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CBI response to the Review of the Regional Transportation Strategy 2011 - a sustainable transport future

- 1 The CBI is an independent, non-party political organisation funded entirely by its members in industry and commerce and speaks for some 240,000 businesses which together employ around a third of the UK private sector workforce. Our membership stretches across the UK, including businesses from all sectors and of all sizes. It includes the majority of the FTSE 100, some 200,000 small and medium-sized enterprises (SMEs), more than 20,000 manufacturers and over 150 sectoral associations. Our mission is to create the conditions for companies to compete and prosper, thereby creating the wealth, prosperity and jobs which society requires.
- 2 CBI Northern Ireland welcomes the opportunity to comment on the Regional Transport Strategy 2011 consultation document. The quality of the transportation system has a key role to play in the overall competitiveness and prosperity of the region. Achieving increased trade and business investment requires a transportation system which can move goods and people easily around Northern Ireland and with our trading partners in Great Britain, the Republic of Ireland and internationally.
- 3 In the following paragraphs we respond to the general issues raised within each section of the consultation document, though we do not always address all of the specific questions raised. Rather we have focused on a relatively small number of key issues which we believe need to be taken into account in the revised (or refreshed) strategy, and in particular the key actions required to help deliver a more sustainable economy. We start however highlighting a number of key issues which arose during our consultation with CBI members. We would welcome further discussion with the Department on these issues.

General Comments

- 4 A number of key issues emerged during our consultation with members. These are set out below:
 - This revised/refreshed strategy is due to come into being in 2015 - it would be helpful to have a clear understanding of what will be delivered between now and 2015, assessed against current economic needs and emerging economic strategy and ensuring that this is effectively communicated to all stakeholders



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- While we believe there is broad support for the general direction of the strategy, and considerable consensus on key issues, there is a need to focus on key outcomes. Many of the strategic objectives are inter-related and many of the potential interventions are inter-related and this needs to be captured more effectively - the chart on Page 38 is insufficient as it fails to provide a qualitative assessment of the interdependency of many of the interventions
- With a small number of key outcomes we believe it will be easier to prioritise objectives and key interventions
- There are a number of gaps within the consultation document:
 - the strategy is too insular - there is little reference to our external connectivity, which will become more important as we focus on developing an export led economic strategy (and growing tourism industry) - air and sea access and the provision of services which meet businesses needs will be critical issues in the future – many businesses would benefit from more direct international air routes, and a potential direct North American shipping route. The upgrading of the Belfast-Dublin Enterprise Service is also strategically important
 - there is a surprising lack of reference to planning policies which have significant potential to impact on sustainable development, and transportation policy - we highlight some examples in Para 15
 - we believe there is significant potential to identify quick wins; low cost or 'no cost' interventions which could help create a more sustainable strategy, often involving greater levels of 'joined-up' government - some examples are set out in Para 16
 - more focus will need to be spent on alternative funding mechanisms. Continuing to invest in transport infrastructure and public transport is critical, as is addressing the maintenance backlog. To achieve the necessary levels of investment we believe a more ambitious approach to alternative funding is required - some ideas are set out in Para 18
 - there should be a strong research base underpinning key policy decisions e.g. do we understand the implications of doubling tourism revenues by 2020 for transport? What impact will a 50% increase in our exports have over the next decade on transport services and infrastructure? Are decisions on car parking charging based on a sound evidence base – we understand there was a good evidence base for recent decisions on introducing carparking charges, but these decisions have been reversed, which undermines policy decisions and leaves a further gap in the budget! Has the Department considered the impact of a lower corporation tax rate and the creation of an additional 60,000 jobs by 2030?
- Achieving a greater modal shift onto public transport will not only require increased investment but a much more integrated approach, as well as greater incentives to change behaviour. There is clear evidence that good quality public transport options will attract customers:
 - investment should be focused where it will have maximum impact - serious questions have been raised about investing in our rural rail network when compared to improved bus links

- a comprehensive system of quality bus corridors (QBCs) integrated with a 'necklace' of Park and Ride sites developed in the Greater Belfast Area - for moving people both in, and out of the city
 - concessionary fares should be much better targeted to maximise their economic and social impact
 - ensuring affordability is a key issue to attract more customers onto public transport
- Section 6 implies that economic growth is at odds with social and environmental objectives - this does not have to be the case

Section 2 Where are we now?

