

Transport Committee

Oral evidence: [Strategic road investment](#), HC 904

Wednesday 29 March 2023

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[Watch the meeting](#)

Members present: Iain Stewart (Chair); Mike Amesbury; Mr Ben Bradshaw; Ruth Cadbury; Paul Howell; Karl McCartney; Grahame Morris; Gavin Newlands.

Questions 190–220

Witnesses

I: Naomi Green, Managing Director, England's Economic Heartland; Maria Machancoses, Chief Executive Officer, Midlands Connect; and Darren Oldham, Director for Rail and Road, Transport for the North.

Written evidence from witnesses:

- [England's Economic Heartland](#)
- [Midlands Connect](#)
- [Transport for the North](#)

Examination of witnesses

Witnesses: Naomi Green, Maria Machancoses and Darren Oldham.

Q190 **Chair:** Good morning and welcome to today's session of the Transport Select Committee, where we have our third evidence session on the road investment strategy. For the purpose of our records, I ask each of our witnesses to state their name and organisation please.

Darren Oldham: Good morning. I am Darren Oldham, the deputy chief executive of Transport for the North.

Maria Machancoses: I am Maria Machancoses, chief executive of Midlands Connect.

Naomi Green: Good morning. I am Naomi Green, managing director of England's Economic Heartland.

Q191 **Chair:** Thank you all for your time this morning. Obviously, you represent some of the regional transport bodies in the country, so, very generally, what role do strategic roads play in your overall transport planning and the investment strategies that govern it?

Darren Oldham: Our vision for the north is for transformational economic growth that is both socially inclusive and delivers a net zero economy. Roads play and will continue to play a major part in that. Over 90% of distance travelled in the north happens on our roads. However, we also have a legal and moral obligation to decarbonise and to be more inclusive. National Highways has made significant efforts to engage with TfN and other partners. We welcome this, but we also need to have more devolved funding, authority and accountability for investment and, crucially, more certainty over longer-term funding.

Future investment in roads should help provide people with more travel choice and provide greater opportunities for managing congestion and increasing accessibility through sustainable travel choices. It is how we use our highways that matters in the outcomes we seek to achieve. We at TfN are very much in the "decide and provide" mindset. We need a whole-system approach to enable modal choice, manage demand on the network and create modal shift. We must continue to invest in our roads so that they are safe for all users and are resilient, particularly in the face of changing climate.

Greater use of electric and hydrogen vehicles is indeed part of the solution, but only alongside behavioural change, modal shift and demand management. However, where there is no alternative to address connectivity, particularly in certain rural locations, new road capacity may still be necessary, in our view, to achieve some of those outcomes.

Maria Machancoses: You asked how we consider the strategic road network—SRN—in the midlands. Very clearly, the strategic road network is crucially important to our economy, and for social purposes too. We



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published our strategic transport plan last year. I will give you a feel of how the midlands feels about the importance of the SRN.

We are home to great manufacturing, food production, agritech and agrifood, and manufacturers across the globe require strategic and reliable connections to all ports of the UK, in addition to those in the midlands. The midlands represents almost 20% of UK exports. We need to make sure that the SRN provides connectivity to our international gateways so that our companies and sectors can flourish and develop in the midlands. That includes investing in new technology and green technology, which is happening across the board throughout the region.

We also understand that east-west connectivity is very important to the midlands. We have a lot of infrastructure on the SRN going up and down the country; we are in the middle, so we understand that the strategic road network plays not only a regional but a national role. We always say, "Fix the middle, fix the nation," because we understand its significance and that we need to keep investing in the SRN. I am not just talking about new infrastructure; it is about making the most of what we have and integrating better with our local major networks as well as with our rail networks.

We are proud of our level of connectivity. We are on the journey of what next for the strategic road network, how we connect it better and how we invest in it in a manner that mitigates climate change and also encourages decarbonisation of the transport network. In a nutshell, it is extremely important for us and our economy. We understand it and we appreciate having the SRN in the midlands, particularly in rural areas where it is their only lifeblood to connect to education, hospitals and jobs. It is very important to us.

Naomi Green: For those who are not aware of the geography of England's Economic Heartland, we represent 13 local authorities, covering the area from Swindon to Oxfordshire, all the way over to Cambridgeshire in the east, and Hertfordshire up to Northamptonshire. The geography of England's Economic Heartland includes the entirety of the area defined by the Government as the Oxford to Cambridge corridor.

We published our transport strategy in February 2021. The beauty of a regional transport strategy is that, in developing it, we were able to capture the views of businesses, local communities and, of course, the 13 local authorities that make up the EEH partnership. Our regional transport strategy absolutely has the SRN at the centre of it, and recognises the important role it plays in supporting economic growth, connecting some of our most precious national assets in the EEH region, including Silverstone, Science Vale and the economic opportunities of places such as the Cambridge Biomedical Campus.

