



# COTN 2025: Transport Discussion Paper

This policy paper is intended to support discussion at Convention of the North 2025, which is taking place in Preston on the 27<sup>th</sup> and 28<sup>th</sup> of February. It is one of six policy papers; the full set includes Transport, Trade and Investment, Net Zero, Place and Culture, Innovation, and the cross-cutting theme of Skills and Healthy Work.

Proposals included within these drafts have been collectively developed by working groups consisting of local and combined authority officials and key Northern partners. **They represent a draft programme only; they will be taken in draft form for co-development and iteration at the Convention policy sessions, and confirmed by Northern leaders following the Convention.**

The North is already demonstrating visible policy leadership across diverse areas, from trade and investment collaboration to bus re-regulation, and pan-Northern programmes to grow the creative industries. In the run-up to the 2025 Convention of the North, it's clear that the region has a twin-track opportunity to help the new UK Government deliver against its objectives, based on the North's specific opportunities and challenges.

- The North can **deliver growth at scale** to support the national mission of increasing living standards across all regions of the UK.
- The North faces serious, long running challenges to unlocking the potential of its people, held back by poverty, inequality, and health challenges. By **investing in the North's people**, we can underpin and strengthen the activities of growth and improve the lives and lived experience of our residents.

To make the most of this opportunity, Northern leaders and mayors have agreed to prioritise resources and capacity in the areas where there is the greatest opportunity to add value to the ongoing work of Northern places, communities and businesses:

## The North's draft delivery programme

Twin-track opportunity	Pan-Northern Delivery Priorities				
<b>The North meeting the national Growth Mission</b>	Trade and Investment	Transport	Net Zero	Culture and Place	Innovation
<b>Meeting the inclusion challenge in the North</b>	Skills and Healthy Work				

## 1. Our gamechanger proposition

Building on the Manifesto for the North, this paper sets out a draft work programme for Northern collaboration, case-making and partnership delivery. This is intended to form the basis of pan-Northern collaboration into the medium-term, continuing the priorities of each subsequent Convention of the North in the interim between each event with an active programme of policy development, collaboration and implementation.

**This ongoing collaboration is the focus of the discussions at the Convention policy sessions: to address what the priorities for the North to deliver together.**

Additionally, a small number of gamechanger propositions have emerged through a structured policy development process that reflects the North's long-term strategic ambitions. They build upon the foundations set by the Northern Powerhouse Independent Economic Review and the 2024 Manifesto for the North, aligning with the evolving institutional and policy landscape. These gamechangers have been shaped through collaboration between Northern leaders, local and combined authorities, and key stakeholders

While the gamechangers for the 2025 Convention intersect with multiple policy themes, one with particular relevance for the Transport theme is the Rail gamechanger:



**Connecting the North through a transformed rail system**, by completing the delivery of the Transpennine Route Upgrade, delivering Northern Powerhouse Rail as a co-ordinated programme of investment with benefits all the way across the North, and securing improved capacity and connectivity increases north of Birmingham.

Transport is a foundational enabler of the North's economic ambitions, and the rail gamechanger is central to unlocking growth, improving connectivity, and addressing regional inequalities, aligning with the wider policy programme set out in this paper. These investments will enhance labour market access, strengthen trade and investment links, and support the North's net zero transition, reinforcing transport's critical role in the region's long-term prosperity.

## 2. Why Transport?

Transport is a long-standing Northern policy priority, and one of the four policy themes highlighted in the 2024 Manifesto for the North.

The case for action at the Northern footprint within this policy area is grounded in the ambition to transform the region's economy and connectivity. The North's [Strategic Transport Plan](#) published in March 2024 sets out a vision of a transformed North and the North's long-term strategic transport priorities, and makes the case for working collaboratively to deliver our vision. This plan underscores the pivotal role that improved transport must play in unlocking the North's economic potential and addressing regional disparities. Transport also plays a pivotal role in achieving the North's net zero targets.

