

Regional Funding Advice: Driving transport down a carbon cul-de-sac

In July 2008 the Department for Transport asked each English region to submit a list of regional priorities, including transport. This was called the Regional Funding Advice, and was submitted at the end of February 2009.

It could have been the opportunity to kickstart a sustainable transport revolution. Instead it is full of reheated road projects that won't help us cut congestion and will lock in greenhouse gas emissions for years to come.

Government has until June to decide whether to accept this advice – and the inevitable growth in car traffic, pollution and greenhouse gas emissions that will follow – or to reject it and insist regions invest the money in sustainable transport to give people real travel choices.

Executive summary

- Each region was asked to submit a wish-list for spending between 2009/10 and 2018/19. Regions could choose to fund rail, bus, tram, road, highway maintenance or walking and cycling projects.
- Overwhelmingly regions elected to fund road schemes. Only Yorkshire and the Humber asked for more money for public transport than for road building. Some regions wanted three or four times more for road building than for bus, rail, tram, walking and cycling combined.
- Many 'shovel-ready' public transport schemes have been deferred until 2014/15 or later to make way for less deliverable road schemes that will lock in carbon dioxide emissions.
- Regional analysis of CO2 emissions was deeply flawed. Some regions penalised schemes with CO2 data but treated schemes whose promoters did not supply emissions data as carbon neutral.
- Too many schemes in RFA2 were selected for political reasons instead of policy fit.
- Regional strategies prioritise urban public transport and inter-urban connectivity but the regional transport advice was dominated by bypasses and link roads at the expense of public transport.
- Many road schemes are not capable of being delivered to their proposed timescale or budget.
- Promoters of road schemes failed to follow government guidance on considering the full range of available options.
- How the Department for Transport responds to the proposals in June will be the first major test of how committed they are to reducing CO2 from transport in line with the Climate Change Act targets.

Main recommendations

- The Department for Transport should reject schemes that conflict with Government policies on the environment, transport and economic growth and bring forward alternatives, such as 'shovel ready' public transport and 'smarter choices' programmes.
- DfT should release its upcoming guidance on estimating CO2 impacts and request that the regions estimate the impact of each scheme and their overall packages.
- Where regional advice shows an increase in CO2, the region must show how they plan to reduce CO2 to compensate, whether from transport or by reducing CO2 in other sectors.
- The Department and Treasury need to closely examine promoters' estimated costs and timescales and reject those schemes with over-optimistic projections.
- Local authorities need better guidance to help them appraise options and make the right decisions.
- DfT needs to reject schemes where promoters have given inadequate consideration to other options.

In July 2008 the Department for Transport asked each English region to submit a list of regional priorities, including transport, called the Regional Funding Advice (RFA). This was the second round of the RFA, widely referred to as RFA2; RFA1 began in 2006. Each round suggests a rolling 10 year programme of spending, with schemes in the next five years agreed firmly and the latter five years provisionally. RFA2 was submitted at the end of February 2009 and the Government will respond to the regions in June.

The advice was formulated by Regional Development Agencies and either Regional Assemblies or Leaders' Forums, with advice from Regional Transport Boards and Forums.

Campaign for Better Transport has been working closely with local authority officers, public transport operators, and consultants throughout the RFA2 process. We have liaised with members of the Regional Transport Activists Roundtable, many of whom who sit on Regional Transport Boards and Forums and have been closely involved in the decision-making process. This briefing draws upon their experiences.

The Regional Funding Advice should have been a great opportunity for the Government to work with the regions towards reducing transport's carbon footprint, tackling social inclusion, enabling sustainable development and growth.

However endemic flaws in the decision-making process produced regional advice which contradicts Government policies, is in opposition to regional strategies and will further entrench carbon-intensive transport and development. This contradicts the recommendations in the Stern Report that we should avoid investing in infrastructure that locks in carbon dependency.

Devolving transport decision to the regions should help the Government take advantage of regional knowledge of the needs of each area. However, the money remains central Government funding. It is not unreasonable to expect regional advice to reflect central Government policies and guidance as well as the tailored transport needs of each region.