It also connects people through our international gateways. Most of the freight coming into the southern and eastern ports of the country comes through the EEH region. There is very limited east-west connectivity at



the moment: a lot of the roads and rail in the EEH region travel up and down the country, and the region is poorly served by public transport and SRN going east to west.

It is fair to say that the SRN is also a challenge for our region. Forty-six per cent. of all carbon emissions from transport come from the strategic road network in the EEH region. A lot of that is from freight, and that is a challenge for the way we manage and support the role of the strategic road network. In places, the strategic road network travels through communities, and causes significant impact for communities where high volumes of freight travel through historic roads, such as the A5, which has been there for a long time. As freight and traffic have increased, the pressure on those communities has become more significant. As part of that, air quality and quality of life issues are really significant as well.

Q192 Chair: Thank you. To pick up on the interaction that you have with National Highways and the Government generally, do you think it is an effective relationship? Mr Oldham, you said that National Highways engages with you. Do you feel that you have a good opportunity to influence what it decides for the strategic road network, or is it more that it decides what is going to happen and then you have to work with it? How mature is that relationship?

Darren Oldham: It is an improved position—certainly, over recent months, officers in National Highways have reached out to be more engaging—but, as your question alluded to, we feel that it is a situation where we are effectively told what the decisions and outcomes are and, at times, there is very limited time between being told and those things being imposed on our region.

It is an improving picture of engagement but, as you will have seen in our submission, we at TfN are very keen for our statutory status to be recognised much more by National Highways, and for it not only to consult us but to have to formally respond to our submission, so that we have much more of a two-way process.

Naomi Green: I echo the experience of Transport for the North: it is getting significantly better. In the process of developing a scheme, from the point where you are discussing strategies and where it needs improvement, all the way through to delivery, the experience is different at each of those points, and that is a really significant challenge. Culturally, the experience of working with the control framework that National Highways operates in at that earlier stage is much better, but as you get into project delivery it becomes more difficult to achieve the engagement that we need.

My other observation is that, at the moment, it is entirely dependent on the individuals in National Highways, and that is the cultural shift that individuals are driving, rather than the ability of a whole organisation to achieve that shift.



Maria Machancoses: We came into play as Midlands Connect almost as RIS2 was being finalised, so we felt that we had a little bit of time to influence their thinking. I agree with colleagues: the engagement is very good. For the record, I have to mention that the National Highways regional team in the midlands is superb. They have made a huge effort in understanding where we are coming from. We saw a change of culture from, "We are just planning for a network of roads," to, "We are now planning for how the roads support a wider economic and social agenda in the area," notwithstanding the fact that, as I said, we are dealing with a national network.

Like colleagues in the north and in England's Economic Heartland, we have seen a massive improvement at regional level. Naomi made a point about how National Highways then takes that to the next level, how it shapes the final decision making and how engaged we are throughout the process for their thinking, optioneering and final decisions. We would like to see that very much strengthened.

Q193 **Chair:** Thank you. Before I turn to my colleagues, I have one further question at the moment. We have had a number of delays to RIS2; now RIS3 looks like becoming RIS4. How do these delays and uncertainties affect your ability to plan the overall transport piece in your region?

Darren Oldham: It impacts at all levels. Roads do not happen in isolation. Some of the transport interventions are so fundamental to changes for towns and cities across the north, and those delays—for understandable reasons—have very profound impacts on planning and strategic decisions. I don't think it can be understated at all. We are very sympathetic as to why they happen, but the delays can be absolutely profound. Certainly, colleagues in Greater Manchester or West Yorkshire, or indeed elsewhere, would be very exercised about aspects of that if they were here today. We understand that, but it goes to the heart of the issue for us; as I said in my opening comments, we see more certainty around longer-term funding as absolutely crucial. It is not just about how it impacts on improving road interventions; it has a profound effect on the communities that those highways serve.

Maria Machancoses: I totally agree. The midlands has a good understanding, partly because there has been so much collaboration. I would like to make the Committee aware of the efforts of STBs. It is not just a technical team somewhere; it is all the leaders of the region coming together and sharing their prospects for growth and the need to ramp up investment in areas. It is the whole levelling up; more housing is coming because of Government funding and therefore there is momentum—an urgency—around when infrastructure improvements need to take place.

At the moment, as you were saying, there is delay. Some of those investment programmes, frankly, have been 10 years in the making, because of uncertainty: "Let's go back and review," or, "Politically this is not working at the moment." There are schemes that have been in the



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pipeline for over 10 years. To see them in the RIS2 or RIS3 programme is no longer a guarantee of delivery. You would think it was, but it is no longer. That is creating uncertainty for investors, companies and housing developers that is absolutely no good for the country.

