



Regional Transport Success Stories

Delivery Themes

March 2025

Contents

I. Foreword	3
Regional Transport success stories	4
II. Executive summary	5
Executive summary	6-7
III. Regional transport as an engine for growth	8
Transport's role in growing the economy	9
IV. Key themes and insights	10
Transport as an enabler for growth	11-13
Set clear funding packages and utilise innovative financing models	14-15
Empowering local ownership enables fast decisions and develops in-house expertise	16-17
Customer experience: long-term commitment, with quick benefit release	18-19
Use data to move from transport operator to aggregator	20-21
Climate and sustainability: focus on the how	22-23
V. The future of regional transport	24
Upcoming legislative changes and assessing your maturity against the themes	25-26
VI. Defining regional transport and approach	27
What is regional transport & approach?	28
<i>References and End</i>	29-30

Foreword

Vernon Everitt



Foreword

Local control leads to local success

Well-connected regional transport networks are key to enabling city regions in the UK to generate growth and local prosperity.

With a government committed to devolving more power away from the centre, combined authorities in England and the devolved administrations of Northern Ireland, Scotland and Wales are all forging their own paths towards delivering better transport for people and businesses. This report chronicles some of the successes so far and pulls out the main themes that will drive further progress.

We are all restless for faster change. In Greater Manchester, the creation of the Bee Network—an integrated transport network combining bus, tram, active travel, and soon rail—is already better connecting people to new opportunities, businesses, services and each other. A similar story could be told of the directions in which other great city regions are heading. Moreover, despite the financial headwinds, there is a strong sense that our national and local political leaders want to move with greater pace, and be more ambitious on housing, jobs, education and wider opportunity for everyone. Better transport supports all of this and more.

The trailblazer deals for Greater Manchester and the West Midlands are templates for other English regions. Bus franchising too is gathering momentum. The Bee Network is already delivering higher bus patronage, better reliability, increased revenue and lower costs. The same story will follow in Liverpool, Leeds and beyond, as these regions move towards the bus franchising model under the government's new and improved bus legislation.

As is clear from this report, transport exists within a complex governance environment in which no policy can be delivered alone. Devolution has enabled combined authorities to successfully develop ever closer partnership working between the public, private and voluntary sectors, breaking down silos and putting places and delivery first. The key difference now is that locally accountable politicians are the guiding minds joining up transport in the interests of their communities, with decisions increasingly being made by those closest to the ground.

Paying for this isn't simple, of course. Historically, uncertainty surrounding capital funding for major projects and revenue funding for running services has held of all of us—and our economies—back. For services in particular, focusing on the profit and loss accounts of public sector operators has shrouded the wider benefits transport delivers across a range of policy objectives. There is positive change though. The new integrated financial settlements for combined authorities will enable us to allocate funds according to local priorities, working in close collaboration with central government to deliver our shared ambitions.

Patronage too has returned strongly in most parts of the country as regions grow—ridership on the Metrolink tram network in Greater Manchester has grown 13% year on year, and calendar year 2024 recorded the highest number of journeys in Metrolink's 32-year history, with record-breaking patronage totalling 45.75 million journeys. So now, more than ever, we need steady and sustained long-term investment to provide supply chains with confidence and local political leaders with the tools to make change happen. The stories told in this report show what can happen when these conditions are met. We all recognise the financial challenges the country faces, but this does point to a need to review funding and financing models for infrastructure investment. This is something which a future report might explore in more detail.

Major cities across the North are lagging behind their European counterparts when it comes to providing access to quality public transport networks, at a significant cost in lost productivity to the UK economy. With empowered local government, just think what city regions will be able to achieve as more and more gain the flexibility and freedom to determine their own public transport.

Everyone who has contributed to this report should be proud of what has been achieved. Now is the time to push on at pace to deliver the well-connected regional transport systems we need to power growth, productivity and local prosperity.



Vernon Everitt
Greater Manchester Transport Commissioner

November 2024

Executive summary



Executive summary

Regional transport is key to all our lives. Whether it's the commute to work or a journey to see friends, we interact with it every day. It is critical for the UK to meet its ambitions for economic growth, productivity, wellbeing and the environment. This report looks at some recent success stories and weaves them together into six themes. It also seeks to pose further questions about the future and how authorities can set themselves up for success.

Regional transport doesn't necessarily receive the attention of major infrastructure upgrades, such as HS2 or Terminal 5, which, while important for the UK's development, do not impact most people's ability to travel for work or to socialise. This report aims to change that. The last decade and a half has been challenging, starting with the Financial Crash, through Covid and the Cost-of-Living Crisis, all against a background of low economic growth and stagnating productivity.

Despite these challenges, and often unnoticed in wider political discourse, major improvements have taken place across the sector, in many cases driven by newly empowered combined authorities (CAs), mayors and transport commissioners. These improvements have included linking 'left behind' communities with job opportunities, electrifying bus fleets, delivering the Birmingham Commonwealth Games in record time, launching night buses and improving customer experience through better use of data or building traditional infrastructure. This is an exciting time for the sector as the government seeks to revitalise the economy on a constrained budget and is increasingly looking to devolution and the local improvements it can bring to communities. The government's December 24 white paper on devolution promises to "ignite growth in every region... (by ending) the 'cap in hand approach'... where towns and cities are pitted against each other".¹

This report is based on 14 interviews with regional transport leaders. They were asked, "What are you most proud of?" Responses covered a range of topics reflecting the passion people feel for their local areas and the ways in which they have innovated to deliver. We have taken these stories and developed them into six themes, to help shape discussion about success in the sector.

01. Transport as an enabler for growth: Transport doesn't exist for transport's sake. It needs to be considered within its wider context of delivering for the economy and society, focusing on how an investment will improve the lives of citizens and unlock a region's potential. Tees and the North East CAs have launched projects which focus on using infrastructure to link left behind communities to the wider economy and provide the connectivity for businesses to thrive. Transport for Greater Manchester (TfGM) has designed its recent night bus pilot around shift workers. Liverpool and Manchester have shown the possibilities from linking their cities, with a new line to create a joined-up economy with a combined GVA of £110bn. By focusing on the wider place and the people within it rather than transport in isolation, they have targeted their investments to deliver broad benefits.

Looking forward, regional authorities are about to receive enhanced powers in areas including housing, planning, energy, skills, employment and transport. Authorities will need to consider how transport can act as an enabler for achieving their wider goals in this new devolved world.

02. Set clear funding packages and utilise innovative financing models: Regional transport is funded through a variety of mechanisms - the main ones being the 'fare box' and central government grants. The reliance on subsidy is unlikely to change. In an era where funding for new projects is constrained, authorities have had to be creative when looking to generate capital for investment. Options discussed in this report include the selling and re-leasing of assets, borrowing against future business rates or developing Private Finance Initiatives (PFI) - each of these has a place but must be considered in context. TfL funded the Northern Line extension entirely through developer contributions and future business rates, however, this was only possible due to the development taking place in a prime location.

The Government has started devolving financial power to local authorities, with integrated settlements announced for TfGM and West Midlands Combined Authority (WMCA) from Financial Year 2025-26, with the North East, South Yorkshire, West Yorkshire and Liverpool City Region Combined Authorities planned for 2026-27. This freedom will allow local authorities to spend in a way which allows them to meet their needs and give them the confidence that they can begin a project without the worry that funding may be cut. In one interview, the cost of "stopping and starting projects" was estimated at between 10-30 per cent of overall costs.

Finally, funding is not just about projects and programmes. TfGM is aligning with credit unions to enable passengers to purchase season tickets, and so enjoy substantial discounts, with the recent increase from £2 to £3 of the bus fare cap, these policies will become increasingly important.

