

TRANSPORT POLICY STATEMENT

August 2017

Business North is a new and growing organisation: we are a united voice representing the North's business interests. We believe that the North's economy can be boosted by the private sector working with the government, and that northern businesses can drive national growth and prosperity.

Transport is not the sole driver for economic growth and Business North is pursuing work on other issues such as education, skills and housing which are all vital for the North's economy. However, improvements to the North's transport infrastructure are imperative if we are to fulfil our full economic potential.

Without investment in railway lines and roads, and the trains and buses to run on them, growth in our economy will always be limited, to the detriment of the North and the country as a whole. Similarly, without the conditions to allow all our ports and airports to thrive, we will miss out on further trade with the world. And without vastly improved links between our towns and cities we will never close the productivity gap between the North and other areas of the country. Based on the many representations we have had from businesses in the North, we believe that the government needs to prioritise three things:

Invest: Government must deliver a programme of investment that will shift the dial for the North's economy

One of the surest ways to boost productivity and achieve real regional growth is quality infrastructure that links our towns and cities. Businesses in the North see the devolution and regional growth agenda as the opportunity to level the playing field. What is needed is a determined focus on delivery to ensure the widest possible benefits, with the government keeping its foot on the accelerator across an infrastructure and construction pipeline that contains the projects that the North needs to reach its full potential. Transport for the North is doing important work in making the case for pan-Northern strategic transport improvements, which are needed to support transformational economic growth. The nine strategic transport corridors they have identified should be the starting point for future investment decisions, including the infrastructure necessary to maximise the benefits of the HS2 connections into the North.

Transform: Government must take a holistic approach to transport appraisal that factors in wider economic benefits, inclusive growth and health outcomes

Businesses in the North have voiced a need for a more joined up and strategic approach to planning and delivery in infrastructure, and to growing the North's economy. Investment could be unlocked if the government were to broaden the scope of transport appraisal to include wider economic benefits. The government's appraisal methodology needs to support its industrial strategy, by accounting for prime and enabling capabilities in appraisal, and the effect of connecting vital assets, such as ports, airports, clusters in advanced manufacturing and energy, and the human capital in the towns and cities across the North. In transforming the regional economies of the UK, the government must address the challenge of boosting demand in places where it is latent or lacking, and take account of the social benefits of doing so, including jobs, wages and health outcomes.

Devolve: Government must move towards the further devolution of fiscal powers and decisions about transport in the North to Transport for the North and elected leaders from across the North

The North has over 15 million people; a £300 billion economy; six major cities, 29 universities, eight major ports, and seven international airports, including Manchester, the UK's second hub airport. The North is planning to be at the forefront of technological advances through championing the adoption of new technologies in both passenger and freight transport. Businesses in the North are optimistic about the opportunities genuine regional devolution could bring. As further progress is made we need to make more decisions ourselves and have the ability to raise the capital to deliver these. In the short term, the Government should progress its plans to make Transport for the North England's first sub-national Transport Body allowing it to speak with one voice for the region and ensure that the North's transport priorities are clearly understood by Government. When it comes to longer term plans, firms are keen to see the Government:

- Push forward with the transfer of rail franchise management to Rail North (and ultimately TfN as it merges with Rail North);
- Commit to reviewing the case for the devolution of fiscal powers so local leaders can invest to support business growth;
- Work with Transport for the North with a view to seeing it put on an equal footing to Transport for London in due course