 2036 have been assessed.

	2026 with 10%GJT reduction	2026 with 20% GJT reduction	2036 with 10% GJT reduction	2036 with 20% GJT reduction
Business JT Savings	£172 million	£341 million	£230 million	£460 million
B2B Agglomeration benefits	£514 million	£1,102 million	£550 million	£1,180 million
Labour Market impacts	£12 million	£29 million	£15 million	£33 million
Net additional jobs	138,000	296,000	143,000	306,000

Overall, there could be significant potential from improving strategic road and rail linkages – both north-south and east-west.

Question 4: What are the key international connectivity needs likely to be in the next 20-30 years in the north of England (with a focus on ports and airports)? What is the most effective way to meet these needs, and what constraints on delivery are anticipated?

The Midlands accounts for 16% of all UK exports selling to over 178 countries worldwide.



The Midlands Engine region is well linked internationally. Inward investment projects grew by 130% between 2011 and 2015 based on a compelling Midlands offer of commercial opportunity, affordability, connectivity and quality of life. In the same period, the Midlands Engine region attracted 880 Foreign Direct Investment projects creating over 48,000 new jobs and safeguarding a further 23,000.

It goes without saying that connectivity to ports and airports will be vital for continued growth.

The international gateways at Birmingham Airport and East Midlands Airport are critical to the whole Midlands economy. Currently Birmingham Airport acts as a business gateway to major global markets, including China, and East Midlands Airport is the UK's most important air freight hub outside London. Both Birmingham and East Midlands Airports have ambitious growth plans for the future which will support the growth of the wider Midlands economy. Effective surface access links to these hubs are therefore critical to ensure that they can operate effectively in the future. Both airports are challenged in this respect, with East Midlands Airport only accessible via road and Birmingham Airport located adjacent to congested strategic road links and also not having direct rail links to the East Midlands.

The Midlands is also served directly by several ports including Grimsby and Immingham and Boston. Addressing the reliability and speed of connectivity will be essential to improve the efficiency and productivity of our businesses. With 16% of all UK exports there are significant gains to be made.

With the strong export market of the Midlands wider connectivity to national ports is vital. Our work to date has identified that there is a need to address reliability of the links to ports including Enhance road freight links (with a focus on speeds and reliability) between the Midlands logistics and manufacturing hubs and ports, including Humber, Haven Gateway, Southampton, Bristol and Liverpool. Key sections of the network that need addressing include the M6, M5, A14, Birmingham Box and onwards connections to ports such as Southampton.

Question 5: What form of governance would most effectively deliver transformative infrastructure in the north, how should this be funded and by whom, including appropriate local contributions?

The current proposal regarding Sub-National Transport Bodies and Combined Authorities at regional levels are appropriate and effective forms of governance in the Midlands to deliver transformative infrastructure.