Looking forward, regional authorities will need to utilise their newly acquired powers to unlock investment opportunities. They will need to use innovative funding models to unlock capital and drive private sector investment, but they should also look to see how they can directly support citizens.

Executive summary cont.

03. Empowering local ownership enables fast decisions and develops in-house expertise: local government has transformed over the last decade, with the directly elected mayors and 'Transport for Xs' being created across the country. This process looks set to continue with new Mayoral Authorities expected in Greater Lincolnshire, and Hull & Humber.

Devolution of power creates a clear local drive and mandate for change, bus franchising in Manchester is seen as a direct consequence of the election of a Mayor. However, authorities also need two main things to deliver for their Mayor (or equivalent): technical know-how and control. Even the most proactive authority requires individuals who know how to turn a policy to electrify buses into a network of charging points linked to a timetable. For example, Translink sees its role as an operator as key to the successful implementation of the Belfast Glider. Direct operational control on the Translink model is not the only approach, but a clear role in the day-to-day operations is seen as beneficial by most authorities. While mayors can influence indirectly, greater control - for example through bus franchising, is seen by many as the key to driving change.

Looking forward, greater control will require authorities to develop new skills to drive change. Having a clear idea of the workforce they require, or recognising where they need to hire in support, will be critical to leveraging their new powers, and understanding where they need to leverage third parties to provide a capability bridge.

04. Customer experience: long-term commitment, with quick benefit release: operators and regional transport authorities are looking for ways to improve customer experience. Branding is an effective tool for advertising a service and building passenger loyalty. However, long-term plans are required to improve the overall customer experience. Reading Buses have adopted a 15-year rolling programme of upgrades to their fleet, and introducing integrated ticketing or integrated networks takes years. However, it is possible to rapidly release benefits within a longer-term programme, as shown by the Glasgow Tripper app, which experienced a 1,000 per cent increase in usage by moving to a digital platform, and delivered savings for passengers.

Looking forward, authorities should commit to long-term plans for improving customer experience (where they have not already), while looking to unlock benefits in the short-term.

05. Use data to move from transport operator to aggregator: data has become more readily available over the last decade. Good data can drive internal improvements, such as by monitoring operations to drive performance improvements. It can also be linked between third parties, with authorities acting as facilitators, Strathclyde Partnership for Transport were able to provide passengers with a single view of bus performance across operators by setting standards for roadside information. However, in the future authorities will need to consider how they make their data available to third parties, to enable new services to be delivered for passengers.

Looking forward, authorities will start to move from being transport operators to transport aggregators, providing access to their data so that third parties can provide services which add to the existing network.

06. Climate and sustainability: focus on the how: meeting Net Zero targets and improving air quality are key policy objectives for government at regional and national levels, and transport has a key part to play. Authorities are beginning to explore the 'how'. Key questions remain unanswered, such as what is the appropriate mix of battery and hydrogen powered buses. Translink and TfW are experimenting with blended fleets, while Liverpool CA is focused on battery powered buses. Whichever approach is taken, the power for the electricity or hydrogen will need to come from renewable sources to ensure climate targets are met. Translink is working with a local windfarm to meet its power requirement, while Liverpool CA is considering the world's largest tidal power plant to meet its requirements.

Looking forward, authorities will need to scale their low emission fleets, considering which technology is best suited to their geography, and how they will power it. They will also need to consider how to fund the transition.

The purpose of this report is to encourage discussion and consideration of these themes, as decisions are made about further devolution and funding priorities during the Spending Review. It is hoped that individuals from across the sector can learn from each other's case studies and that this will stimulate debate which will help future projects succeed. The report ends with an overview of key legislative changes, and a maturity matrix to allow organisations to test themselves against the six themes:

- Are you able to align your strategies across your portfolio (housing, skills, environment, etc) with transport acting as an enabler?
- Are your investments and operations on a financially sustainable footing?
- Do you have the in-house capability and capacity to deliver front-line improvements?
- Do you have a long-term plan for delivering improvements to customer experience, while releasing benefits in the short-term?
- Is your data allowing you to act as a transport aggregator (bringing in third parties to deliver additional services)?
- Does a clear plan exist for achieving your green goals?

Regional transport as an engine for growth

A growing economy is underpinned by a range of factors, including; good government, entrepreneurship, and human capital. Transport links are just one element—but without good transport links, access to employment and education, goods, services and leisure becomes inequitable, limiting potential to drive economic growth.



Transport's role in growing the economy

The new Labour government has made economic growth one of its five missions, specifically, "to secure the highest sustained growth in the G7— with good jobs and productivity growth in every part of the country making everyone, not just a few, better off".² Regional Transport will be critical to achieving this goal.

There is a consensus that one of the core challenges facing the UK is poor productivity and low growth. A report from the Resolution Foundation "Ending Stagnation", states that real wages grew by 33 per cent per decade between 1970 and 2007 but have since flatlined costing the average worker £10,700 a year. When compared with France, Germany and the US, Britain's poor productivity growth has cost £3,400 in lost output per person.³

Regional Transport can be an engine for reversing these trends. In a list of essential factors for businesses, the Urban Transport Group found that 42 per cent consider "transport links with other cities and internationally" to be essential.⁴ The UK economy is made up of small and medium enterprises (SMEs), which account for 99.6 per cent of the total businesses in the UK and that these account for 44.6 per cent of the UK's employees.⁵ Without ease of 'commutability', these businesses will struggle to grow. The green paper, Invest 2035, acknowledges this:

"Growth-driving sectors also require high-quality infrastructure and transport connectivity. A resilient, safe, and secure transport network provides access to social and economic opportunity, and is fundamental to business investment and location decisions. A lack of infrastructure is holding back the growth of major city regions such as Manchester, where lack of transport is estimated to cause a productivity gap of £8.8 billion each year".⁶

Beyond the immediate impact on jobs, trade, and community development, excellent regional transport links offer a wealth of additional benefits, including improved sustainability, reduced inequality, and enhanced health and social wellbeing. The importance of regional transport is part of the driving force behind the devolution agenda, with power shifting to local leaders to leverage transport as a catalyst for positive change, driving economic growth, promoting environmental responsibility, and fostering social inclusion within their communities. By prioritising regional transport, we pave the way for a future where economic prosperity is interwoven with a higher quality of life for all.

Despite this, transport projects are often not considered in terms of the future growth they will bring, with the focus instead being on the immediate cost and benefit. A recent Arup and Urban Transport Group report, 'An assessment and ambition for a new government', calls out the lack of a clear national strategy linking transport with economic growth, arguing that this in turn undermines investment, and so drives the low-productivity cycle the UK finds itself in.⁷ The current government is working on an industrial strategy, and has made positive moves to empower local leaders to deliver improvements in regional transport.

It is critical that they are successful, improved transport links are an essential enabler for economic growth and have the capacity to dramatically improve the day-to-day experience of people across the UK.



A lack of transport (in Manchester) is estimated to cause a productivity gap of £8.8 billion each year

Invest 2035—White Paper



Key themes and insights

Following 14 interviews with 12 regional authorities, six cross-cutting themes have been identified. These are explored below, with case studies from across the UK included to showcase the success which have been achieved, despite challenges from the 2008 Financial Crash, COVID-19 and the cost-of-living crisis.



Transport as an Enabler for Growth

Transport is not an end in itself, but an enabler for wider change. Investments must focus on delivering for people and the wider place to deliver growth.

All local leaders want to improve outcomes for their local area. Upcoming changes to devolution will give them enhanced powers across housing, the economy, skills, and transport to achieve this. However, to be successful they will need to build long-term strategies which reflect the interaction of each facet of their region, such as skills, jobs, opportunities, and communities.