Currently, inadequate transport connectivity significantly impedes the North's economic performance, directly contributing to the region's productivity gap with the rest of the UK. The lack of reliable and comprehensive transport links limits access to job opportunities, suppresses business interactions, and restricts the movement of goods across Northern cities, curbing economic growth potential. Inadequate transport options can lead to social exclusion for individuals, limiting their access to economic and social opportunities and negatively impacting their health and wellbeing.

The consequences of poor connectivity extend beyond individual impacts, affecting the broader economic ecosystem. Poor transport links further fragment Northern economic centres, diminishing the potential benefits of agglomeration, where close-knit business clusters could enhance productivity through shared resources, skilled labour pools, and collaboration. Poor transport connectivity can also hinder knowledge sharing between geographically dispersed clusters – whether these are sectoral clusters, Freeports, Investment Zones, or other concentrations of knowledge and business activity – and dampen the diffusion and utilisation of new technologies.

Investment in Northern transport infrastructure is not just a necessity but a strategic opportunity and is projected to contribute to substantial economic growth, with the vision of a transformed Northern economy set out by the NPIER adding £118bn in GVA and generating one million jobs by 2050. This would have wider benefits, improving the health and social position of the people of the North, reducing deprivation and poverty.

Acting at the Northern footprint enables the North to take a systems approach to delivery of key strategic infrastructure, with better co-ordination between transport, energy, digital connectivity, and spatial planning policy areas.

### The North's opportunities in transport

Transforming the North's transport system would create substantial economic and social benefits, significantly contributing to the closure of the North's productivity gap. Investment in transport infrastructure and services is also a powerful enabler of housing, commercial development, and place-based regeneration projects. Benefits would also be felt in the various subsectors of transport. In freight and logistics, for example, there are underutilised assets due to a lack of end-to-end infrastructure or attractive alternative logistics solutions. Investment could unlock the bottlenecks, creating wider growth for exporters and importers. Delivery of Northern Powerhouse Rail remains crucial to transforming the North's rail

connectivity and capacity, as well as continuing to explore options for a high-speed rail link between Manchester and Birmingham following the cancellation of HS2 Phase 2.

The North's international connectivity is crucial for driving trade and investment in goods as well as in services that is important for boosting productivity in the North – limited international connectivity is one of the reasons for the North's lagging economic performance. The operators of the North's international gateways are investing in greater capacity and capability, strengthening the North's performance on the global stage. The Port of Liverpool and the Liverpool City Region Freeport are playing a nationally important role in serving markets in North America and Asia-Pacific regions, with significant potential to facilitate rebalancing of international goods trade across the UK, bringing economic and decarbonisation benefits. On the North's east coast, a recent £200m+ investment into the new Immingham Eastern Ro-Ro Terminal will bring a new freight ferry terminal to the Port of Immingham, bolstering trade capacity across the North Sea and strengthening supply chains across the whole UK.

Another example is the Manchester Airport Transformation Programme, which by 2040 aims to secure a throughput of 42 million passengers per annum (ppa) compared to a projected 30 million ppa in 2025, generating £1.7bn additional GVA and supporting an additional 7,600 jobs. Improved surface connectivity within the North, particularly delivery of Northern Powerhouse Rail, and improved connectivity to other parts of Great Britain will help to spread the benefits of growing international connectivity further across the North and strengthen national supply chain links.

On social inclusion, integrated, multimodal travel hubs and improved connectivity across national, regional, and local networks could foster greater social inclusion, enhance accessibility to jobs, services and education, ultimately raising the quality of life for communities across the North. Improved transport infrastructure also offers significant opportunities for better health outcomes. Cleaner and greener transport, alongside more active ways of travelling can help prevent physical and mental ill-health, reducing pressure on the NHS. By enabling better access to healthcare and supporting healthier lifestyles, enhanced transport systems can also reduce economic inactivity, delivering substantial social and economic benefits for the region.