Process marred by too much politics and too little analysis

The need for regional consensus on the advice enabled many local authorities to lever in their unsustainable schemes, regardless of whether the scheme was of regional importance or met regional objectives. Many schemes were included solely for fear that rejecting them would put delicate agreements in jeopardy.

This also contributed to a systemic failure of analysis. Local authority representatives were discouraged from challenging statements made about the impacts, benefits, costs and deliverability of a scheme – or whether it was even needed – for fear that their own scheme would come under similar scrutiny.

Carbon analysis woefully inadequate and in breach of RFA2 guidance

The RFA2 guidance was clear: regions were expected to “consider and estimate the effects on carbon dioxide emissions which may result from their proposals” and should also “reflect on the medium to long-term transport emissions impacts of their advice”.

However most regions considered CO₂ after they had made their transport choices and failed to compare the greenhouse gas emissions of individual schemes. Regions came to the conclusion that CO₂ would go up overall, regardless of the exact nature of the advice, and regarded CO₂ analysis as a last minute exercise in box ticking. Some regions, like the South West, asked promoters to supply CO₂ data but treated those schemes where the information had been omitted as carbon neutral while penalising those schemes where information had been provided. The West Midlands included all ‘committed’ schemes in its do minimum study, only modelling the impact of new schemes added during RFA2 itself.

The regions were not helped by the lack of adequate guidance on estimating CO₂ impacts of schemes. Because of this, even where regions enquired into the greenhouse gas impacts, the results have been less than satisfactory. The Lincoln Eastern Bypass, for example, was reported as reducing CO₂ emissions because its promoters only analysed urban congestion relief (and the claimed improvement to Lincoln's bus network that would follow) while ignoring the impact of traffic on the new bypass.

Given the imminent release of the carbon reduction strategy and the upcoming Departmental guidance on calculating CO₂ emissions the Department should ask the regions to reappraise their schemes according to the new guidance and show how their selected schemes fit into a wider carbon reduction strategy.

Mismatch between RFA2 and regional strategies

Regions have already submitted regional strategies, including their Regional Spatial Strategies and Regional Economic Strategies. These strategies emphasise the need to reduce CO2 emissions, improve the local environment, encourage sustainable development and improve the regional economy. However most regions concentrated their funding on road building schemes that would increase CO2 emissions, decrease enjoyment of the natural environment and encourage unsustainable, car-based development.

Some regions have ignored regional priorities and produced a wish-list at odds with regional strategies. The A350 corridor was removed from the South West RSS by the Secretary of State, but the Westbury Bypass and Chippenham bypasses (both on the A350) were included for RFA2 funding. The Norwich Northern Distributor road in the East of England ignores growth areas, most of the areas of strategic employment and serves only the proposed eco-town and airport. Several schemes were included solely on the advice from their promoters that they could be delivered to soak up underspend.

Department for Transport asked to take promoters' claims at face value

In 2007 reports by the Nichols Group and the National Audit Office into the escalating cost of road building found that promoters underestimate costs, timescales and opposition to scheme delivery. In RFA1 most regions underspent because many schemes were not delivered on time, which the DfT and Treasury attributed to promoter over-optimism. The guidance on RFA2 makes clear that regions are expected to submit realistic and deliverable programmes.

Despite this guidance most regions are once again being over-optimistic as to timescales and costs. This is not simply a question of costs and deliverability – although we have serious concerns about the deliverability and costs for several schemes – but also about the need for the scheme and whether the scheme being promoted is the right solution.

While some schemes are clearly well advanced and deliverable, others, such as the Hereford Bypass, do not even have an agreed route and yet are being promoted as deliverable from 2013/14 despite having been previously rejected at a public inquiry. Conversely many 'shovel-ready' public transport schemes, such as the Exeter Principle Urban Area, were rejected in favour of less-deliverable schemes, or pushed beyond 2014/15.

Promoters failed to consider alternatives despite many offering better policy fit and cost

While many schemes have optimistic estimates as to cost and deliverability, even more have cost-effective alternatives which neither the regions nor their promoters have given adequate consideration to. In many cases independent consultants have analysed these alternatives for policy fit and benefit-cost ratio and found the cheaper, simpler option to out-perform the proposed scheme.

