

# CHESHIRE EAST COUNCIL

## CABINET

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**Date of meeting:** 7 OCTOBER 2008  
**Report of:** Andrew Ross, Highways Strategic Manager  
**Title:** GREATER MANCHESTER TRANSPORT INNOVATION FUND  
– PUBLIC CONSULTATION

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### 1.0 Purpose of Report

- 1.1 This paper has been prepared to allow Cabinet Members to respond to Greater Manchester's proposals for developing a Transport Innovation Fund (TIF) project (with Congestion Charging).
- 1.2 Following the Government's approval of Greater Manchester's TIF proposals for Programme Entry status, a consultation exercise has been launched to test whether the plans are publicly acceptable. Full details can be found at <http://www.gmfuturetransport.co.uk>. The deadline for comments is Friday 10 October.

### 2.0 Decision Required

- 2.1 It is recommended that the TIF proposals are unacceptable to Cheshire East Council on the grounds that:
  - *This consultation exercise has again been largely targeted within the Manchester Boundary. In particular, it is unsatisfactory that efforts have not been made to fully engage with residents and business in the wider Manchester travel to work area on the scale used within Manchester itself. There is further concern that the planned referendum will only apply to Greater Manchester residents*
  - *There has been a complete lack of serious analysis and identification of transport improvements beyond the Greater Manchester boundary. The promoters have not acted to engage with the Cheshire Councils to consider cross boundary schemes that would be beneficial to residents and businesses and provide an alternative to paying the congestion charge.*

This proposed response should be sent to AGMA as a formal response to the TIF consultation and to the DfT and the Secretary of State for Transport to highlight Cheshire East Council's concerns about implementing these proposals.

### **3.0 Financial Implications for Transition Costs**

- 3.1 No transitional costs anticipated.

### **4.0 Financial Implications 2009/10 and beyond**

- 4.1 None

### **5.0 Legal Implications**

- 5.1 None

### **6.0 Risk Assessment**

- 6.1 The formal consultation process closes on the 10<sup>th</sup> October 2008. The risk of Cheshire East not making a formal response to this exercise is that the views of this council are not considered.

### **7.0 The Greater Manchester TIF proposals**

- 7.1 Background information on the Greater Manchester TIF proposals, what they entail, their implications for Cheshire East and the Cheshire Leader's Group response to the initial consultation exercise are set out in Appendix 1.
- 7.2 Securing public acceptability for these plans is seen as crucial. A public referendum is also planned within each of the Greater Manchester Boroughs later in the year. For the scheme to succeed, it will need the support of at least seven of the ten authorities
- 7.3 Despite the concerns raised by Cheshire's Council Leaders at the first consultation, and despite the potential impact on Cheshire and Warrington residents and businesses as a result of any congestion charge, the TIF proposals and consultation remain concentrated on the range of planned improvements for Manchester residents. There is very little detail about potential measures or benefits that could be provided beyond the AGMA boundary in the wider travel to work area. However, some Cheshire residents and businesses may benefit from a few of the proposed schemes planned within the AGMA boundary.
- 7.4 One of the suggested benefits of this TIF proposal is less road congestion in Greater Manchester. If this were to be correct, it is possible that traffic levels would reduce and overall journey time reliability would improve, particularly on key routes in to Manchester itself. However, the latest reports from the London scheme suggest that congestion levels are now back to pre-charging levels. The significant risk arising from these proposals is that the income from the charge is insufficient to fund the £1.2bn debt and as a result the cost is increased or the zone extended.

- 7.5 Another key benefit being claimed from the TIF proposal is increased levels of investment and jobs in Greater Manchester. If the scheme does bring about enhanced and sustained economic growth in the City this would also act to benefit the prosperity of the wider sub-region. However, without any transport improvement these economic benefits will not be easily accessible to residents and businesses outside Greater Manchester. The charge could indeed encourage some businesses to relocate out of central Manchester to other areas, including Cheshire.
- 7.6 There remains an urgent need to explore potential measures that could benefit those living in Cheshire who commute into Manchester on a regular basis. TIF funding could deliver road links and higher quality public transport needed to reach destinations in the charging area.
- 7.7 A number of short, medium and longer term schemes to Cheshire residents have been identified. These are set out in Appendix 2. These schemes would offer an alternative to commuting by car for some people. Equally, all of the proposals have merit in their own right when seen as a package of proposals to improve transport networks between Cheshire and Greater Manchester.