Transport also plays a pivotal role in achieving net zero targets. As the largest carbon-emitting sector, its decarbonisation is critical. Transport decarbonisation offers opportunities around electrification and alternative fuels. Transport will also be an important beneficiary of the growing hydrogen clusters in the North. In addition, there are opportunities for the North to become a leader in the development of Sustainable Aviation Fuels (SAF), as well as the manufacture of electric vehicles, with the potential to attract investment into the North and support the net zero transition. Aligning transport development with net zero targets offers an opportunity to support decarbonisation, improve public health, and protect natural capital, positioning the North as a leader in sustainable, clean growth.

## The North's transport challenges

The North faces several critical transport challenges that must be addressed to unlock its economic and social potential. Inadequate rail capacity on North-South and East-West links constrains both passenger and freight movement, reducing the efficiency of the logistics sector and limiting access to broader job markets. At the same time, reversing the long-term decline in the coverage and patronage of bus services, particularly in rural communities, is also necessary to achieve economic, social and environmental benefits, for a more prosperous, more inclusive, healthier and greener North.

The region's transport infrastructure is also vulnerable to climate change, underscoring the need to ensure investment in road, rail, and active travel infrastructure provides future-proofing against much more adverse impacts from weather events in the future. Equally, it is essential to develop and prepare a future-proofed transport workforce. Our transport networks need a steady pipeline of skilled workers, and we must ensure training and re-training is provided to enable replacement of older workers exiting the workforce and to support expansion of transport services to meet growing demand in future.

To achieve these goals, a whole-network, whole-system approach to transport integration is vital. It is important to break down siloed thinking and delivery – including budgets – between different modes of transport, as well as between transport and related policy areas such as energy, digital connectivity, and spatial planning. This is important for decarbonisation of road and rail transport, and for modal shift of passengers to public transport and freight to rail.

### 3. Delivering policy change in the North

With a new parliament, the national policy landscape is rapidly evolving, while Northern places are already leading delivery, policy innovation and investment. This will have substantial implications for pan-Northern delivery. Some of the most relevant examples are highlighted below.

#### The new Government's five missions

The new Government has set out its five missions, including kickstarting economic growth, making Britain a clean energy superpower, and building an NHS fit for the future. The implementation of the North's Strategic Transport Plan will support the delivery of these missions, by enabling people and businesses to access opportunities more easily (with positive outcomes for economic growth, social mobility and reduction in regional inequality) in a transformed transport system offering cleaner, greener, safer, healthier and more active ways of travelling.

#### Local Growth Plans and the Invest 2035: Industrial Strategy Green Paper

Local Growth Plans and the Industrial Strategy Green Paper provide a structured framework for integrating transport policy with regional economic ambitions. By empowering Mayors and devolved leaders to develop 10-year Local Growth Plans, there is an opportunity to ensure that transport priorities – such as the Transpennine Route Upgrade and local highway improvements – are aligned with broader growth strategies. The Industrial Strategy Green Paper recognised the importance of high-quality infrastructure and transport connectivity, both national and international, for stimulating the eight growth-driving sectors, for improved access to social and economic opportunities, for businesses' investment and location decisions, and for boosting productivity.

#### Planning and infrastructure delivery

The Government plans to update relevant National Policy Statements (NPS) – with plans to consult on a revised NPS for ports and a new NPS for nuclear – and to develop a 10-year Infrastructure Strategy, outlining the approach to core economic infrastructure like transport, energy and housing, which will be aligned with the Industrial Strategy. More widely, the Planning and Infrastructure Bill will aim to unlock more housing and infrastructure across the country by streamlining and simplifying the consenting process for major infrastructure projects.

#### Integrated National Transport Strategy

The Government is developing an Integrated National Transport Strategy, aiming to empower local leaders and improve collaboration across transport networks to drive economic growth and social benefits. The strategy will have a greater focus on transport's role as an enabler and on achieving social and environmental benefits from transport interventions, aligned with the review of Green Book appraisal guidance.