The Bexhill-Hastings link road is conceived as serving a business park in East Bexhill, but transport consultant Denvil Coombe has stated that a shorter access road and improved public transport could achieve the same end for considerably less outlay. The South Devon link road has had a full alternatives package worked up by Steer Davis Gleave and local public transport operators, which promoted re-opening Kingskerswell station and junction modifications, for considerably less than the bypass.

These alternatives – and many others like them – often fit better with regional strategies, because they reduce the need to travel and improve public transport connectivity. However regional decision makers were not given a chance to consider them because promoters had already decided on a preferred solution without going through a full option generation process. Many schemes, such as the Westbury bypass, were described as having passed through a Towards a Sustainable Transport System /

Delivering a Sustainable Transport System options framework because promoters had considered different routes for their road (without considering public transport alternatives).

Eddington was very critical of 'solutions looking for problems', but this thinking is still prevalent in local and regional transport planning. Most local authorities only consider options as part of the Major Scheme Business Case, having first satisfied themselves of the need for the scheme. DfT still needs to make the case to local authorities that they have to consider the full range of options before coming to a decision. The Department must reject schemes where local authorities have failed to properly consider alternatives at the appropriate stage (or where promoters have only considered different routes).

But there are solutions...

We know that there are better schemes out there – better for the economy, for the environment and for the regions. Many of these schemes were put forward but rejected or deferred until after 2014/15. The Nottingham to Lincoln line speed improvements were to have commenced this year but were put back to 2014/15 to make way for the A46 dualling. Another four East Midlands rail schemes that displayed good policy fit were rejected altogether.

Similarly a number of essential rail services in the South West, including reopening the Portishead line, were delayed until post-2014/15 to make way for a package of local bypasses. The Exeter PUA, which would have dramatically improved bus services in Exeter, was also rejected despite being 'shovel ready'. These schemes are affordable and deliverable and should be brought forward.

But those are just the bigger schemes and often the simplest measures are the best. The Sustainable Travel Demonstration Towns showed that you could achieve 10% drops in car use by just talking to people and explaining what other options were out there. These 'smarter choices' programmes are low cost but could provide hundreds of jobs – so valuable during an economic downturn.

Approving the regional advice would increase CO₂ from transport, lock in carbon dependency, enable car-based development and promote car-based transport at the expense of more sustainable public transport. Stern warned that preventing climate change will be more affordable than adapting to its effects. These packages will further entrench high-carbon travel right when we need to be discouraging it. Approving these schemes just defers the difficult changes we need to make to stop climate change and will make those changes harder and more expensive.

The Department for Transport needs to show it takes climate change seriously

This is the first litmus test for the post-Climate Change Act DfT. It is crucial that the Department respond in a manner which encourages transport decision makers to take the threat of climate change and the challenge of sustainable transport seriously.

DfT needs to reject schemes which would substantially increase CO₂ emissions, are not deliverable on time or budget or where alternatives have not been considered and bring forward sustainable transport schemes (and packages of demand management or smarter choices) to replace them. This may prove unpopular with the regions but is necessary if the Department is serious about tackling greenhouse gases from transport, achieving sustainable economic growth and delivering a sustainable transport system.

East of England: new schemes good, old schemes bad

Solid policy fit analysis for new schemes but committed schemes fare poorly

The region employed McLean Hazel to explore how schemes submitted in RFA2 fit regional and national policy. They concluded that the region was lacking in public transport and the RFA2 package reflects this: three-quarters of the funding for new schemes is allocated for public transport. Unfortunately the majority of spending up to 2014/15 is on older, committed road schemes which were not considered for policy fit.

The region has elected to spend 62% on road building, and 38% on public transport up to 2014/15.

The region's RFA2 advice acknowledged that "Since RFA1, there have been significant changes in how transport policy is developed and delivered across the UK". Despite this they did not examine how the committed schemes that make up 68% of RFA2 fit with regional policy. McLean Hazel gave an indication: initial work on policy fit indicated that "local bypasses" and "road capacity increases with no other related measures" were "not doing so well". 55% of the RFA2 budget is allocated to committed road schemes.

While we accept that regions should not be asked to constantly revisit their committed programme there is a clear argument for re-appraising regional priorities in light of changing regional and national policy.