We were not pleased to see the delay. We have schemes that we feel we will have to revisit because the business cases have been in development for such a long time, and we are going to have to spend more resources on refreshing them. As you said, it impacts all angles of the industry and the sector, public as well as private.

Naomi Green: To build on those comments and not repeat them, there is a lesson in the delays, in that, when they are due to time being taken to make sure it is the right thing to do through the development control process, it is a good thing to have those conversations, to make sure that the right decisions are made. A lot of those conversations can happen earlier in the scheme development process, when we look at whether the scheme being proposed is right for the local area. I am sure we will come back to that later.

Pushing delays back and creating inflexibility in the RIS programme so that funding is not available until RIS4 really ties the hands of National Highways behind its back in responding to opportunities. Where there is an opportunity, where perhaps a developer is paying 50% towards a scheme, if there is no funding available for five or 10 years ahead, that development opportunity may well go because the money is just not there to match-fund it. We already see those sorts of challenges. It causes a real problem for local authorities as well.

Q194 **Ruth Cadbury:** I will pick up a question that you thought we would pick up a bit later. Obviously, the strategic road network has its national and large regional objectives, but you and your local authorities are dealing with far more local transport and other priorities and challenges. Sometimes there are tensions and sometimes there are opportunities; I am thinking of local travel, public transport, active travel, land use planning, community severance and, of course, modal shift. How do you find the current RIS planning and delivery process? Does it help or hinder in those tensions?

Maria Machancoses: It is work in progress. At policy level, the RIS acknowledges all those principles, as it stands. We have been encouraged by how RIS3 is starting to talk even more locally about those issues. We are certainly trying to help, as are national transport bodies, by working very closely with National Highways on the strategic case for some of the interventions. Let me reassure you. This is not just about congestion and crunching figures on the number of vehicles, timings and time savings. It is more about potential integration with public transport. Can you include in the design active travel measures for cycling and walking? How does that link with park and ride facilities in the area? Including that right at the beginning, in the really early stages of the thinking and strategic



case-making, helps National Highways understand the areas of opportunity.

The challenge comes with what happens with the Green Book afterwards. The Green Book will concentrate only on elements that are hard infrastructure delivery; it does not pick up the benefits of active travel, public transport integration and decarbonisation, and the importance of infrastructure and digital infrastructure. None of those is on the radar, so it will be difficult for National Highways. We are definitely keen to support, because I am sure a lot of the schemes would be much better if they were thought about in that manner right from the outset, rather than at the very late stages of development.

Naomi Green: We have had quite a lot of experience with that on some of the schemes in the EEH area—the A34 north and south of Oxford, for example. The challenge for National Highways is that, where there are schemes that it is being asked to find resolution to, and there are high levels of local traffic using the strategic road network in conflict with strategic traffic—in that case, coming from the southern ports up to the midlands—some of the solution has to be in the local road network, but the funding available for local transport solutions, sustainable or other, is not certain because of the way the funding structures work; it is more competition-based, as you well know. Therefore, National Highways cannot work with the local authority to assume that some of the solutions are guaranteed; the money is not guaranteed, because of the way that the funding structures are completely different. The conversation about multi-modal solutions, where the local highway authority has responsibility to find sustainable solutions so that the right traffic is using the right roads, is difficult if the funding is not the same.

Darren Oldham: I agree with everything that my colleagues have just said, but I have two additional points. One is that TfN works very closely with National Highways. We make our evidence data available to them, and they use it extensively in certain studies and the like. A very collaborative situation has developed over the last year or so.

The second point, following Naomi's comment, is that the WebTAG analysis and the Green Book approach lead to a situation where, even when a scheme is happening, it is very often suboptimal for everyone, because to maximise the chance of the funding happening, the scheme has to happen in a certain way to ensure that the benefits are as high as they can be. The benefits have to end up being high by maximising the savings in journey times for people in vehicles. The point is sometimes missed that, even when a scheme gets the funding and happens, the officers know that it is not the optimum scheme that could have happened for everyone, but the optimum scheme to maximise the cost-benefit ratio.

Q195 **Grahame Morris:** Thinking about your last answer, Mr Oldham, and bearing in mind the terms of reference of this inquiry about the strategic



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road investment programme—we are identifying deficiencies and the Committee will make recommendations to the Department about how it might be improved—is there anything different about Transport for the North? Is it semi-statutory in terms of having the right to be consulted as a sub-national transport body by the Department for Transport and the Highways Agency?

Darren Oldham: That is a good question. Transport for the North is a statutory organisation, and we are tasked with informing the Secretary of State, so we are slightly different in that regard, but the point I made is irrespective of whether we are statutory or not. We are different, but that would not have changed my answer.

Q196 **Grahame Morris:** In answer to my colleague Ruth Cadbury, you mentioned that suboptimal decisions are being made, and it is all driven by the cost-benefit ratio. Can you give a practical example, perhaps from the northern region, where that has happened?