#### Changes to public transport ownership and franchising

Under the Better Buses Bill, local transport authorities across England are being given new powers to run their own bus services, previously limited to Mayoral Combined Authorities, with the goal of improving bus services, reducing costs, decarbonising fleets, and increasing local control to enable greater prioritisation of buses as a green, accessible mode of

transport. Additionally, the Government has passed the Passenger Railway Services a bill to enable the transfer of passenger rail service operations into public ownership when current national rail contracts expire.

2025 will see the introduction of the Rail Reform Bill to bring about Great British Railways (GBR). This legislation will set out how the rail industry will transition to a simpler, better railway under a directing mind bringing track and train together. This will provide opportunities to strengthen local input and accountability and facilitate delivery of locally integrated transport networks by Combined Authorities, while also ensuring the collective voice of the North is embedded, and the North is empowered to prioritise, plan, manage and deliver its investment pipeline, as determined by its elected leaders.

### **English Devolution White Paper**

With a bill expected in 2025, the English Devolution White Paper set out the Government's plan to extend and deepen devolution across England. Mayors will gain more control over local transport networks, including the ability to plan and deliver integrated transport systems.

## 4. Alignment with other pan-Northern policy themes

We can't see policy priorities in isolation, and there are strong links and inter-dependencies between each theme. There are opportunities to explore connections and crossovers that enhance outcomes across multiple agendas. Recognising these links ensures a more comprehensive approach to addressing the North's challenges and opportunities:

### **Transport and Net Zero:**

Transport infrastructure investment offers an opportunity to advance the North's commitment to Net Zero by promoting sustainable transport options. By aligning transport upgrades with environmental targets, these developments can drive decarbonisation and bolster the North's leadership in green growth. In addition, net zero technologies are crucial for facilitating transport decarbonisation, whether through electrification, hydrogen, or alternative sustainable fuels for aviation and shipping.

### **Transport and Trade and Investment:**

Improved transport infrastructure supports trade and investment by enabling more efficient movement of people and goods, and access to key markets. A more connected North can attract business investment by enhancing logistical efficiency and supporting export capabilities, particularly in sectors aligned with Northern strengths like clean energy industries and advanced manufacturing. Large infrastructure projects also present opportunities for private investment into the North.

### **Transport and Innovation:**

A better-connected transport system in the North is essential for improving the flow of people and knowledge that is necessary for innovation. Advanced transportation infrastructure acts as a critical enabler for knowledge exchange, allowing researchers, entrepreneurs, and businesses to collaborate more effectively across different city-regions. By reducing geographical barriers and facilitating faster, more seamless connectivity, an integrated transport network can help accelerate innovation ecosystems, support talent mobility, and create opportunities for cross-sectoral knowledge transfer.

### **Transport and Place and Culture:**

Enhancing transport connectivity across the North supports economic integration and broadens access to the region's cultural and natural assets by creating more seamless connections between population centres and regional destinations. Improved infrastructure reduces geographical barriers, enabling more fluid movement of people, skills, and visitors, which strengthens regional economic potential.



## Transport and Skills and Healthy Work

In addition to the five key themes for the 2025 Convention, Skills and Healthy Work has been incorporated as a cross-cutting and enabling theme across all policy areas. This reflects the importance of fostering Northern cooperation on skills, health, and social policy to support sustainable and inclusive economic growth. By embedding these considerations into each policy area, the Convention aims to create a holistic framework for driving transformative change in the North.

The integration of Skills and Healthy Work with Transport manifests in several key ways across the North:

- Enhanced transport connectivity is vital for improving access to employment and training opportunities, especially in the North, where connectivity constraints often limit career options.
- Investing in integrated transport systems will make job markets more accessible, directly supporting skills development and productivity by reducing travel time and costs.
- There are opportunities to harness the health benefits of active travel to improve health outcomes – potentially through interventions such as social prescribing. Modal shift towards more active travel journeys will also improve health outcomes through reduced exposure to harmful air pollutants.
- Transport skills should be considered in the delivery of Local Skills Improvement Plans to help ensure a future pipeline of transport industry skills. There are opportunities to develop new transport training academies – led locally or nationally, potentially in collaboration with key stakeholders such as Shadow Great British Railways.