Norwich Northern Distributor Road: poor policy fit and not serving Norwich's needs

The NNDR was the only road scheme accepted into the programme as part of RFA2. This should not be taken to indicate acceptable policy fit: the scheme rated poorly on three of the five policies, and was only rated for its ability to enable housing growth and access to airports and ports. It was rated as a poor fit for accessibility to Key Centres for Development and Change, reducing CO2 and reducing congestion and was described by the consultants as representing at best an average policy fit.

The NNDR does not serve Norwich's growth areas or the majority of employment areas. It provides more opportunities to drive to the airport which is already accessible by the A140 while not improving public transport links. The airport is only served by a bus on Sundays with no buses Monday to Saturday and no rail access at all.

Examine committed schemes for policy fit and reject those which fare poorly

It is clear from McLean Hazel's analysis that many of the committed schemes would fare badly if measured against regional and national policy. The Stern Review explained that investing in carbon-intensive infrastructure locks carbon dependency for years to come. There are also massive opportunity costs: several hundred million pounds invested in road building despite poor policy fit that could instead be invested in transport schemes that are better aligned to regional policy. The Department should require the East of England to reappraise its committed schemes in light of current transport policy.

Reject NNDR and invest in regional skill base and sustainable transport in Norwich

The NNDR represents poor value for money and policy fit and should be rejected in favour of a package of investment in public transport throughout Norwich. This should include the Bus Rapid Transit proposal outlined in the NNDR MSBC and a series of new rail halts to the east of the city, which would also serve the proposed new eco-town.

This should be complemented by a package of investment to support the regional skill base, as identified by the consultants' policy gap analysis. Additionally the Challenge Fund could be brought forward for local authorities to bid for small-scale 'smarter choices' and demand management schemes.

East Midlands: ministerial intervention dominates

Regional strategies support sustainable transport but RFA2 prioritises road building

The East Midlands has the highest per capita carbon dioxide emissions from transport in Great Britain. To counter this, regional strategies, including the RES and RSS, prioritise reducing the need to travel, demand management and modal shift to public transport, walking and cycling. Both strategies commit the region to addressing social and economic exclusion, with particular emphasis on those without access to a car, and the RSS commits the region to reducing CO2 emissions.

Sadly the East Midlands' strategies are not reflected in their RFA 2 priorities. Although their advice does include some public transport schemes, it is dominated by schemes to expand road capacity. With 59% of 09/10 to 14/15 spending allocated to just two road projects, most of the region will not benefit from RFA2.

The region elected to spend 76% on road building, and 19% on public transport up to 2014/15.

Central Government interjection overruled regional transport priorities

The region was beginning to examine the wisdom of spending £348 million on one scheme (the A46 dualling), and was preparing to spread spending across a number of packages to better achieve regional objectives. However the Secretary of State for Transport's offer of additional support for the A46 radically altered the region's spending profile to the detriment of policy fit and wider regional transport needs.

A46 dualling: bad policy fit and far too expensive

The decision to award an additional £174 million to the region for the A46 and the conditions attached to it (find the other £174 million and start construction in 2009) saw all but one of the rail schemes rejected. The scheme does not represent good value for money or fit with regional policy and should be scaled right down to address the legitimate safety issues at junctions (where most of the collisions occur) and to create passing places for slow-moving vehicles.

A453 dualling: will generate further traffic on already congested roads

The A453 has yet to go through a Public Inquiry. The scheme is poor value for money and will simply channel more road traffic into Nottingham, increasing pressure to spend millions widening the A52, and encouraging more people to drive from junction 24 of the M1 and East Midlands Airport to Nottingham.

Lincoln Eastern bypass: flawed CO2 calculations and costs underestimated

It is doubtful that this scheme can be brought in for £107 million. It has to cross a river valley on a viaduct to bridge two railway lines and the river Witham and cut into the limestone cliff. With some very boggy land around the river, just dealing with the contaminated water run off is going to be very expensive.

There are also serious flaws in the CO2 impact calculations, which included CO2 reduction benefits from claimed congestion relief in Lincoln but ignored the impact of induced traffic on the bypass.