Darren Oldham: I will happily send examples through, but I will give an example to help the Committee today. If a scheme is going through an urban area, everyone may be agreed that the optimum solution is that it should be a 40 mph road, because that is better for putting in pedestrian crossings and active travel and so on, but the better benefit-cost ratio comes about if it is a 60 mph road; if it becomes a 60 mph road, there is a much better chance that it will be funded and that the scheme will happen. Then there is the tension that, although we might all “prefer” the 40 mph road, if we go for that we might get nothing, so it is 60 mph. I hope that example demonstrates the sort of issue that I think we all face. Indeed, colleagues in National Highways face that as well.

Q197 **Grahame Morris:** Do the other panellists have any thoughts on that?

Maria Machancoses: We have examples in the midlands where schemes that have been committed to in the RIS have then been cancelled or reconfigured because of input from local partners who said, “Actually, we could have a better solution.” We have examples on the A5, and on the A46 in Newark and in Bromyard. I can send you information about specific schemes where National Highways has engaged more locally and understood how to merge local and national aspirations, and the designs had to be reconsidered. Therefore, they have rescaled the figures involved, and the BCR, and said, “Let’s go back to rethink the whole programme.” That has happened a few times in the midlands.

Q198 **Grahame Morris:** Could we do things better with RIS3 and RIS4 if engagement was better with National Highways?

Maria Machancoses: This goes back to the original question of how STBs feel about engagement and how we could make it better. There are obviously a number of things we could introduce. For instance, the licence for how National Highways engages with STBs—sub-national transport bodies—was produced before the introduction of STBs, so there is no reference at all to sub-national transport bodies. It is just a matter



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of timing. It would be really helpful if the licence acknowledged both the importance of working with STBs, and was not just a box-ticking exercise, and some of the protocols involved and for what purposes, so that we could include an integrated transport system and secure wider thinking about active travel and so on. That is about legislation.

Q199 **Grahame Morris:** Would they have to consult Transport for the North?

Darren Oldham: There is a requirement to consult us but—

Grahame Morris: They don't have to take account of what you say.

Darren Oldham: That was the point I was alluding to; they consult but, in our submission, we were very clear that we believe that National Highways should then have to formally respond in terms of how they have taken our consultation comments on board. There needs to be a two-way process because, at the moment, it is one way, from us to National Highways, and there is no requirement for them to say anything once our submission has gone in. That is unhelpful for everyone.

Naomi Green: Building on the points about the licence, as Maria mentioned, it was published in 2015; I have a copy that I am happy to share with you afterwards if you would like it. It sets out the requirements for engagement with National Highways; they must be "open and transparent", "positive and responsive" and "collaborative". It does not build into that a requirement for flexibility and agility to work with local areas to get the right answer for that area based on a broader, multi-modal, integrated solution. That is what the licence needs to do. In terms of the statutory basis of the discussion, acknowledging sub-national transport bodies in the licence provides sufficient requirement for all the STBs to influence and engage with National Highways, regardless of their formal status.

One of the things we have experienced in a number of projects is that as a project enters the project control framework that is set up to support the licence, the Department for Transport is required to set the client scheme requirements for that project at the earliest stage, and often they are very broad-brush. For example, for the A34 they were network performance, safety, meeting future needs, increasing efficiency and environment. They are very broad-brush; they could apply to any scheme, but there is no mechanism in the system to finesse them or weight them according to local or regional priorities. It is only at the point that the scheme goes back to the Department for Transport for consideration that a yes or no decision is made. There is no feedback loop to go back round it again.

Q200 **Grahame Morris:** There is no opportunity, say, to amend a scheme if they think it is deficient.

Naomi Green: To amend the client scheme requirements—no.

Q201 **Grahame Morris:** The same was true of levelling up, wasn't it? It was



either a hit or a miss.

Maria Machancoses: It comes at the very early stages. They engage with us, see the rationale and help us support the strategic case, but then that's it, and we just wait and wait.

Grahame Morris: That is very useful. They are good answers. Thank you very much.

Q202 **Paul Howell:** I would like to move on to growth and levelling up, and how the SRN affects that. It seems obvious from listening to you already, and from the things that we have discussed previously, that whatever happens in the heartlands will be part of the connection to the midlands, and whatever happens in both those will be part of the connection to the north.

I am going to ask you to answer my question in reverse order coming from the north down—if that is okay, Darren—so that we can get the different perspectives. In terms of the importance of the SRN, when you look at the evaluation of projects in the north—your connection is then on to Scotland, I guess; you are forming the next line—do you think that there is enough cognisance of the through-cost, in terms of the through-benefit to the two other regions, when you are putting in SRNs? Conversely, do you think that that is overweighted and therefore you are getting all the investment in the heartland and the midlands, and it is not reaching the north? How do you perceive that?