- 5 CBI Northern Ireland accepts that considerable progress has been achieved in recent years through a substantial increase in investment, particular on the critically important strategic road network. Modest levels of investment in public transport have also delivered good outcomes, but we recognise that funding and investment in this area has not been at the level originally envisaged and overall outcomes in this area fall short of what is achievable - however there is strong evidence to suggest that further investment in bus transport in particular offers considerable scope to secure a 'modal shift'. Concerns have also been expressed that the maintenance of the existing road network is falling considerably behind, with a risk that the structural integrity of the road system could be undermined, leading to much greater funding requirements.
- 6 We agree with the broad challenges set out in this Section. In terms of priorities the major challenges going forward are:
- delivering a transportation infrastructure which continues to meet the changing needs of the Northern Ireland economy, likely to be reflected in an increasing level of trade while recognising that local businesses are in day-to-day competition with competitors in GB, Ireland and Europe – cost control and time to market issues are critical for many of our key sectors
 - the need to reduce CO2 emissions from the transportation sector
 - securing a modal shift onto public transport, particularly in urban areas
- 7 We also recognise that in light of a considerably tighter public expenditure environment there is a need to prioritise more effectively than before. There are two major implications:
- with regards to the strategic roads network there will be a need to focus on key 'gaps/pinchpoints' on the network (once existing commitments are delivered)
 - public transport investment should be prioritised on where it will have most impact, particularly its contribution to achieving a modal shift and reducing congestion

Section 3 Where do we want to get to?

- 8 There is strong agreement that growing the economy in a sustainable way has to be at the core of the strategy. We believe it is essential that the strategy sets out explicitly a small number of key outcomes - we recommend a smaller number of key outcomes than suggested in the consultation document. These should be focused around:

- improving the efficiency and reliability of freight and people movement on the strategic transport corridors, including access to our key gateways (ports and airports) - this is a key measure of improving the connectivity within the region (and a number of the strategic objectives will clearly support this goal)
 - reducing congestion (as measured by wasted time and environmental pollution) and inefficiencies within the transport system
 - reducing the impact of transport on carbon emissions and improving air quality
 - improving the market share of public transport in moving people
- 9 With an increasing focus on developing an export-led strategy we also believe there is merit in considering 'improving our international connectivity' as a key outcome. We accept that government's role in this area may be more limited as decisions about new services (both air and sea) will largely be dependent on commercial considerations. However creating the right environment, improving information on the market opportunities, and in some cases, some modest pump priming (as in the case of the Air Route Development Fund introduced some years ago) should not be ruled out as part of a strategy to develop our international linkages. For example the direct flight route to the USA is of strategic importance to many of our USA inward investors, and the tourism sector.
- 10 CBI members stress that while the policy framework must be evidence based there is a need to focus resources on delivering and implementing key interventions rather than creating lengthy and complex strategy documents. This is particularly true as resources become restricted. The Department should be aiming to develop one integrated strategy, rather than a suite of documents.
- 11 A number of key objectives are set out in Section 3. Many of these are interdependent and inter-related hence we do not wish to rank these. Ultimately they should be assessed and prioritised within the policy framework against their ability to contribute to the key outcomes of the transportation strategy.

Section 4 How will we get there?

- 12 Section 4 identifies a long list of potential interventions, all of which will contribute in some way to the strategic objectives, and ultimately the key outcomes desired. However Section 5 recognises the need to prioritise these interventions in a way that reflects the Executive's goals for the region. Every proposed intervention should be assessed on its ability to deliver against the key outcomes agreed. In terms of priorities we highlight the critical investments required to help support the economic strategy over the next decade. These are:
- **enhance investment in public transport** - including the completion of a 'necklace of Park and Ride' around Greater Belfast and other bus priority measures
 - **Complete the upgrading of the strategic road network** (to meet agreed outcomes) through delivering proposed investments followed by a focus on key bottlenecks/pinchpoints
 - **Improve access to our key gateways** – while ensuring that national tax policies do not undermine our international connectivity – national changes to Air Passenger Duty could have considerable consequences in Northern Ireland to both passenger and air freight movements – there is a strong argument that Air Passenger Tax should be devolved to the NI Assembly (as is happening in

Scotland). Investments in road/rail/public transport should be prioritised so that business and industry gets the benefit for ease of export and import, and improved people access to gateways

- **Improve the maintenance of existing assets**
- **Develop more effective car parking policy and tariffs** to encourage greater use of public transport - increasing car parking tariffs should be linked with improvements in public transport provision. Policies should be evidence based.
- **Develop more effective traffic management of existing road space** (including better enforcement) with consideration of prioritisation for commercial vehicles, buses and other essential vehicles. More innovative thinking should be given to how to manage peak traffic

13 We identified a number of issues that need to be considered more prominently within the strategy. These are set out in the following paragraphs.