## **8.0 The current consultation exercise – engagement with Cheshire.**

- 8.1 Following a meeting between Sir Howard Bernstein and the Cheshire and Warrington Chief Executives a mobile exhibition on the TIF scheme will visit Poynton and Wilmslow. Also, a short newsletter has also been prepared by GMPTE and has made available to neighbouring authorities to distribute in libraries and information points as well as on websites.

## **9.0 Cheshire East Council's – Proposed response**

- 9.1 The work on developing the proposed response was undertaken in consultation between officers at Cheshire County Council, Macclesfield Borough Council, Warrington Borough Council and Halton Borough Council. It is proposed as follows:
- 9.2 *Cheshire East support the view that the Greater Manchester authorities seek to convince ministers and others that they are part of a city-region which extends into Cheshire East. That said, the current TIF consultation exercise has been largely targeted within the Greater Manchester Authority area and there has been limited engagement with Cheshire neighbouring authorities.*
- 9.3 *There is clear evidence that the proposals will have a significant impact on the wider travel to work area, yet the proposals indicate that the planned investment will predominately benefit those living in Manchester itself with those people travelling from outside this area*

*having no improved choice of transport and will be faced with paying the charge.*

- 9.4 *If the TIF proposals are to deliver the full economic potential that is suggested, then they will need to extend and improve connectivity to labour markets and businesses outside Manchester. However, the planned measures do not address what improvements would be necessary for those areas beyond Greater Manchester including Cheshire East. A set of proposed short, medium and long term schemes has been identified, which should form part of any consideration to proceed with the TIF proposal. (Appendix 2 refers).*

## **10.0 Overview of Day One, Year One and Term One Issues**

- 10.1 Congestion charging is currently scheduled to start in summer 2013 at the earliest.

## **11.0 Reasons for Recommendation**

- 11.1 If the TIF proposals were implemented they would have a considerable impact on Cheshire East residents and businesses.

### ***For further information:***

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### BACKGROUND TO THE GREATER MANCHESTER TRANSPORT INNOVATION FUND (TIF) PROPOSALS

Greater Manchester has secured Programme Entry status from the Department for Transport (DfT) for its TIF proposals. These have been prepared to address growing congestion and support future economic growth which it is argued would provide more jobs and prosperity in the Manchester sub-region.

The proposals are aimed at improving local public transport networks including increasing capacity and enhancing quality of service. Addressing current overcrowding on passenger transport services are seen as central to meet the needs of increasing numbers of commuters.

The package is made up of:

- An investment programme of over £2.8 billion;
- Reforms in the way that public transport is managed - including greater local influence over public transport systems; and
- A weekday, peak-time congestion charging system that is scheduled to start in Summer 2013 at the earliest, once 80% of the planned transport improvements are in place and at a maximum cost of £5 per two way journey.

Securing public acceptability for these plans will be crucial. The proposals are currently the subject of a consultation exercise. A public referendum within each of the Greater Manchester Boroughs is also planned to take place later in the year.

### SECURING PROGRAMME ENTRY

Greater Manchester is one of ten local authorities who were successful in securing DfT pump priming funding to explore the merits of making a formal bid for full TIF funding.

With the closing of the DfT's deadline for the submission of bids for funding for 2008/09, Greater Manchester's bid emerged as the only proposal. The approach is considered necessary by Greater Manchester to ensure that traffic congestion does not undermine the level of economic growth required to meet the objectives of the City Region Development Plan. Leaders of the Greater Manchester Councils voted eight to two (Stockport and Trafford voted against) to approve the bid which was submitted to the DfT at the end of July 2007. Following the 2008 local elections, Bury also now oppose the proposals.

Following further detailed negotiations, the DfT confirmed that Manchester's bid had been approved for Programme Entry in June 2008. Details of the proposals are set out in more detail below.

In contrast, other local authorities who have been undertaking initial studies are making far slower progress. A number of authorities (including the West Midlands authorities, Shropshire and Cambridgeshire) have already confirmed that, based on the evidence gathered, they will not be submitting bids. This is largely as a result of strong local opposition to road user charging which is a critical factor for securing full TIF funding.

## GREATER MANCHESTER'S TRANSPORT INNOVATION FUND SCHEMES

Greater Manchester's TIF proposals are centred around a proposed £2.8 billion package of transport improvements. This will be funded by £1.5 billion of TIF grant funding, £1.2 billion of borrowing (which would be paid back over 30 years using congestion charge revenues) and £0.1 billion of third party contributions. This funding is in addition to the £0.6 billion which was recently confirmed for Metrolink Phase 3A and £0.2 billion of DfT funding for extra railway rolling stock.