Successful transport projects are enablers for the wider goals, linking communities with each other, the unemployed with jobs, or provide a catalyst for investment. Broadly, they focus on how to transform a place, or drive improvements for specific groups.

Tees Valley Combined Authority (TVCA) has utilised central government funding to develop its local train station. **TVCA** looked beyond the station upgrade, focusing on how it would develop the town centre and transform the experience of visiting business leaders, encouraging them to invest in the local business parks. It also set out how it would improve travel experience nationally. This broader focus ensured approval for the case by demonstrating broader value.

West Yorkshire Combined Authority (WYCA) have also taken this place-based approach to the development of Leeds. **WYCA** have used transport to reimagine the city centre. By pedestrianising and improving public transport links, including mass transit links to left behind communities in Bradford and Leeds, **WYCA** has been able to attract new investment into the city and improve opportunities across West Yorkshire.



Railway lines are now shaping economic growth in West Yorkshire

— **Simon Warburton**
Executive Director, WYCA



Beyond physical infrastructure, it's critical to directly link transport to the needs of local people. The **North East Combined Authority** has focused its transport projects on linking left behind communities with training and employment opportunities. This has included thinking about the time it takes a young person to reach a training course, and the impact that reducing this by over an hour each day has on their life chances. They have also prioritised metro connections between population centres and major employers. By doing so, they have directly linked transport investment to improving people's opportunities.



Looking at public transport solely through a profit/loss lens, ignores the wider economic growth which public transport is an enabler for

— **Vernon Everitt**
Transport Commissioner, TfGM



Tees Valley Combined Authority—looking beyond the immediate costs and benefits at the wider economic landscape

Tees Valley Combined Authority oversees an area whose economic growth had fallen behind the rest of the UK. The Tees area has a Gross Value added (GVA) per capita which was 71.5% of the UKs in 2017, with the gap only expected to increase.

A plan to develop Darlington station sought to help to address this. The investment had a 'medium' cost/benefit ratio, but also focused on wider growth. The project was linked to the wider redevelopment of the Town Centre, including new multi-modal transport links, and to national benefits through improvements to the East-Coast Mainline (ECML) as part of the Integrated Rail Plan, arguing that the "scheme is an essential part of the package of improvements envisaged for the ECML by the Government in order to deliver increased capacity, improved performance, and reduced journey times".

By developing a clear linkage to place and to wider national benefits, the case received funding approval.

West Yorkshire Combined Authority—a transport-oriented approach to placemaking

West Yorkshire Combined Authority is leveraging its rail and bus networks as catalysts for economic growth and inclusive development. This multi-faceted approach centres on:

Transforming Leeds City Centre: by prioritising pedestrians and public transport, Leeds has undergone a dramatic transformation. Removing traffic from key areas like City Square and investing in bus-based park and ride schemes have created a vibrant, pedestrian-friendly city centre. This shift has attracted high-quality retail and leisure investments, positioning Leeds as a desirable destination to live, work, and play.

Unlocking growth corridors through Mass Transit: West Yorkshire is developing two key mass transit corridors to connect Leeds with surrounding areas, stimulating economic activity and revitalising communities:

- **Corridor 1 (Leeds Line):** This corridor links the city centre to the burgeoning South Bank area, home to a growing start-up cluster. By leveraging existing anchors like Elland Road Stadium and White Rose Shopping Centre, this line will attract further investment and create new opportunities.
- **Corridor 2 (Bradford Line):** Connecting Leeds to Bradford, this line is breathing new life into neighbourhoods like Armley, Bramley, and Pudsey. A new station in South Bradford will act as a catalyst for regeneration, attracting businesses and residents.

Transport as an Enabler for Growth



Currently, if you are a young person without a car and no academic background living in Blyth, you have to get a 75-minute bus to access training. When the Northumberland Line opens this trip will only take 35 minutes

— **Tobyn Hughes**
Transport Director, North East CA



The importance of people within planning, is also demonstrated by **Transport for London (TfL)**. New housing developments require transport links from day one, before people purchase cars and use public transport by exception. This requires funding to bridge the gap until the route becomes commercially viable, which **TfL** provides through developer contributions and with business rates. By factoring transport planning into a housing development **TfL** is meeting people's needs and so supporting its strategic objectives.



It isn't enough to link a new housing development to the public transport network after enough people have moved in to make it commercially viable. By then people have bought cars. The link needs to be in place from when first people move in.

— **Patrick Doug**
Group Finance Director, TfL



Transport for Greater Manchester (TfGM) shows the level of detailed planning which is required to achieve a goal. **TfGM** deployed a night bus to enable shift workers to travel without the need for taxis. By engaging with the local hospital, it was able to align its timetable with the end of the night shift, ensuring the success of the service and allowing staff to make significant savings on their travel.



By actively engaging with local stakeholders (hospitals and businesses) we were able to make minor adjustments to timetables which ensured that the night bus worked for shift workers. With a small amount of proactivity, it's possible to make a real difference for people's lives

— **Fran Wilkinson**
TfGM



North East Combined Authority—focusing on delivering for people and places

North East Combined Authority covers some of the most deprived areas of the UK, with certain towns cut off from the local economy for any individual without a car. This limits opportunities from a very early age. In response, the North East CA has launched a fare scheme targeting young people with dramatically reduced costs. Tobyn Hughes set out the ambition:

“Currently, if you are a young person without a car living in many towns in our region, you used to have to get an often expensive bus ride to access training or further education. Our “Get Around for a Pound” ticket for people aged 21 and under is valid on bus and metro across the entire region and has transformed young people’s travel choices—since it launched over 20 million people have used the ticket, growing this market by 25 per cent.”

The decision was taken to target this age group, as they are either in post school education or starting out in their first job. The scheme puts money in the pockets of those most in need and also broadens geographic horizons when looking for work or training.

The success of the £1 ticket can be seen through the 25 per cent increase in the youth market in the year since it was launched. This scheme was enabled by three things; central government funding through the Bus Service Improvement Plan (BSIP), and an Enhanced Partnership with local bus operators and the Authorities’ ownership of the Metro which enabled a joint approach to ticketing.

The £1 ticket for young people will also be valid on the Northumberland Line which will open shortly—a project for a new railway led by Northumberland County Council that will radically improve the transport links available to people living in towns like Blyth and Ashington that have high unemployment and low levels of educational attainment. The new line will allow seamless interchange with the Metro system, with the £1 fare valid for a through journey. Similar thinking is being applied to the North East Combined Authority’s proposed extension of the Metro to Washington using the Leamside Line, which will link major local employers including Nissan and Amazon and brownfield sites with “some of the most left behind communities in the country” according to Tobyn Hughes.

Transport as an Enabler for Growth

Finally, a people and place-based approach does not need to be limited to a particular region. **Liverpool City Region CA's** redevelopment of Liverpool Central Station will deliver economic development within the city, but by working in partnership with Manchester it is also linking together two economic hubs, with the Liverpool City Region Investment Zone connected to Manchester Airport and Manchester Piccadilly. This new line will boost passenger numbers, but will also take freight, helping to cement Liverpool's position at the centre of trans-Atlantic trade.



By linking an investment links to wider goals, these authorities have been able to make an impact on their local area, which goes far beyond improving commute times. They are considering how their investments will impact the wider place and the people within it—driving economic growth and improved outcomes for their citizens.

TfGM—Linking transport connections to jobs

TfGM launched a night bus pilot in September 2024, which was a Mayoral commitment, and a response to customer feedback, “People were saying to us ‘we would use public transport, but it doesn’t run when my night shift ends’”, says Fran Wilkinson, Customer & Growth Director.