Reject these schemes and invest in rail services across the region

There are a number of rail packages put forward for funding which were rejected in favour of the A46 dualling. These include a new station at Ilkeston, platform lengthening at Loughborough (which needs to be completed before 2012 because of Olympics venues at Loughborough University) and a public transport hub at Loughborough station to improve connectivity with the town centre. The region would also benefit from capacity enhancements on the Robin Hood Line, speed upgrades between Nottingham to Birmingham. The start date for the Nottingham to Lincoln improvements was put back to 2014/15 after the Secretary of State's intervention; this should be returned to 2009/10 as originally planned.

West Midlands: CO2 impacts underreported

The West Midlands considered the CO2 impacts of its proposals long after the package of advice was formulated and failed to consider each scheme individually. Decision makers were presented with a short, dense, technical paper in late February, just before the final advice was submitted. Consultants Matt MacDonald stated that the plans would result in “a very small percentage change in CO2 emissions across the whole network (0.2%)”.

The region has elected to spend 48% on road building and 44% on public transport up to 2014/15.

However, the ‘do minimum’ scenario included a great many committed schemes from RFA1, even though these need funding from RFA2 and will not be built for several years (and could have been cancelled if the region decided during RFA2 that its priorities had changed). The comparison therefore only covered schemes added into the programme during RFA2, and compared the emissions increase to the whole network, which includes hundreds of miles of national trunk roads and motorways, as well as many areas of the West Midlands which do not benefit from the RFA2 funding. This was a substantial under-estimate of the full impact of the advice and in no way accurately represents the CO2 impact of the schemes.

Shrewsbury North Western Relief Road: poor value for money and not deliverable

This is a controversial scheme that would not solve Shrewsbury’s transport problems. It is highly unlikely that this scheme could be started before 2014. Costs are rising sharply: the scheme is currently estimated to cost as much as £100 million, up from £70 million in 2006.

The NWRR was conceived to reduce congestion but traffic in Shrewsbury town centre has reduced by one fifth over the last decade. The council trialed a traffic reduction programme which achieved results similar to those of the national Sustainable Transport Demonstration Towns. We suggest that the scheme should be replaced by a permanent programme of traffic reduction, based on the successful earlier trial.

Hereford Outer Distributor Road: controversial and not deliverable

This scheme is still in its infancy: Herefordshire County Council has yet to decide on a route. Both options are extremely controversial: a route to the East was rejected at a public inquiry in the 1990s and a Western route would have equally damaging environmental impacts. Both routes would increase traffic and congestion in the surrounding area.

Given the sensitive nature of the various routes we are surprised that this is being considered without a clear decision from Herefordshire Council as to the route. The Highways Agency Multi-Modal Study has yet to report and the impact of public transport alternatives has not been fully assessed. The scheme is simply too controversial to be started by 2014.

Reject these two schemes and substitute packages of small-scale sustainable schemes

These schemes are unsustainable and cannot be delivered on time; the region risks significant underspend by including them in the pre-2014 programme. The Department should substitute packages to enable small-scale schemes that can be delivered quickly and spread across the RFA2 period.

This could include ‘smarter choices’ measures to promote the public transport schemes already in the programme and a walking and cycling infrastructure package to encourage people to walk and cycle through the West Midlands.

South West: systemic failures

We are deeply concerned about the process and the final advice from the South West. There seems to have been a systemic failure to take the guidance or regional strategies seriously, and this has resulted in a package of local schemes of no regional importance which will substantially increase the region's greenhouse gas emissions without improving the regional economy, connectivity or congestion problems.

The region has elected to spend 64% on road building and 36% on public transport up to 2014/15.

Region's advice conflicts with regional special strategy

The transport chapter in the South West's Regional Spatial Strategy was re-written by the Secretary of State, who inserted the concept of the (multi-modal) Transport Corridor and added a number of "transport outcomes" for each Housing Market Area. The A350/A36 was downgraded to a route of purely local importance.

Regional officers asked local authorities for the schemes that they could deliver fast, not those that represented best policy fit. This resulted in advice where the match between bids for regional funds and the crucial RSS policies RTS1 (corridors of regional and national importance) and RTS2 (demand management) was minimal, particularly in Wiltshire, Dorset and other rural authorities. The region's advice is dominated by road transport schemes on roads of purely local importance with inadequate provision for improving corridors of regional importance.