## 5. Developing a pan-Northern policy programme

The North's transport infrastructure plays a critical role in addressing regional disparities and unlocking economic potential. Current deficiencies in connectivity hinder productivity, limit access to employment, and reduce the benefits of agglomeration across the North's diverse economic centres. Transforming the region's transport system is essential to fostering inclusive growth, enabling better access to opportunities, and supporting place-based regeneration. Investments in integrated and sustainable transport solutions will not only drive economic growth and reduce inequalities but also contribute to achieving net zero ambitions, ensuring the North leads in creating greener, healthier, and more prosperous communities.

The headline policy priorities listed are from the Manifesto of the North.

### Policy priority 1: Devolving Local Transport Powers and Tools to Raise Funding

Increased devolution of transport funding and revenue powers is essential to bring budget decisions closer to Northern communities, with expanded control over local bus services and streamlined franchising powers to enable greater regional flexibility and efficiency.

#### Proposal 1a: Capacity and Best Practice Sharing on Buses

Through the pan-Northern Bus Forum, convened by Transport for the North (TfN), collaborating and sharing best practice between authorities wanting to take greater control over local bus services, and sharing innovative solutions for rural bus services.

#### Proposal 1b: Devolution Advocacy

Influencing the Comprehensive Spending Review to pave the way for expanded devolution in the North.

#### Proposal 1c: Review Private Investment Mechanisms

Identifying the opportunities that greater control over local transport might give authorities, particularly those with fully devolved transport budgets, to attract private investment in transport, such as funding and financing mechanisms.

#### Proposal 1d: National Bus Fare Cap Advocacy

Supporting the Department for Transport (DfT) with evidence and advocacy to maintain the national single bus fare cap scheme beyond the end of 2025.

### Policy priority 2: Transforming Northern Connectivity

Delivering Northern Powerhouse Rail in full, developing viable alternatives to HS2 Phase 2, and supporting sustainable growth for the North's international gateways is vital for economic and social connectivity across the North, nationally and globally.

### Proposal 2a: Informing Rail Investment Needs

Using TfN's Rail State of Play – a single overview of planned and proposed rail infrastructure schemes, rolling stock introductions and service changes across the North up to 2050 – to inform investment needs, including Task Force Boards and Place-Based Groups to convene partners to address long-standing bottlenecks and unlock opportunities at pan-regionally significant rail hubs, and the development of Network Outputs to 2050

### Proposal 2b: Rail Service Improvements

Collaborating with the Rail North Partnership to develop the 10-year Outline Passenger Service Specifications for Northern and TransPennine Express, with the user at the heart of the service specification

### Proposal 2c: Northern Powerhouse Rail Advocacy

Influencing the NPR Co-Sponsorship Agreement with DfT to strengthen the voice of Northern partners in NPR development.

### Proposal 2d: Extending rail devolution to the North through rail reform

Working with Northern partners to extend and deepen rail devolution arrangements in the North through the opportunities arising from rail reform, ensuring that Strategic Authorities have a deep partnership with GBR and the railway is integrated with wider public transport networks.

### Proposal 2e: Enhancing International Connectivity

Enhancing the North's international connectivity for people and goods by supporting the North's ports and airports with improved surface connectivity and unlocking opportunities for sustainable development, including the development of sustainable fuels.

### Proposal 2f: Unlocking Capacity for Rail Freight

Supporting freight operators to move more freight by rail through the Northern freight network, identifying the requirements for improved rail freight capacity, including gauge clearances, electrification, and greater control over path allocation and timetabling processes.