TfGM deployed a night bus in areas where the first and last bus of the day had high patronage, but they also worked with local businesses and big employers to understand shift patterns and tailor timetables accordingly. This was combined with a joint communications campaign to publicise the new service, “we want passengers, and they want staff to be able to get home, so it’s a win-win”, says Fran. Since launch, patronage has grown every week.

Furthermore, this service was aimed at low-income people, who were paying for taxis after each shift. Meaning that there are broad societal benefits to the night bus.

Liverpool City Region CA—Linking the regions

Liverpool City Region CA is redeveloping Liverpool Central Station through a £2.5bn programme, funded by private developers, the Combined Authority itself, and potentially by the UK Government. The investment will grow GVA (Gross Value Added) from £35 billion in 2021 to £45 billion in 2035, increase the proportion of knowledge-intensive businesses from 22% to 26% and enable 200,000 additional journeys per day.

However, it is the partnership with Manchester which is perhaps the most exciting part of the development. A new, high-speed rail line will run through new stations at Warrington Bank Quay and Manchester Airport, connecting the Investment Zones in Liverpool City Region and Greater Manchester via prime development sites. The current connection was the first inter-city railway, built in 1830 by George Stephenson.

Mayors Burnham and Rotherham, with leaders across the North-West, have established a Liverpool to Manchester Rail Board to oversee the plans. Enhanced rail connections between Liverpool and Manchester are critically important for the economic success of both cities and which have a combined GVA of over £110billion. Furthermore, the line will enhance freight movement, confirming Liverpool's position as a gateway to the Atlantic. It is hoped that the new scheme will generate benefits of £7bn per year and support the creation of 50,000 new jobs by 2050.

Set clear funding packages and utilise innovative financing models

Authorities will need to innovate to generate capital for projects and diversify their revenue base, especially when central government funding is constrained

In the UK, transport initiatives are funded through a mix of government grants, local authority budgets, fare revenue, and private investment. The funding structure varies depending on the type of transport service and the specific needs of the area. For most regions, funding is set over a long timeframe, via Local Transport Funds (LTF), currently for 2025-2032. However, this is not always the case, with knock-on consequences, as one leader pointed out:

“A large infrastructure upgrade can take 5-7 years, I can't let a contract if I am not certain I will have funding for the duration”

The absence of long-term funding led to the delay of planned deep tube upgrades on the Central and Bakerloo lines. TfL have managed this challenge by looking at innovative ways to finance investments, for example, an upgrade to the Piccadilly line is being progressed with capital generated by selling Elizabeth Line trains and leasing them back.

More broadly, tight budgets have led local authorities innovate when it comes to generating revenue and capital. This has taken a variety of forms, including borrowing against future business rates, utilising Section 106 funding, and re-investing local income. These are explored in our [TfL](#) and [Reading Buses](#) case studies.

Reading Buses—Reinvesting local income

Reading Buses is owned by Reading Borough Council, operated separately as an arm's length company. The service generates a significant portion of its income from fare revenues, with very few services receiving financial support from local government sources. As a publicly owned entity, the shareholder has been able to allow the company to reinvest the dividends that private shareholders might extract as a return on capital investment as a social dividend. This, for example, allows it to maintain a better than average fleet age.



The stop/start approach to funding infrastructure comes with a 10-30 per cent cost increase. Expenditure needs to be managed year to year, but the costs of short-termism are often overlooked

— Patrick Doig
Group Finance Director, TfL



Transport for London (TfL)—managing uncertainty and funding the gap

Transport for London (TfL) delivers significant capital programmes and has had to develop new approaches to funding. As Patrick Doig says,

“Since the early 2010s, it has been a struggle to initiate new projects due to a lack of clarity on funding. We have had to look at new approaches for generating capital. Business rates have been an invaluable source of income to borrow against”

The success of this approach can be seen in the Nine Elms (Battersea) development. The Greater London Authority (GLA) provided £1bn of financing, to be repaid via future business rates and developer contributions, which covered the full cost of extending the Northern Line and building two new stations. This in turn supported the wider development of the region around Battersea Power Station. However, the approach comes with a caveat, Patrick said that,

“Battersea has a uniquely high land value, which in turn increases future receipts. As a rule of thumb, for most projects this model can generate a third to half of required funding—leaving a funding requirement from central government”

A similar approach also works for operational expenditure, where Section 106 Contributions can support transport routes for new developments where the challenge is low demand for public transport, at least until people and businesses move into the area. Consequently, any connection with the development will not be commercially viable in the short-term. However, by the time the route is commercially viable people will have purchased cars. By using Section 106 Contributions, TfL has found it can break out of this cycle.

In the past, TfL has made use of Public Finance Initiative (PFI) schemes to deliver upgrades, however, these have not always been successful. An early programme to maintain and upgrade London Underground lines was deemed unsuccessful, given the complexities of working with legacy assets that are in use.

However, the new Silvertown Tunnel (a tunnel under the Thames) has been successfully fully financed through the private sector, with revenue generated through user charges (discounts will be provided for those on low incomes, and local business while blue badge holders will be able to use the tunnel for free).

Set clear funding packages and utilise innovative financing models



Putting money back in people's pockets is a brilliant way to make an impact. When we looked at the experience of people on lower incomes, we realised that a key challenge was the affording the better value annual tickets. Access to cash via the credit unions means £240 back for people who need it most

— **Fran Wilkinson**

Director for Customer & Growth, TfGM



Another means of generating funding is the Public Finance Initiative (PFI). This approach is controversial, and the number of PFIs fell during the 2010s before being abolished by the then Chancellor of the Exchequer, Phillip Hammond, in 2018.⁸ However, others have taken a more nuanced view. In a recent report, Arup and the Urban Transport Group, set out 6 critical success factors for Public Private Partnerships (PPPs) of which PFI is a form.^{9,10} These include where the project generates a defined income, where the project is reasonably segregated from other infrastructure and where there is a transport corridor with strong levels of demand. The experience of **TfL** demonstrates this, with successful cases such as extensions to the Docklands Light Railway (DLR) and the currently under construction Silvertown Tunnel financed through PFIs or PPP arrangements. Where these factors haven't been in place, **TfL** have generally found PFIs to be less successful.

Finally, funding isn't only a question for Transport Authorities, but also for passengers, especially during a period of falling or stagnating living standards. Accessing season tickets usually brings significant discounts, but with significant upfront costs they are often out of reach of those who need them the most. **TfGM** has responded by setting up a credit union, to allow individuals to buy season tickets and make significant savings—without needing to build up capital.

Authorities are currently waiting for the June 2025 Spending Review to fully understand their financial position. Whatever the outcome of the Spending Review, it is certain that transport authorities will need to continue to be innovative when it comes to unlocking funding.



A large infrastructure upgrade can take 5-7 years, I can't let a contract if I am not certain I will have funding for the duration

— **Patrick Doig**

Group Finance Director, TfL



TfGM—Providing Direct Financial Support to Passengers¹¹

Transport for Greater Manchester (TfGM) launched a new annual bus pass for Greater Manchester residents, in January 2025. Costing £800, it offers significant savings on public transportation. This initiative, spearheaded by Mayor Andy Burnham, aims to alleviate the financial burden of travel costs amidst the ongoing cost of living crisis. The pass is available through TfGM but passengers are also able to purchase the pass through a consortium of Credit Unions, allowing individuals to spread the cost throughout the year with a no-interest loan. This translates to savings of almost £5 per week, £20 per month, and up to £240 annually compared with standard fares.

This programme is part of a larger effort to integrate and improve the affordability of public transportation in Greater Manchester. Mayor Burnham attributes the success of this move due to TfGM “leading the way in bringing buses under local control after almost 40 years”. The initiative has been praised by figures like Salford City Mayor Paul Dennett, who called it “fantastic news for local people” and highlighted the benefits of a “public-controlled regional transport system”. Robert Kelly of ABCUL also lauded the collaboration, stating that it “marks a pivotal stride in enhancing affordable transportation for communities across the region”.