Although the A350/A36 is not a regionally important corridor, councils continued to submit a number of A350 schemes, especially Wiltshire, which submitted 3 major schemes. Two of these, the Westbury and Chippenham bypasses, appear in the region's advice. Wiltshire and Bath and North East Somerset continue to ignore each other on public transport even though they share the same sub-region.

In particular schemes put more traffic onto the regional and national road network when regional planning policy specifies exactly the contrary. There was no scrutiny as to scheme impact on RSS policies for sustainable development or environment.

Process was not transparent and local people were locked out

Despite the advice given in Baroness Andrews' letter to the Regional Assembly last summer, which emphasised the transparency of approach necessary when choosing transport infrastructure, local aspirations of the shire counties were taken forward in meetings of the Environment Directors behind closed doors, capitalising on the political make-up of the region to promote schemes that went contrary to the Regional Spatial Strategy.

Regional Officers found themselves severely constrained by the dominance of aspirations of Wiltshire and Dorset in particular where councillors fail to understand modern transport strategy and have very little understanding of the problems of cities and urban life. The lack of any consultation with public, community groups and residents, with the region focusing on key stakeholders, was disappointing.

Disregard for DfT and Treasury guidance and best practice

There was no intention of taking DaSTS seriously outside of the West of England, Swindon and Plymouth: individual schemes were not assessed and this has resulted in an overall package which will substantially increase the region's greenhouse gas emissions. Funding to improve public transport links between key urban areas and urban transport was particularly lacking during the first five years of RFA2, although this improves somewhat after 2014/15. There are suspicions that this was a deliberate strategy

arising from fears that many of the road projects would not stand up to scrutiny if assessed under the post-2014/15 DaSTS framework (and should therefore be built as early as possible to avoid such scrutiny).

Slow delivery of RFA1 schemes meant that schemes which should have been finished blocked new schemes. Promoters' claims for delivery were taken at face value, resulting in over-optimistic timescales. Where promoters declared a CO2 impact (even if it was minor, such as that arising from a public transport scheme) they were penalised for increasing emissions although local authorities who failed to declare any impact were treated as carbon neutral even though it was obvious that emissions would increase.

Westbury bypass: not regionally significant and massive environmental impact

Westbury doesn't fit with regional transport strategies: the A350 corridor was removed from the RSS by the Secretary of State. It is not supported by the RSS transport chapter nor has it ever been singled out by the Regional Development Agency as strategically important to the South-West.

The road is deeply unpopular locally, as it impacts severely on a favoured area for outdoor recreation near the Westbury White Horse. The MSBC for this scheme still fails to establish what the road is actually for and the authority refuses to subsidise rail on the same corridor to the tune of just £100,000 a year in case it undermines the case for the bypass.

South-Devon Link Road: too expensive and not the right solution

The Kingskerswell bypass is hugely expensive and there are doubts that a 5 mile dual carriageway is the right solution in an area with high social deprivation in need of regeneration and already suffering from sub-standard public transport links.

Opponents, including local bus companies, have put forward well worked out alternatives but Devon County Council has failed at every opportunity to give these adequate consideration. The alternatives, based on improving bus lanes, remodelling junctions and re-opening Kingskerswell station would provide a better solution without the environmental impact of the link road and at a fraction of the cost.

Reject these two schemes and invest in public transport and regional skill base

We recommend a robust review of these two schemes before RFA funds are allocated. In both cases, the schemes have been pushed hard by a handful of councillors and do not represent local community aspirations in any way. Communities in both areas would prefer better buses and local rail improvements.

There are plenty of schemes in the South West that could be brought forward to replace these two road schemes. The Exeter PUA is shovel-ready and would provide faster buses for Exeter as part of overall traffic reduction and modal shift strategy. Creating a passing loop on the Salisbury-Exeter line would provide additional capacity and help make up s106 shortfall for the Cranbrook development.

The region would also benefit from bringing forward the preparatory work on the Bristol Rapid Transit and investing another £20m in the Stroud-Kemble line, which is already at GRIP4 and could begin work within the 2009/10 – 2013/14 period.

The South West suffers from severe skill shortages on transport issues; the remaining money should be invested in a Regional Capacity Fund to improve skills and expertise and to encourage local authorities to develop sustainable transport by improving their design and planning expertise and resources.