It is forecast by Greater Manchester that measures would increase public transport capacity in the morning peak by some 40%. Proposals include:

- More than 30km of new Metrolink track, extending the network to Ashton, East Didsbury, Wythenshawe and Manchester Airport, Oldham and Rochdale town centres, and the Trafford Centre. The programme also includes a new second City Centre crossing to provide the capacity for enhanced frequencies and network resilience;
- The Leigh – Salford – Manchester, Route 8 and Oxford Road Bus Rapid Transit schemes which will offer time savings of up to 25% along segregated routes using superior quality vehicles;
- New heavy rail rolling stock for all major routes into the Regional Centre crossing charging routes, alongside a programme of station improvements;
- 25 enhanced bus priority corridors will be introduced along all major routes which cross charging routes. These will offer time savings of up to 15%;
- Bus frequencies will be increased and new services will be introduced, including new through services to provide better connectivity across the Regional Centre, reducing the need for interchange and increasing the number of yellow school buses;
- New interchanges will be built within the Regional Centre, Bolton, Rochdale, Stockport, Altrincham and Wigan;
- Doubling the number of park and ride spaces including new strategic sites located adjacent to the M60, providing commuters with an opportunity to connect with high quality public transport and avoid the charge; and
- There will be a step change in travel information, integrated and smart ticketing and a significant behavioural change programme working directly with employers and with the Greater Manchester Chamber of Commerce.

The proposed charging would be undertaken using tag and beacon technology. It would operate at peak time as follows:

- Inbound morning peak (0700 – 0930). £2 to cross the M60 outer ring and £1 to cross the intermediate ring road;
- Outbound evening peak (1600 – 1830). £1 to cross the intermediate ring road and £1 to cross the M60 outer ring; and
- There will be no charges applied outside the core hours. Charges will not be applied at weekends or on Bank Holidays.

The proposals for congestion-charging scheme include provisions or exemptions for blue badge holders, motorcyclists and those attending regular hospital and medical appointments. There is also a possibility that low-income workers could be given a 20% discount on the charge. We are advised that these discounts will apply to all – not just Greater Manchester residents.

To support the high level of borrowing necessary to deliver the various infrastructure improvements, there is a risk that, over time, the level of charging and the boundaries of the scheme may have to be revised.

## INITIAL PUBLIC CONSULTATION EXERCISE

Prior to making the bid for Programme Entry, the Association of Greater Manchester Authorities (AGMA) took into account the results of a number of consultation exercises. This included the views of an independent panel of local business representatives and economists. They were satisfied that the proposals were acceptable for the bid to proceed.

This also took into account the results of an extensive engagement exercise with the local community and local businesses. Polls carried out by GfK NOP examined the views of 5,000 Greater Manchester residents and 1,000 local businesses. Results revealed that a slim majority of residents supported the call for congestion charging. Businesses were less supportive but a clear majority of both groups endorsed submitting the bid.

Now that this bid has been approved for Programme Entry status, a further round of public consultation has been launched to test whether the proposals are publicly acceptable and to provide evidence whether the Greater Manchester authorities should proceed with the package for final Government approval. The deadline for submissions is Friday 10 October 2008.

It has also been confirmed that a public referendum will take place in the Greater Manchester authorities in December 2008. This will be monitored by the Electoral Reform Society. For the scheme to succeed, it will need the support of at least seven of the ten authorities. A recent Ipsos MORI poll of some 5,000 residents was used to test the acceptability of the proposals. When asked the question “do you think the councils should accept this offer from the Government”, 53% of respondents

supported the offer, whilst 40% opposed it. When asked whether they themselves supported the proposal, support dropped to 41%. The different results for the two questions show how crucial the wording of the referendum question could be to the result. It has also been suggested in press articles that of the people interviewed a high proportion were already existing public transport users who would be, perhaps, more inclined to be supportive of the proposals.

## IMPLICATIONS FOR CHESHIRE EAST

The 2001 census data reveals some 28,440 Cheshire residents travel into Greater Manchester on a daily basis for work using a variety of modes. 64% of these trips originate in Macclesfield District. The equivalent number of trips for other purposes is not known but can be assumed to be equally significant. Of course, it should be noted that not all of these trips enter the proposed charging zone. A more detailed indication of the impact on Cheshire East residents is provided by some of the initial outcomes of the County Council's strategic transport model. This forecasts that some 12,669 travel to work trips take place from Cheshire to inside the M60 cordon on a daily basis. It can be assumed that the majority of these trips occur during the morning peak period and, hence, will be subject to the proposed charge. 82% of these trips are made by car with a further 3% of trips being made by car passengers. 13% of the trips are made by public transport, the majority (11%) by train.