Regional Transport has always relied on subsidises, this has only increased since Covid and Ukraine; the question for policy makers is, do we want to stand-still or progress

— **Steve Warrener**

Finance Director, TfGM



Empowering local ownership enables fast decisions and develops in-house expertise

Local leaders drive decision making, based on their knowledge and experience. This power is compounded when they have control of operational levers, and they have the in-house skills and capability to deliver.

Since 2010, there has been a rapid growth in Combined Authorities and 'Transport for Xs', alongside legacy organisations such as TfL and TransLink. This growth is set to continue, with plans for Greater Lincolnshire, and Hull & Humber to gain elected mayors in 2025. Local mayors, and regional transport organisations, have a huge capacity to drive change. These organisations vary considerably, with some acting as a direct operator, and others as a coordinator.

Regardless of the model, the two key themes that have emerged from our interviews are: 1) mayors are valuable figureheads with considerable convening power, and 2) this needs to be supported by operational levers and skill sets.

Mayors can utilise their personal authority and relationships to speed decision making and drive forward key projects. For example, the strong relationship **Tees Valley's** Mayor Ben Houchen has built with the local bus company and with Network Rail is credited with the fast delivery of key projects and the electrification of the fleet.

A similar role can also be provided by a regional event. When Birmingham hosted the Commonwealth Games in 2022 (accelerating their bid by 4 years), it needed to fast-track the delivery of key infrastructure projects to cater for demand uplift and legacy infrastructure. The clear (and immovable) deadline, combined with a desire to deliver on the world stage, enabled **TfWM** to deliver projects—such as Perry Barr Rail Station and Bus Interchange upgrade and A34 Sprint (Bus Rapid Transit) and in record time, although at an increased cost.

“With the Mayor chairing our Project Board, and our excellent relationship with Network Rail (NR) senior management, we have been able to progress from Strategic Outline Case (SOC) to securing substantial funding from DfT to deliver a major £140m investment in Darlington railway station within 5 years. Similarly, we've built a relationship with senior management to encourage Stagecoach to make an additional investment in electric buses, on top of the ZEBRA programme, to make their Stockton depot all electric

— **Tom Bryant**
Director of Infrastructure, Tees Valley CA

“

We have a simpler model than the rest of the UK with the Department for Infrastructure providing oversight and Translink delivering on the ground. Our structure enables us to develop a dynamic culture where we focus on 'what is the right thing to do' and 'when can we do it

— **Chris Conway**
CEO, Translink

”

Translink—Operational experience enables policy implementation

Translink worked with Northern Ireland's Department for Infrastructure to introduce the new innovative Glider Service, operated by bus-tram rapid transit vehicles, to enhance travel between East and West Belfast and into Titanic Quarter East of Belfast City Centre. Glider has been a standout success in Belfast, with an increase in patronage on the routes served by 70 per cent between 2014 and 2018/19, with passenger journeys today well above pre-covid levels of patronage.



Empowering local ownership enables fast decisions and develops in-house expertise

TfWM—Using the Commonwealth Games to drive delivery of an Integrated Transport Programme

TfWM unexpectedly became responsible for preparing for the Birmingham 2022 Games in 2018; Birmingham's original bid was for the 2026 games ('the Games').

Capital transport projects were already regional commitments, most of which were due to be delivered by 2026. With the award for the 2022 Games there came a need to accelerate the completion of several capital projects.

National, regional, and local partnerships were forged early in the planning and were essential to successful delivery. A critical component for the transport community (authorities, agencies, operators, partners) and Games teams was to work together to balance local and Games transport experience to keep the network moving whilst balancing demand versus capacity.

While Mayors can act as a figurehead, the ability to drive change is significantly advanced if an organisation has the in-house skills and power to deliver. Many authorities are looking to adopt a bus franchising to allow them to, for example, determine levels of service provision, while other organisations utilise their legacy powers to effect change. Without these skills and powers, authorities often find they are limited to writing strategies and attempting to influence organisations who are not directly incentivised to listen. Translink has found that their operational control allows them to implement policies effectively, while the **North East CA** has found that its experience of running the Metro gives it credibility and capability to implement changes.

Taking on accountability for operations, either directly or through franchising, requires people with the right skills. Nexus has managed the Metro since before the **North East Combined Authority** came into existence, meaning the North-East has a wealth of experience to draw upon. Newer authorities will need to consider how they develop these skills as they expand their remit.

Nexus (the delivery arm of the North East CA)—The importance of operational knowhow

NEXUS identified an opportunity to expand its metro services by utilising a freight line which sat next to its metro line. Freight trains only ran twice a week, so the asset was underutilised. Nexus were able to purchase the track from Network Rail (NR) for a peppercorn fee, and with some investment connect it to their Metro line. The key enabler was local control over the track and signalling, which made the investment easy to deliver.



We have experience of running ferries, a metro system, and of managing a complex asset financed by the private sector, the Tyne Tunnel. This gives us credibility when engaging with DfT or other national organisations and means we have a seat at the table

— **Tobyn Hughes**
Transport Director, North East CA



The UK Government's December 24 White Paper on English Devolution presents opportunities for authorities to go further.¹⁶ Not only does it encourage franchising, but it also suggest mayors will get enhanced powers over local rail. This has the potential to allow mayors to integrate their transport networks, significantly improving passenger experience. They will need to ensure they have the right capabilities in place to fully utilise their new powers.

TfGM—Gaining the power to drive change

TfGM has delivered successfully delivered Bus Franchising, on time and on budget, across Greater Manchester's bus network. The change has been credited with some significant improvements, including:

- Increasing year on year **patronage** by 5%
- **Reducing** ticketing **costs** by 15% (using BSIP funding)
- Increasing **punctuality** from 69% to 80% in the first area to come under local control
- **Growing** the network, including introducing a **night bus** pilot
- **Electrifying** bus fleet, from 1% to 25% by Spring/Summer 2025.

Furthermore, the Bee network is now a well recognised brand, with TfGM seen as a leader in the development of regional transport. These changes are all linked to the creation of the position of Mayor, and the subsequent decision to franchise the network. Establishing a mayor gave the political impetus to drive change, and allowed TfGM to intervene to improve the network.

However, the process of franchising was a difficult one. It took TfGM seven years to implement, from the original case for change to launching the network. It was also costly, with £100m required to purchase the bus depots and another £100m to navigate the Judicial Review, build a case for change and prepare the organisation. Although, as Steve Warrener noted, this "*may have parted the waves for other authorities*", making the Judicial Review process easier to navigate.

There are also lessons learned for other organisations. One is on the adoption of on bus technology, "*the pressure is to go faster, and we specified that everyone should transition to new technology, with hindsight we should have progressed more slowly and understood what existing technology was fit for purpose*".

Despite these challenges the Bee Network is held up as a proud achievement for TfGM.



Customer experience: long-term commitment, with quick benefit release

Improving customer experience through integrated ticketing and networks can drive passenger uptake. Quick solutions provide benefits, but a long-term commitment, with steady benefit release, should be the aim.

Regional transport authorities across the UK are increasingly focused on making public transport the method of choice.

Short-term changes, such as introducing a clear brand can drive up passenger numbers. This was the experience of **TfL** with the Superloop, which has its own unique brand aimed at raising passenger awareness of the new service.

Other changes require a longer-term commitment. For example, **Reading Buses** has a 15-year plan of renewals for its fleet, this commitment has allowed them to ensure their fleet has WiFi and USB charging, with modern interiors which focus on customer comfort. This approach ensures a steady flow of modernised buses onto Reading's network.