Yorkshire and the Humber: good investment in public transport

Yorkshire and the Humber have presented a fairly balanced package, with significant investment in public transport and substantial investment to highway maintenance. The region is the only one which invested more in public transport than in road building.

The region has elected to spend 42% on road building and 47% on public transport up to 2014/15.

That is not to say that the schemes or the process by which the final advice was reached are without issue. We are concerned that there is a mismatch with regional policy and that certain schemes – the White Rose Way scheme and the package of M18 schemes – do not represent sensible investments and should be rejected in favour of more sustainable solutions.

Regional funding advice does not deliver regional priorities

The regional priorities for transport focus on improving public transport, connectivity and demand management, with an emphasis on reducing car dependency and CO2 emissions throughout Yorkshire and the Humber. However the region's RFA2 advice has focused on a narrow interpretation of Eddington, prioritising car-based connectivity and access to ports and airports.

This has led to a list of regional schemes which do not meet a large number of regional priorities. None of the schemes address demand management, and links between Leeds and Manchester and Leeds and Sheffield have left aside. Even where the region has allocated funding for connectivity, such as along the A180 corridor or to Robin Hood airport, it is by car, although the regional strategies prioritised public transport access.

White Rose Way: picked for deliverability over policy fit

There are some issues arising from the manner in which the A6182 White Rose Way scheme received original and additional funding. In RFA1 the scheme was costed at £15 million and included to fill a period of underspend despite representing a lower policy fit than other schemes. However it has substantially increased in cost; the region has approved an additional £12 million as part of the RFA2 package. White Rose Way is no longer a scheme to plug underspend, but there has been no process of exploring the need for the scheme beyond this role.

M18 schemes: 'salami-sliced' infrastructure project not considered in the round

The M18 schemes are presented as piecemeal modifications to the M18, but are in fact one scheme sliced into several sections. The 'do minimum' M18 scheme is needed to enable the £83 million FARRS link road to Robin Hood airport, as is the £40 million M18 'improvements' for which the Highways Agency has yet to submit any detailed proposals. The FARRS scheme, approved in RFA1, cannot be carried out without these schemes but the region has not examined the value of the scheme as a whole, but rather as a series of schemes that all rely on assuming that the previous sections will be built.

Furthermore the region has effectively committed up to £122 million additional funding in later RFA rounds to complete work on the M18. This is not made clear in the RFA2 advice, which presents the schemes as separate projects. The Department should require the region to appraise the scheme as a whole, including the FARRS link road and the future investment needed to complete the M18 project.

Learning from RFA2

The RFA2 process was fatally flawed, producing packages of carbon-intensive road schemes that clashed with regional and national Government policies and would lock us into carbon emissions for years to come. The Government must not accept the region's advice, but should instead carry out the following actions to avoid investing in high-carbon infrastructure just as we need to make substantial cuts in greenhouse gas emissions.

1. A number of schemes in each region clearly conflict with regional and central Government policies on the environment, transport and economic growth. **The Department should reject these schemes and bring forward alternatives, such as 'shovel ready' public transport schemes and smarter choices measures.**
2. The lack of a clear framework for scheme CO2 appraisal, combined with a reluctance at regional level to follow Departmental guidance and calculate the CO2 impacts of their schemes, has led to inadequate assessment of the carbon impacts of schemes and the overall advice. **DfT should release its upcoming guidance on estimating CO2 impacts and request that the regions estimate the impact of each scheme. Where regional advice indicates an increase in CO2, regions should be expected to show what steps they will be taking to reduce CO2 to compensate, whether through other transport measures or by reducing CO2 in other sectors.**
3. Many of the schemes are simply not deliverable according to the promoters' timetables and budgets, which raises the very real threat of considerable underspend in each region as schemes fall behind schedule or the scheme becomes too expensive and construction is delayed while the promoters search for additional funding. **The Department and Treasury need to closely examine promoters' estimated costs and timescales and reject those schemes with over-optimistic projections.**
4. There is a clear lack of understanding at local and regional level of the need to consider the full range of options that could help solve a given transport problem. **Local authorities need better guidance to help them make the right decision. DfT needs to reject schemes where promoters have given inadequate consideration to other options.**

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