Darren Oldham: That is a really big question—

Paul Howell: Obviously, there are bits of the north that are different from other bits of the north.

Darren Oldham: Absolutely. There are circa 15 million people in the north, as we cover it, and an awful lot of journeys that just happen within the north region, travelling across the Pennines and around and about. The key point is that the assessments tend to be undertaken in silos for any particular intervention and what it achieves.

I go back to my earlier point. It has essentially been about savings in journey times. That is how these schemes are assessed. The ability of a scheme to connect cities or regions or open up for redevelopment—whatever it does—is an extremely minor element in the cost-benefit appraisal. For me, that is fundamental. That is the issue we have to tackle. A scheme might do fabulous things for connectivity, but if it does not derive time-benefit savings in the current situation that we face, it is extremely unlikely to receive funding. That is the issue for us.

I go back to our submission and my earlier comment. For us, we need greater certainty of funding, and we need to move away from assessing all interventions based primarily on WebTAG and the Green Book. If we can move away from that, other things can follow and we can start to get



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much better connectivity within the region, but the region will also connect better through to Scotland, the midlands and beyond.

Q203 Paul Howell: I have one point, which can flow through for the others as well. Might you decide that a particular project in the north, for example, is particularly important, so it goes into a comparison with projects in the midlands and the heartlands, but it is not as important as one of those, so it does not happen, however important it is for the north? In other words, it is because of where it is getting measured against, as opposed to its being a delivery opportunity for the north.

Darren Oldham: Yes. You wouldn't expect me to say anything other than that. If you look at where the funding is allocated, it has historically been allocated for highway schemes, and there is a real predominance in the south-east. That is entirely understandable because that is how the appraisal works. It is based on journey time savings.

If you have very large existing populations who are travelling, and you can demonstrate those savings, those schemes score much higher than schemes in the north but perhaps in a more rural context, where there might be fabulous opportunities for levelling up but the mechanisms that we assess schemes on today favour schemes in the south-east rather than the more rural locations, including in the north.

Q204 Paul Howell: It probably favours population densities.

Darren Oldham: Absolutely, yes.

Q205 Paul Howell: I want to go through the other panellists.

Maria Machancoses: Again, I do not want to repeat anything. I totally agree. In that context, obviously National Highways ultimately presents a menu of investable options to Government and then a decision has to be made. There will be some scoring in terms of value—BCR, value for money and everything. Obviously, for the Treasury—this is how we feel in the midlands—the ones that are likely to attract more will be those that represent or give more in return from a BCR, purely Green Book perspective.

On the point about levelling up, we feel there are some schemes in the midlands that are actually responding directly to other Government priorities. For instance, the Government introduced the freeports. We need to make sure that in introducing freeports, other Government Departments put effort into making those freeports a success and the infrastructure is there. All of a sudden, it requires flexibility from National Highways to respond to that requirement and link up not only in terms of what it means for roads, but what the freeport will deliver for the country. All of that gets lost in translation when National Highways zooms into a particular junction and presents a BCR for a junction with no correlation to the significance of getting it in place in good time for the freeport to be up and running.



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In addition to the way the BCR is assessed and how it tends to support more urban, congested areas, there is the flexibility of the RIS programme to accommodate the levelling-up agenda through other strategic investment opportunities that either local government or national Government are taking across the network.

Q206 **Paul Howell:** You are saying that it needs a broader consideration.

Maria Machancoses: Absolutely right, yes.

Q207 **Paul Howell:** Naomi, do you have anything to add?

Naomi Green: Going back to National Highways, I would say that they adopt quite a strategic approach to their corridors. If you look at the route strategies that they are currently working on, nine of which come through the EEH region, London to Scotland is one example where they are looking at big, long corridors. I think that is naturally where they are trying to look at taking a corridor approach. In National Highways, at that early stage strategy approach, there is a real appetite to work with the regional bodies on how the big strategic corridors can be planned on a regional basis and look at them at those two different levels.

We are very happy to work across nine different corridors and take the time to do that because we respect their strategic role. The challenge comes when you start to deliver a small element of that, and by not doing that bit you then have an impact on the ability to deliver the whole corridor. For us, for example, there are the roundabouts on the A1 south of Huntingdon, of which there are five—you probably know them well—and the impact of that, for the A1 to be a genuine north-south corridor from London to Scotland is very difficult. When you layer in the expectation for economic growth and the opportunity for economic growth in a region like the England's Economic Heartland region, there will be additional pressure on places like the A1 and no plan at the moment to resolve that.

Q208 **Paul Howell:** In the calculations that are used to determine the investment in, for example, the London to Scotland corridor, is there a reasonable bias, or is there another way of looking at it to make sure that we correctly invest in the Economic Heartland but we do not forget that we actually have to get to Scotland at the end of it? You have to do the Berwick part to make it a full connection. It is no good doing part of it.