Recent white papers and government announcements¹² have focused on creating integrated networks. This term includes establishing integrated ticketing, improving intermodal connection, and the use of digital platforms. These changes will require long term plans, similar to **Reading Buses**, but larger in scale.

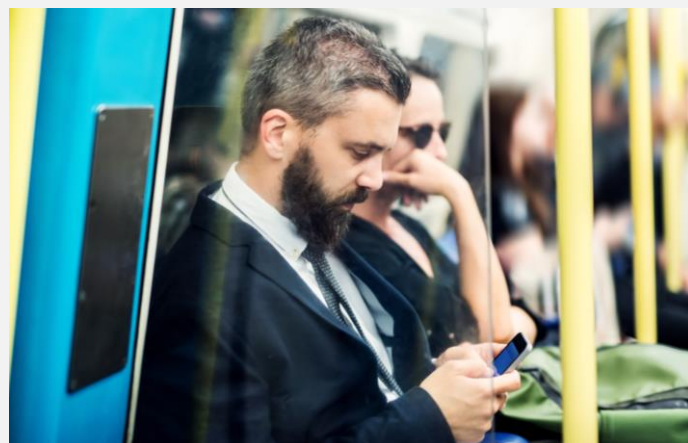
Integrated ticketing, with a single ticket across different modes and operators, underpinned by fare caps, on a digital platform, is seen as critical to driving up passenger numbers. A Deloitte study in 2023 looked at public transport mode share against the number of transport modes covered by a single ticket across major European cities.¹³ This showed a correlation between integration and mode share, although the report noted that other factors such as fare level and quality had an impact.

The UK's deregulated public transport network presents a challenge for the adoption of integrated ticketing. While it could be argued that deregulation has fostered innovation and competition amongst operators, it has also resulted in a fragmented system with differing technologies, fare structures and levels of integration across the regions, thereby affecting ridership throughout the UK.



Once you have contactless ticketing in place, it is easier to divide up revenue between different operators

— **Patrick Doig**
Group Finance Director, TfL



Reading Buses—Focus on customer comfort over the long term

Reading Buses have focused on the quality and accessibility of its fleet. It aims to refurbish buses after 5 years, and then either sell or cascade them onto schools after 10 years (a full lifecycle is 15-16 years). Every year they aim to replace 10 per cent of their bus fleet. Each bus features distinctive branding, and most offer café style wood effect flooring, high backed seats, glazed staircase & roof lights, audio visual next stop announcements, free WiFi, USB and wireless phone charging, and social seating areas. Reading Buses strategy is to match private car and retail environments for comfort. This focus on quality has helped to generate an increase from 102.7 journeys per head in 2012/13 to 137.5 journeys per head in 2019/20.

Glasgow Tripper—early benefits in a long-term programme

Glasgow Tripper is a ticketing system which allows passengers travel on all bus operators. Originally it was launched as a Smart Card and was used for 3,000 journeys per week. The assumption was that it was a niche market. However, when the decision was taken to launch on smart phones, this increased to 70,000 journeys per week. This sudden uptake has huge benefits for consumers. A regular commuter could have been spending £44/week on tickets, with Tripper this falls to £26/week—a 41 per cent saving. Tripper has increased frequency, Glasgow Hospital was served by 3 operators and passengers would have to wait for the 'right bus', being able to ride with any operator has increased frequency from 30 minutes to 5. According to John Elliot of Glasgow Tripper, the key lesson is "I use the platform customers want, they will buy".

The Tripper ticket fits within the wider strategy of the Scottish Government to drive forward integrated ticketing across Scotland by over the 2020s¹⁴. It shows that major programmes can release early benefits.

Customer experience: long-term commitment, with quick benefit release

Some of the challenges Deloitte sees, and which have been set out by the Urban Transport Group¹⁵, include:

- Deploying hardware to take payments across operators
- Gaining support from the suppliers to implement the new system
- Simplifying fare structures, not just between routes but between different passenger types and modes
- Ensuring equitable division of revenue between operators

However, it is not necessary to deliver integrated ticketing through a 'big-bang'. The experience of **Glasgow Tripper** demonstrates that significant benefits can be achieved through moving a smart-card onto a digital platform, with ticket usage increasing by 1,000 per cent and passengers receiving significant savings. The experience of **TfL** also suggests that revenue sharing becomes simpler, once digital payment methods are adopted.

Physical integration presents a far more significant challenge. However, **TfL** demonstrates what is possible with forward planning if an opportunity does present itself. The development of Brent Cross West was focused on providing connections via bike and bus with major transport infrastructure such as HS2 and Luton Airport.

A driving force behind the government's devolution agenda is the idea that regional leaders will be best positioned to integrate their transport connections. To be successful, authorities will need to develop long-term plans to allow them to deliver stepped improvements as time and resource allow. A gradual, long-term approach should also include the continuous release of benefits.

TfL—Brent Cross West, building inter-modality through infrastructure

TfL opened Brent Cross West in December 2023, and was the first new mainline station in London in over a decade. Positioned on the Midland Main Line between existing Hendon and Cricklewood stations, it provides passengers with a 12-minute services to King's Cross St Pancras. There are also direct connections to Farringdon for Elizabeth Line services (Crossrail) and to Luton airport.

This provides residents and visitors with a true interchange for multiple transport modes—there is a bicycle storage facility, with good cycle links to the surrounding area. The local development design has enabled TfL to cost effectively adapt local bus routes to serve the new station effectively, effectively increasing the catchment area of the station.

In addition, the multi-modal nature of the station has allowed for future connections—Brent Cross West station will be able to accommodate the planned West London Orbital (WLO) line in future, which will provide additional cross-London services, and potential links to the HS2 line.



Use data to move from transport operator to aggregator

The expansion of data over the last decade presents an opportunity to improve customer experience and system operation. In the future, authorities are likely to move away from being transport operators, and become transport aggregators, where they use their data, powers and finances to deliver services through a network of third parties.

Data provides significant opportunities for the owner, provided they can deploy the technology to collect it and the skills to analyse it. Smart use of data enables organisations to improve performance through, for example, predictive maintenance, understanding vehicle performance (especially for battery powered buses), and to track ridership.

The value of this approach is demonstrated by case studies at **TfGM**, who utilised data to target and resolve customer concerns, and **Network Rail**, who were able to improve performance while reducing costs.

Authorities can derive further benefit from data by bringing together third parties. Strathclyde Partnership for Transport (SPT) demonstrate how regional authorities can drive this. By setting standards across is over 30 operators, SPT was able to provide passengers with a single source of truth regarding bus service information, with roadside displays matching the Traveline Scotland App.

However, it is possible to go further still and consider the value of data to third party organisations. Invest 2035, the government's green paper industrial strategy, states that (emphasis added):

“using public sector data as a driver of growth, including the proposed National Data Library, so that prioritised public data assets—for example from transport to environmental data—are an essential part of the UK's broader, forward-looking approach to data access, with better use of public data economy-wide”¹⁶

Acting as an aggregator can help bring new services to passengers. This is particularly valuable in remote areas, such as parts of Wales, which public cannot reach, but can get passengers most of the way.



Tourists don't use public transport in Wales because everything they could visit is remote, if we can resolve the 'last mile' we will be able to encourage people onto Public Transport.