### Policy priority 3: Inclusive Growth through a Northern Appraisal Playbook

The North is working collaboratively to develop a Northern Appraisal Playbook that better captures the full range of social, economic, and environmental outcomes from transport investment compared to traditional transport appraisal. This strategic approach aims to maximise the transformative impact of transport investments on inclusive growth in the North.





### **Proposal 3a: Sharing Best Practice to Strengthen Business Cases with the Northern Appraisal Playbook**

Collaborating to share advice and best practice for using the Northern Appraisal Playbook to make the most of our evidence and the flexibilities of the Green Book and Transport Analysis Guidance (TAG) to strengthen business cases. The Playbook will enable business cases for investment to fully capture social and environmental benefits of transport investment, reflecting transport's critical role in improving social inclusion and in delivering the net zero transition.

### **Proposal 3b: Delivering New Evidence to Support Appraisal Reform**

Collaborating to deliver new evidence to support improvements to appraisal, for example on Northern-specific inputs to appraisal, such as North-specific 'values of time', or improved valuation of resilience and reliability benefits of transport schemes.

### **Proposal 3c: Locally Tailored Appraisal Frameworks**

Where appropriate, supporting authorities with devolved transport budgets to make the case for their own appraisal framework(s) for transport business cases.

### **Proposal 3d: Advocacy for Appraisal-Reform**

Following Chancellor of the Exchequer's announcement of the planned review of the Green Book and how it is being used to provide advice on public investment across the country, the North will continue to engage with Treasury and with DfT's Transport Appraisal and Strategic Modelling (TASM) team to secure positive engagement with the Northern Appraisal Playbook and support further appraisal reform to better capture the economic, social and environmental benefits of transport investment.

## Annex: Draft Transport delivery programme

As part of the focus on delivery for COTN 2025, the policy programme is designed to focus on activities that the North can deliver in partnership between places, with Government, and with the private sector, Northern institutions and our communities, as outlined below:

Pan-Northern and Intra-Northern collaboration	Greater devolution to Northern Places	Business, investment and institutional activity
<p><b>1a:</b> Through the pan-Northern Bus Forum, convened by TfN, collaborating and sharing best practice between authorities wanting to take greater control over local bus services</p> <p><b>2a:</b> Using TfN's Rail State of Play to inform investment needs and address bottlenecks and unlock opportunities at pan-regionally significant rail hubs</p> <p><b>2b:</b> Collaborating with Rail North Partnership to develop the 10-year Outline Passenger Service Specifications for Northern and TransPennine Express</p> <p><b>2c:</b> Influencing the NPR Co-Sponsorship Agreement with DfT to strengthen the voice of Northern partners in NPR development</p> <p><b>3a:</b> Collaborating to share advice and best practice for using the Northern Appraisal Playbook</p> <p><b>3b:</b> Collaborating to deliver new evidence to support improvements to appraisal</p>	<p><b>1b:</b> Influencing the Comprehensive Spending Review to pave the way for expanded devolution in the North</p> <p><b>2d:</b> Working with Northern partners to extend and deepen rail devolution arrangements in the North through the opportunities arising from rail reform</p> <p><b>3c:</b> Where appropriate, supporting authorities with devolved transport budgets to make the case for their own appraisal framework(s)</p>	<p><b>1c:</b> Identifying new opportunities from greater devolution to attract private investment in transport, such as funding and financing mechanisms</p> <p><b>1d:</b> Supporting DfT with evidence and advocacy to maintain the national single bus fare cap beyond the end of 2025</p> <p><b>2e:</b> Enhancing the North's international connectivity for people and goods by supporting the North's ports and airports with improved surface connectivity and unlocking opportunities for sustainable development, including the development of sustainable fuels</p> <p><b>2f:</b> Supporting freight operators to move more freight by rail through the Northern freight network</p> <p><b>3d:</b> Influencing Treasury and DfT to secure positive engagement with the Northern Appraisal Playbook and support further appraisal reform</p>