Naomi Green: From our experience, that is where our feedback and input goes back into the Department. As you have heard, we do not see the feedback or get a formal read-out of how that evidence has been pulled together to inform decision making. That is probably a question for the Department, I would suggest.

Maria Machancoses: Sub-national transport bodies have really taken on the corridor approach with National Highways. We are not looking in silos either. Being in the midlands, we really care about our connections to the north, to the heartlands, to the east and to Wales as well. In our



transport plan we identified four or five strategic corridors. We want to zoom out and understand all of the levelling-up agenda, and then work with National Highways on how you can prioritise the interventions and sequence them to continue to invest in the corridors, so that it is not, "We will invest here at one junction and then we will come back to this corridor in 20 years' time when there is another RIS—RIS3, 4, 5, 6." Continuing to invest in a corridor is a really good thing that we welcome from the RIS programme.

To your point, when all the midlands leaders have agreed the work and said, "This is how you might sequence it," and there is consensus, buy-in and cross-party support for that approach, but we do not hear any feedback about how that has been considered, it is really frustrating at a regional scale for the midlands, the Economic Heartland or the north.

Q209 Paul Howell: I will use you as an example, Maria. It feels important to me that when you are doing things in the midlands, you obviously need to work on and look at what is happening in the midlands first and foremost. That is your role. But there needs to be cognisance of the broader picture and not just of the SRN's impact on yourselves.

I have a final question. We are all talking about the importance of the SRN. How important do you feel that is when we talk about modal shift and the relative position of public transport, digital connectivity and so on? Obviously, the world has changed over the last couple of years. Certain priorities have moved up or been exposed. Is there anything you want to make a point on before I hand back to the Chair?

Darren Oldham: As I said at the beginning, roads remain, and we believe will remain, extremely important for the levelling-up agenda for the north. Technologies are changing with ever-increasing pace, but for us it is not the roads that are the issue; it is what is actually on them and what journeys they are making. We see the changes with EV or hydrogen, or a whole range of new technologies around connected vehicles, as extremely important, but not at the expense of behaviour change. Behaviour change will need to come along as well at an ever-increasing pace.

If you put all those things together, that then talks to our legal and moral obligations around net zero. For us, we are entirely happy to talk about roads and road investment, but it has to be in the context of fast-paced change in the world in which we live. We believe that roads play, and will continue to play, a major role in that.

Maria Machancoses: I would like to assure the Committee that, as part of our work across sub-national transport bodies, we look at the offer to people for both road and rail. We have corridors like Coventry, Leicester and Nottingham, where actually 95% of trips are made by road, yet Coventry and Leicester are only 30 miles apart. They are two major cities, and all trips are made by road. You have to say, "Forget about the road and let's concentrate on investing in public transport and the rail



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offer,” so that it is more attractive, to get more people on the railway. To your point, sub-national transport bodies are trying very hard to work with National Highways and Network Rail saying, “What is the offer at the moment? Can we make it more attractive for other types of users to use public transport?”

Q210 Paul Howell: Is there anything in the evaluation process that you think should be changed to facilitate better decision making in that way?

Maria Machancoses: That is a very good point. Again, it is the point about the process. Is there an alternative? Is it better to invest in the railway? That challenge back to National Highways probably does not feature as highly as it should.

Q211 Paul Howell: Naomi, would you like to finish off?

Naomi Green: To build on those points, I think one of the key issues is that most journeys do not start and end on a strategic road network. They are on local roads. A road, of course, is not just for vehicle traffic. It can be used for buses as well.

In the absence of integrated funding, building on the point I was making earlier, it is very difficult to have a planned approach to strategic, regional and local roads and to work with the travelling public and freight transport to say, “What are the right movements that we want here, what is the right outcome that we are trying to achieve and how do we best spend the money we have in order to achieve that?” While funding is siloed by mode and not looked at on a regional basis, even if it is not owned by that region but advised in that way, we will not be able to make those choices because of the conditions for each of those funding pots. Of course, for local roads and local public transport solutions, there is no certainty of funding. That creates a real challenge.

Paul Howell: You have nicely rolled into where we are going to go next in the discussion. I think my colleague will be picking up on that.

Q212 Mike Amesbury: Darren, is your region having a fair deal? Is it being levelled up? The north is a region I am familiar with.

Darren Oldham: For levelling up to be truly effective, we need to look again at how schemes are assessed. I said earlier that, in our view, you need to move to a position where it is much more about decide and provide—decide what strategic outcomes you want to achieve, rather than being focused on an approach where schemes are funded on a predict and provide basis. On a predict and provide basis, the reality is that rural locations and sparsely populated locations further away from large conurbations will receive less funding and the places with large populations will receive more funding, irrespective of all the other elements that get looked at as part of the appraisal process.