— James Pryce
CEO, TFW



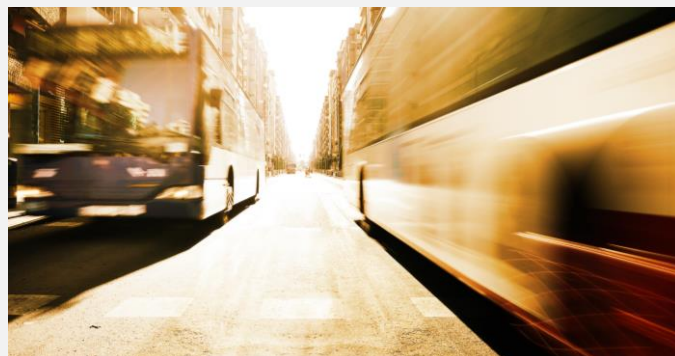
Network Rail—utilising digital technology to reduce costs and improve performance

The East Coast Mainline is a vital artery in the UK's rail network, with over a third of the population living within 20 minutes of station on it. The East Coast Mainline is updating its signals from traditional 'trackside' signalling to 'in-cab' digital signalling, with the first digitally signalled passenger trains operating from late 2023. This change will reduce costs as trackside signals will no longer need to be maintained, increase capacity as trains will be to run closer together, and will increase performance as drivers get real-time data on the safe-maximum speed. This new technology requires people, processes and tools in place to manage the underlying data within the digital systems and provides the opportunity to exploit data to run a safer, higher-performing railway. Network Rail established a new organisational team to provide the route with a data management capability to provision a single cloud-based data platform and develop data products and services to generate wider business value in areas such as traffic management, diagnostics and process digitisation.¹⁷

TfGM—utilising data to improve customer experience

TfGM is utilising the data derived from its surveys to improve customer service. They found that customers' primary cause of dissatisfaction was “waiting for a bus”. This led to updates to the TfGM Bee Network App which allows passengers to track buses in real time, and to forecast likely arrival times. The app has 275k regular users. Since the update, TfGM have seen satisfaction “shoot-up” in the words of Fran Wilkinson, Customer & Growth Director at TfGM.

More broadly, TfGM has been heavily involved in smart transport initiatives, particularly through its Greater Manchester Connected project, which seeks to integrate digital infrastructure with transport systems. This £250 million project aims to create a fully digitised transport network, with real-time data collected from various modes of transport to inform better decision-making and improve traffic management. TfGM has partnered with Cisco and Siemens to develop smart traffic lights and road sensors that monitor traffic in real time, making Manchester one of the leading UK cities in digital transport innovation



Use data to move from transport operator to aggregator

This data aggregator role enables a move to Mobility as a Service (MaaS), with a combination of public and private travel, provided by a single portal. This approach is well established in London where passengers can purchase a train ticket, book a taxi or an e-bike via a single app.

Westminster is trying to speed up this change, with plans underway to make Bus data more readily available to third parties, or to collect data on the road network into a single space, packaging it for third parties to access. To be successful local authorities will need to develop clear strategies to maximise the value they get from their data, whether it be using it internally to improve performance or sharing externally to enable new services.

TfL—Mobility as a Service (MaaS)

TfL's investment in digital infrastructure has been substantial, with £1.5 billion earmarked for upgrading signalling systems on the Underground and improving digital customer interfaces. TfL has also partnered with technology companies such as Google and Citymapper to integrate transport data into third-party applications, making it easier for users to plan their journeys. TfL's Future Streets Incubator Fund, launched in 2015 with £3 million, continues to support innovative projects such as smart street furniture and electric bike-sharing schemes, contributing to London's goal of becoming a smart city.



Strathclyde Partnership for Transport (SPT)—Linking data systems between organisations

SPT is focused on making the most of bus service information for the benefit of passengers. The area it manages is serviced by over 30 local bus operators. One of the challenges created by such a market complexity was that roadside passenger information could not easily be integrated to provide passengers with a single, complete, and uniform view on what services are available and when. Given this, SPT worked with industry partners to update Bus Information Standards across the region. The authority also invested in an upgraded roadside publicity system, which allows registrations from multiple operators to be displayed in a single information panel, in compliance with updated standards. Furthermore, by working closely with RNIB, SPT were able to ensure that the information was as accessible as possible.

In addition, SPT has worked to expand the network of electronic Real Time Passenger Information (RTPI) displays, with over 900 now deployed at key bus stops across the region. The system also connects with Traveline Scotland, the national journey planner, to provide RTPI at sites without displays, aligning the on-street displays with the apps on people's phones, giving passengers up to date RTPI information. SPT are now working to further expand the RTPI display network, subject to funding availability.

An added benefit of SPT's RTPI system is the ability to connect with Local Authority traffic control systems, with signal priority for buses deployed in a number of areas including Glasgow, Lanarkshire, Renfrewshire and Ayrshire. With congestion seen as the major challenge for public transport, SPT recognise this is an important complementary measure in delivering priority for buses, and importantly delivering reliable journeys for bus passengers.

Climate and sustainability: focus on the how

Zero-emission buses are one tool for transport authorities seeking sustainable solutions. Authorities are determining the best blend of Hydrogen vs battery powered buses for their needs. They are also considering how to source the requisite green power and fund the transition.

The UK government is focused on achieving net-zero carbon emissions by 2050. Domestic Transport was responsible for 29.1 per cent of all UK emissions in 2023 according to the ONS, making it the “largest emitting sector in the UK”¹⁸. Regional transport has a role to play through the adoption of zero and low emission vehicles.

There is a debate within Regional Transport whether hydrogen or battery power is the best route to low emission buses. As a rule, battery power is most appropriate for smaller vehicles, whereas Hydrogen is the preferred option for larger vehicles.

Where buses fall on this continuum is still to be seen, and the Department for Transport advises local authorities to determine which technology is the most appropriate for themselves¹⁹.

Some of the key challenges for electric buses are:

- **Range:** electric buses typically have a 100-250 mile range, and so are better suited to shorter urban routes. This can be mitigated to a degree with “opportunity charging”, whereby buses receive short bursts of rapid charging during scheduled stops. However, a full charge can take 1-2 hours
- **Charging schedules:** building charging time into schedules to benefit from off-peak tariffs
- **Developing infrastructure:** putting in place charging points is one aspect, however, there is a further challenge with regards to space. Charging a bus requires more depot space than refuelling, putting pressure on infrastructure

Hydrogen also presents a challenge, the main two being:

- **Source:** is it Blue Hydrogen (which releases CO₂ in its manufacture) or Green Hydrogen (which doesn't)
- **Storage:** due to its low volumetric energy density, Hydrogen requires significant space to store it

Translink and **TfW** are currently experimenting with a blend of hydrogen and battery powered vehicles, trying to understand which mix works best, with factors like topography and population density playing a key role. Conversely, **Liverpool CA**, with its relatively small area and flat terrain has opted for a fully electric fleet.

Translink and Transport for Wales—a blended approach

Transport for Wales (TfW) is committed to decarbonising transport and achieving net-zero Wales by 2050. Recognising that transport currently contributes 17 per cent of the nation's carbon emissions, TfW is focusing on making bus travel greener.

TfW is working with the Welsh Government to transition the TrawsCymru bus fleet to zero-emission vehicles by 2035. This includes introducing electric buses, already operating on the T1 Aberystwyth-Carmarthen route, and exploring hydrogen-powered buses in Swansea. These initiatives will significantly reduce emissions, offering passengers more sustainable travel choices.²⁰

Translink—partnering with local energy suppliers to power the fleet

Translink is committed to decarbonising public transport and is rolling out both zero emission technologies with 23 Hydrogen powered buses and by the end of next year, will have around 250 Battery Electric buses in passenger service. These are helping create healthier cities with 100 per cent of the urban bus fleet zero emission in Derry~Londonderry while Belfast Metro services are set to operate with 50 per cent of the fleet zero emission (both hydrogen and electric) and 50 per cent low emission buses from early next year marking another step in Translink's plans to be climate positive by 2050.