Planning policies

14 Planning policy has a fundamental role to play in helping to develop more sustainable transportation system. The importance of land-use planning is insufficiently recognised in the consultation document. We outline some examples below of how better planning policies will result in more sustainable development.

15 There are a number of inconsistencies within existing planning policies and how DRD interprets these, particularly relating to car parking policies, which undermine the development of more sustainable transport arrangements especially in new housing developments or indeed could threaten investment in key access gateways:

- sustainability credentials should form a central plank of new housing developments - in many cases it is the planning system which demands excessive requirements for road capacity and car parking requirements which are contrary to developing more sustainable transport practices
- active travel modes should be promoted with all new major developments, particularly in town and city centres – too often developers are forced to provide excessive parking provision resulting from Transport Assessments
- 'best practice' should be introduced with regard to road design, particularly in regard to new housing developments - too much decision making is based on out of date regulations which fail to take account of current practice elsewhere - the revised RTS should provide greater clarity on the policy to be pursued
- Current car parking regulations inhibit the development of car clubs
- We need joined up planning policy between the Department of Environment and Department for Regional Development to ensure that our ports and airports are protected from inappropriate planning decisions, such as residential development, that could impact on existing or future operations and development potential.
- A Planning Strategy for Rural Northern Ireland - Policy PSU3 Transport Facilities, states....."*proposals for new development adjacent to port or airport facilities will not normally be permitted where they would seriously jeopardise the potential improvement or expansion of the facility*" – this looks weak – surely they should never be allowed if they jeopardise investment or improvements in such important strategic assets

Quick wins

16 As part of the strategy the Department should be encouraged to identify some quick wins, perhaps even before 2015, which will contribute to the key outcomes. These interventions include the following:

- a more joined up approach within government, particularly within the education and health sectors
- reducing congestion by staggering the opening times of schools
- more targeted fare concessions eg to help the unemployed back into work (we understand Translink do provide a Jobseekers concession but this is funded by Translink)
- refuse collection being undertaken outside peak periods eg as in Glasgow and Edinburgh
- introduce European/American system of traffic able to turn left at traffic lights on a 'give-way' basis
- allow certain types of freight to use hard shoulder running at peak periods

17 Clearly there are more complex additional changes required which rely on decisions within other Departments, highlighting the importance of a more joined up and integrated approach across the Executive. For example:

- rationalisation of the schools estate (and a reduction in the number of empty places) has implications for transport provision for schools, though overall savings should be achieved

Alternative Funding

18 A key part of the strategy should be to assess how additional funding can be raised for investment in transportation infrastructure. This should include :

- **maximising the share of public expenditure committed to transportation** within the investment strategy
- **securing more output from existing resources** - greater efficiencies in expenditure must be achieved, more services should be opened up to competition, and specifications for transport infrastructure should be assessed to avoid 'gold-plating'. Every effort must be made to maximise the utilisation of assets
- **continue to make use of Public Private Partnerships** where greater value for money can be clearly demonstrated - more appropriate financing arrangements may also play a useful role to reflect the nature and life of assets, including leasing arrangements rather than outright purchase
- **congestion tolling may have a role to play as part of a wider package of solutions** (any funds raised must be ring fenced for investment in transport infrastructure and services) - extensive consultation with stakeholders will be required. We do not support workplace parking levies (which would not address congestion) or interurban tolling
- **Developer contributions** - there is some scope for increased developer contributions in the longer term (when the property market recovers), but this is likely to be associated with local issues, rather than strategic issues
- **Parking and retail concessions**
- **Local rates**, including Business Improvement Districts, may provide some scope to assist with local transport solutions
- **More effective targeting of concessionary fares**
- **Maximising the potential of EU funding** – the publication of the European Commission's Northern Ireland Task Force, set up by President Barroso, should create an opportunity to seek additional funding form EU sources. For example

the Marco Polo project may offer potential funding opportunities for port/road/rail connectivity projects

- **Ensuring that we maximise the funding made available by the Republic of Ireland government** - €400m has been committed for investment in the Strategic Road Network, approximately 50% of the total costs involving in upgrading the network. This is of major economic benefit to Northern Ireland.

Section 5 Making choices

19 While supportive of an overall framework to prioritise investment decisions a key issue is to ensure that whatever system is agreed helps to speed up decision making, and not delay it. We must also avoid a situation where a populist approach is taken - political leadership will necessitate taking bold and strategic decisions which will help achieve the agreed outcomes set out in the strategy.

CBI Northern Ireland
June 2011