At TfN, as in our submission to you, we are very clear that we should move away from a predict and provide approach. To have levelling up



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happen, infrastructure needs to change. There needs to be much more infrastructure investment. It is a separate question, but given the amount there is, predict and provide does not work, in our view, for the north. Actually, it does not work effectively for the country as a whole because it does not deal with the strategic issues that we all face.

Q213 Mike Amesbury: So the RIS1 and RIS2 portfolio priorities do not reflect the priorities of the region of the north.

Darren Oldham: There are some fantastic schemes in the RIS, and we support those, but the point is that we are almost starting from the wrong position. The RIS schemes for the north are good schemes and we are supportive of them, but in where they came from and for future decisions to be made in RIS4, RIS5, or who knows what next, we believe the appraisal approach that is being used is suboptimal and we should move to a different position, away from the predict and provide approach. That would benefit the north, but we believe it would also benefit the UK as a whole.

Q214 Mike Amesbury: Thank you. Maria?

Maria Machancoses: When we talk about levelling up, we need to think about whether it is a geographical levelling up or an investment levelling up and how that works when it comes to the RIS programme. We made an effort to identify one of the priorities for the midlands. The priorities for the midlands tend to link with the levelling-up agenda at local and regional level, not just the national agenda. Therefore, is investment in RIS helping the local and regional levelling-up agenda? To my earlier point, is it enabling housing?

There are two ways to look at it. It is not just about how much money we get. It is what the impact will be, and will investment decisions truly level up the region? We started in RIS2. We were quite excited, I have to say, about how National Highways were starting to embrace our work on corridors and our priorities. Now, we have been told that it is going to be pushed back, so that is not good news.

In terms of how we assess whether RIS is really levelling up for the midlands, I would say we were starting on a good journey. Obviously, lessons have been learned on how not to go about RIS in the future, in terms of over-programming and over-committing. We would like more certainty on those in the future. Ultimately, what our regions want is certainty of what is going to happen, and that there is a rationale for why things are happening at the time, which schemes will be delivered, and which schemes will be developing. At the moment, none of that is happening any more. That in itself shows that the levelling-up agendas locally are not truly being considered yet.

A sharp answer to your question is that until we see the priorities we have identified truly reflected, and we work together and they happen



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when they say they will happen, people will feel like they have been abandoned, basically.

Q215 **Mike Amesbury:** Yes. Not fair, and maybe not levelling up as much as you would like.

Maria Machancoses: No.

Q216 **Mike Amesbury:** Naomi?

Naomi Green: Twenty-five per cent. of journeys in the heartland region do not start off initially in our region; they are journeys that go through our region. That is the key point about many areas across the country. For us, there is traffic moving north and into the midlands.

It is probably fair to say that in RIS1 and RIS2 there were a number of historic schemes that had been around and just needed to be done. In the EEH region, the A428 Black Cat to Caxton Gibbet is an example. It had been needed for a long time.

As we move forward into RIS3 as much as possible, and of course much more into RIS4, we have seen a real shift in the way that National Highways has been working with us in thinking about that. We have just finished the technical work on the Oxford to Cambridge road study. That is currently with Ministers to be considered and decided on. It took EEH regional priorities and National Highways priorities and put them together to look at how the schemes in our region that meet both of our priorities need to be addressed. Doing that has allowed National Highways to look at their more strategic priorities, as well as things that are holding our region back from delivering the aspirations we need to have.

It is probably fair to say that in a region like ours there are some small interventions that need to happen. For example, junction 10A on the A14 is a scheme that has to happen in RIS3. At the moment it is holding up development on a specific site in Northamptonshire, where 2,750 homes that are in plan are just waiting for a junction to be built. It is 50% developer funding. That is an example of where National Highways needs to be agile in the way it can respond to those pressures. The housing pressure in places like Northamptonshire needs to be unlocked, where necessary.

Q217 **Mike Amesbury:** It demonstrates that interdependency, really.

Naomi Green: Absolutely.

Q218 **Mike Amesbury:** In terms of RIS3, there are incredible funding pressures. The economy is nowhere near where we would like it to be. In the current methodology for prioritising schemes in RIS3, do you feel as regions that you are getting a fair deal?

Darren Oldham: In many ways it is kind of the wrong question. I think our view—



Mike Amesbury: What is the right question?

Darren Oldham: It is to do with not the prioritisation but the amount that is in the funding for interventions. In our view, to achieve levelling up and to achieve the decarbonisation targets that we are all set, the amount of funding is not sufficient. For us, that is the starting point. Once you accept that that is where we are, is the balance right and are the right schemes being chosen?

As colleagues have said, increasingly we work extremely closely with colleagues in National Highways. I think we are getting to the point where the schemes are the right schemes but are only given the very limited amount of funding that is available. That is why I said it is the wrong question. It assumes that you have a pot, and in that pot are they the right schemes? We say that the pot should be this big, not that big.