The views of Cheshire residents towards road user charging was explored in the 2006 Cheshire Community Survey. This found that 62% of respondents considered congestion to be a problem in Cheshire. 73% considered this to be a result of the volume of traffic on the road. A number of options relating to charging were tested and in each case, the majority of respondents were against the introduction of road user charging. Nevertheless, 40% of respondents indicated that they would be in favour of road user charging but only if realistic alternative ways to travel were in place, it would reduce traffic levels and it would reduce the need for large scale road building projects.

The TIF proposals set out in considerable detail about the range of planned improvements for Manchester residents. However, there is very little detail about potential measures or benefits that could be provided beyond the authority boundary in the wider travel to work area. For Cheshire, there is only passing reference to improving capacity on the Mid-Cheshire Line and on the Stockport to Manchester Line with passing reference to links to Macclesfield, Alderley Edge and Crewe. There is no commentary on whether the proposed integrated ticketing or pre-payment cards will be available outside the current Manchester Passenger Transport Authority boundary.

Three improved park and ride schemes adjacent to mainline railway stations would be developed outside of the M60 just to the north of the Macclesfield Borough boundary, enabling residents to access the expanded and improved public transport network within Greater Manchester without having to drive into the congestion-charging zone. There would be an expansion of the existing facility at Heald Green, a new multi-storey car park at Cheadle Hulme and an expansion of the existing facility at Hazel Grove. These park and ride schemes would be well lit with 24 hour CCTV monitoring. Parking would be free for passengers making onward journeys by



public transport. Similar proposals are made for a park and ride facility at Birchwood, Warrington. Improvements to passenger interchange facilities at Altrincham and Stockport are also proposed – which if implemented has the potential to improve the journeys by public transport for some Cheshire East residents.

In the longer-term, the suggested benefits of the TIF proposals are increased investment and jobs and less road congestion in Greater Manchester. If this were to be correct, it is possible that traffic levels would reduce and overall journey time reliability would improve, particularly on key routes in to Manchester itself. However, the latest reports from the London scheme suggest that congestion levels are now back to pre-charging levels. If the scheme does bring about enhanced and sustained economic growth in the City this would also act to benefit the prosperity of the wider sub-region. Equally, the charge could encourage some businesses to relocate out of central Manchester to other areas, including Cheshire East.

## CHESHIRE LEADER'S RESPONSE TO THE INITIAL CONSULTATION

The Greater Manchester TIF bid was the subject of a detailed debate at the Leaders of Cheshire and Warrington Councils meeting which took place on the 29 June 2007. It was agreed that the following response would be sent to AGMA.

*Greater Manchester authorities have been at pains to convince Ministers and others that they are part of a city-region which extends into Warrington and North East Cheshire. It is clear that the proposals will have a significant impact on these areas and yet recent consultation was aimed at Greater Manchester stakeholders only.*

*The proposals clearly identify that if they are to deliver the full economic potential outlined in the study, that they will need to extend and improve the connectivity to labour markets outside the Greater Manchester administrative area. To achieve this AGMA has proposed a transport strategy involving a congestion charging regime that follows a significant package of public transport and highway investments. This approach has failed to address what highway and transport improvements could be necessary for those areas beyond Greater Manchester including Cheshire and Warrington. The acceptability tests identified have only been applied to Greater Manchester residents and not to those people and businesses beyond, who would also make a significant contribution to Greater Manchester economic success.*

*The Leaders resolved that:*

- 1. The current TIF bid is unacceptable to the Cheshire and Warrington sub-region as long as it fails to address the highway and transport improvements needed beyond the GM boundary into the sub-region*
- 2. The promoters of the bid should be asked to engage with Cheshire and Warrington to identify the impact of the proposals on the sub-region and what package of measures should be available in any future investment programme*
- 3. Following this assessment, a full and proper consultation should be carried out with Cheshire and Warrington residents and businesses, with the results shared with*

*the sub-regional authorities to help inform their position on the proposals.*

At its AGM on 26 July 2007, the Local Government Association - Cheshire Branch also discussed this issue and endorsed the unified response of the Cheshire and Warrington Authorities as set out above. It was agreed that, individual authorities would also want to make their own responses as part of the formal consultation process. The Halton Borough Council representatives on the LGA reserved their position.