Maria Machancoses: It is very much that principle. There is a lot of discussion going on at regional level on what used to be the regional growth fund or funding allocation, where you agree your priorities because you know that you have a pot of money, and you go towards that. That might be something that we want to explore. Like my colleagues in the north, we do not know what our funding envelope is. You know that there is a national funding envelope, but you do not know what the pressures are elsewhere in the country, so we all hope for the best. We in the midlands were praised by National Highways. We prioritised and put forward 11 schemes for RIS2. Some of them must happen in RIS3. Some were for development in RIS3 or RIS4. We have done all of that work, but the conversation is, "We don't know what the funding envelope is like for development or delivery."

We are also very mindful, and we all need to accept, that as a country we will have to spend more and more on maintenance and renewals. We appreciate that we have a lot of infrastructure that we need to keep sharp. To your point, there will be very challenging times. We are going to have to be very smart as to how we prioritise and for what purpose we invest in our roads. Is it a new enhancement because there is a new gigafactory coming to the country? Is it because we need to unlock housing, or is it because we need to retain those corridors as sharp and reliable? Is it all about maintenance and making them sustainable so that our freight and cargo can get to our airports reliably?

There are a number of reasons why you might want to continue to invest in the roads, in our strategic road network and in our major road networks too, but the funding envelope is very important. The debate about what it is, and whether it is available to each region or only nationally, is something worth considering.

Naomi Green: I will build on that, but I won't repeat myself about the need for flexibility in the funding. If we look at the outcomes that we are trying to achieve in a world of constrained funding environments, in that way we are able to look at what the right solutions are. If I look, for



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example, at north Buckinghamshire, there is no strategic road network in that part of our region. It is all major road network, but because the funding is SRN funding it cannot be applied to what is probably the right solution for that part of the country. By looking at the outcomes and looking at it as a whole, through a regional funding allocation methodology, for example, we would be much more able to get better value out of a constrained funding pot.

Mike Amesbury: Thank you very much, everybody.

Q219 **Mr Bradshaw:** Given everything you have said and the limited amount of money available, do you think that overall public spending on transport needs to be reprioritised away from road building towards modal shift, local transport and public transport? Maria, you are nodding.

Maria Machancoses: That is a very live debate that we are having in the midlands.

Ruth Cadbury: And rail.

Maria Machancoses: Yes, of course. The midlands is quite large. We go from Lincolnshire to Shropshire, on the border with Wales. There are very congested urban areas, where people say they do not want to invest in more strategic road network. They want to keep what they have, make the most of it and invest in public transport, rail, active travel and everything else.

However, we and they understand that in some of the other areas outside the metropolitan area SRN remains, as I mentioned right at the beginning, a lifeline for communities. With some of them there are gaps. We are not saying, "Keep building roads," but there are some gaps in the SRN. Do they become dual or single? There are a lot of safety and reliability issues. You are still going to have to invest in the SRN, but, to your point, you might want to start prioritising whether you just keep trying to fix the problem in urban areas or invest in an overall or integrated manner so that, as a network, we are more resilient and more attractive for other modes.

Darren Oldham: Maria answered that extremely well. I wouldn't disagree with any of it. The key point for us, just to reiterate, is that the world is changing. Climate is changing. In very many parts of the country our roads are aged, and the need to maintain them and make them safe is extremely important. That will continue to be a draw on the public purse. We cannot get away from that.

I go back to my earlier point that roads in themselves are not the issue. It is the form of transport on them that is important for us. That needs to be remembered. We still feel that in certain situations there might be the need for some new road building, particularly in rural locations, but that should be the exception rather than the normal process.

Q220 **Mr Bradshaw:** Naomi, in your last answer you said that you could do all



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this stuff if you had control over the funding at regional level. If you had that control at regional level, would you do things completely differently, and how?

Naomi Green: To be entirely transparent, from a control perspective I don't think it is necessarily about handing the money over to us. It is about providing advice that is mode-agnostic in each individual region. As Maria said, there are some parts of all regions in the country where you cannot assume that everyone is going to be able to have access to a form of public transport at the time they want. It is not possible. Roads, private vehicles and new forms of technology play a really important part in the solution, but it is about looking at it in the whole.

Moving back to a comment that both Darren and Maria made earlier, the analytical methodology for prioritising transport also has to respond to this. We could have all the ambitions and visions in the world, but if the system has a presumption against them, we would not get to a different outcome. In our region, we absolutely recognise that there is an important role for roads to play, but it is about giving people choice and using the ability of the people who live in our region to make the choices that they probably want to make. They have those behaviours built into them, but probably do not have the choices that they would like to make anyway.

Chair: Thank you. I fear the clock is against us. It has been a very informative and interesting discussion. My thanks to all three of you for coming before us today. I would love to continue the discussion, but we have another panel to move on to. For now, thank you again for your time.