Translink's experience was that starting in urban areas, before looking to expand out into rural areas allowed them to build up the experience and infrastructure before moving on to deploy more widely. New battery Electric Vehicles (EVs) have now started to roll out to more rural areas in the North West and will soon be operating in the Craigavon area of Northern Ireland. New battery zero emission buses are also operating on the City Airport shuttle services to and from Belfast City Centre.



Climate and sustainability: focus on the how

Whatever the blend, a key question is how to generate the power to either release hydrogen or charge the batteries. **Translink** and **Liverpool CA** are both innovating. **Translink** has partnered with local green energy providers to supply renewable energy to its electric fleet, while **Liverpool** is proposing to build the world's largest tidal power station, taking advantage of the high tidal range in the River Mersey. This has the potential to power the local public transport network, not only ensuring that there are zero exhaust emissions, but that the upstream power is fully renewable.

Finally, authorities need to consider funding. **TfGM** has made an initial investment of £51.1m as part of a clear air package, including 40 zero emission buses, 77 Euro VI standard buses and charging infrastructure, showing the scale of investment required. Authorities will need to consider how to manage this cost, potentially developing new funding models to deliver (see [Set clear funding packages and utilise innovative financing models](#)).

Overall, the shift to sustainable bus travel is still in its infancy. Authorities will need to learn from each other to understand which technologies are appropriate for them and how they can best deploy them.



Liverpool City Region Combined Authority—generating green power, locally

Liverpool City Region is taking a multi-pronged approach to decarbonisation in transport, focusing on electrification, network expansion, improved frequency and accessibility, and modal shift from private vehicles to public transport.

There is ongoing investment in the roll-out of game changing battery powered electric trains, representing a commitment to connecting under-served communities to the Merseyrail network. This is within the gift of the City Region given their existing oversight and control of the Merseyrail network and ownership of the new rolling stock (see [Empowering local ownership enables fast decisions](#)).

In addition to rail electrification, work has been done to determine the possibility of decarbonising the bus fleet. It is anticipated that majority (99% of existing routes) are suitable and roll out will be accelerated by bus franchising.

Liverpool City Region is well-placed to be at the forefront the decarbonisation agenda—the Mersey Tidal Power project playing a huge role in the region's ambitious push to be net-zero by 2035

TfGM—making the investment

TfGM has also embraced EVs as part of its Greater Manchester Clean Air Plan, which was approved in January 2025. The investment-led package confirmed by the UK Government contained £51.1m towards bus investment, including 40 zero emission buses, 77 Euro VI standard buses and charging infrastructure. TfGM's electric bus fleet is growing rapidly, with the number of electric buses continuing to rise to 25% by Spring/Summer 2025, up from fewer than 1% pre-franchising

The future of regional transport

The government is committed to growth and sees transport as a key enabler. This report has showcased some of the recent success stories and now considers major policy announcements which will act as the driving force for regional transport for the next decade. The report finishes with a Maturity Matrix, to allow authorities to consider their own organisation in the context of these themes.



The future of regional transport

The UK Government has made a clear commitment to economic growth. Its announcements to date suggest that regional transport's role as an enabler is recognised, with powers being devolved to regional authorities. The future of the sector is bright. However, transport authorities must be ready to deliver.

Three of the biggest announcements by the Government have been; *Invest 2035: the UK's modern industrial strategy* (November 24), the *Passenger Railway Services (Public Ownership) Act 2024*, and *English Devolution White Paper* (December 24). These set out a bold agenda for the Parliament, with regional transport at the centre.

Invest 2035

The Invest 2035 Green Paper sets out the government's plan to focus on unlocking high growth sectors. It sees transport as a key enabler of this objective, highlighting the negative consequences of poor transport connectivity, for example, Manchester's £8.8bn productivity gap. We have seen how transport authorities can resolve these challenges by on building a sense of place, and directly linking people to employment opportunities, as **TfGM** has done with, for example, its night bus.

Passenger Railway Services (Public Ownership) Act 2024

The *Passenger Railway Services Act* will remove railway franchises from private operators and award them to a public owned company, under *Great British Railways*. This process will start in 2025 with the nationalisation of *South Western Railway*, *c2c*, and *Greater Anglia*, after which it is expected that one operator will be nationalised every 3 months as franchises come up for renewal. This report has shown how regional authorities can deliver change effectively when they are given the levers to do so, with **TfGM**, **Translink** and **North East CA** highlighting the importance of operational control in delivering improvements to their networks, and it is likely that the Act will pave the way for greater regional involvement in the rail sector.

English Devolution White Paper

The Devolution White Paper envisages an expanded role across local government, with a specific focus on improving transport network integration. To achieve this, Mayors and other authorities will be enhanced powers, the white paper calls for:

- **Faster bus franchising:** Streamlining the process for local authorities to take control of their bus services.
- **A statutory role for Mayors :** Mayors will have a formal role in governing, managing, planning, and developing the rail network in their areas.
- **Local control over rail stations:** Mayors will have the option to control local rail stations where it benefits network integration.
- **The right to request rail devolution:** Established Mayoral Strategic Authorities can request further devolution of rail services, potentially up to full control.
- **Greater road network coordination:** Mayors will have powers to coordinate their road networks, working with local authorities and National Highways.
- **Joined-up transport funding:** Consolidating funding pots for transport to give local leaders more flexibility.

Integrating networks is critical for successful regional transport systems but delivering it will require a long-term commitment to resolve the challenges. The changes proposed should allow authorities to plan for the longer term, although they should also look to quickly release benefits.

The future of regional transport

We believe that these announcements will lead to a transformation of regional transport, with local authorities empowered to deliver integrated networks for their citizens. However, they will need to be prepared to fully capitalise on their new powers. Building on the findings of this report, we have developed a maturity matrix to allow authorities to test their readiness to deliver:

	Low readiness	Medium readiness	High readiness
Are you able to align your strategies across your portfolio (housing, skills, environment, etc) with transport acting as an enabler?	<ul style="list-style-type: none"> ○ Business cases are prepared showing the costs and benefits of the investment, but wider objectives are unclear ○ The transport policy team works in a silo, implementing its strategies without reference to other policy areas 	<ul style="list-style-type: none"> ○ Business cases reference wider objectives, but these are not built into the economic model and the benefits are not tracked ○ Policy areas do communicate across silos, informing adjacent teams of their activity, but do not work to a single plan 	<ul style="list-style-type: none"> ○ Business cases are developed linking together the wider objectives, modelling the economic impacts and setting out how the benefits will be realised ○ Policy teams have worked collaboratively to develop a single programme of work. Transport features as an enabler for planned investment in for example. housing and growth
Are your investments and operations on a financially sustainable footing?	<ul style="list-style-type: none"> ○ Funding portfolio lacks diversity, for example, relying on government grants ○ The finance function is immature, and energy is expended primarily on managing small grant pots 	<ul style="list-style-type: none"> ○ Alongside government grants, innovative funding mechanism are utilised to provide Opex and CAPEX ○ The finance function provides a clear long-term plan, highlighting gaps in funding requirements 	<ul style="list-style-type: none"> ○ Government grants are supplemented by alternative funding streams for CAPEX, and Revenue is diversified, for example, by using land assets to generate power or maximising advertising revenue ○ The finance function provides insightful long term funding plans, with options regarding finance to close gaps
Do you have the in-house capability and capacity to deliver front-line improvements?	<ul style="list-style-type: none"> ○ Teams are focused primarily on “big-picture” strategy and policy development ○ Teams lack the technical, commercial, financial and programme skills to, for example., manage franchised networks or upgrades 	<ul style="list-style-type: none"> ○ Teams hire in third parties to provide technical expertise on day-to-day operations and minor investments ○ Technical, commercial, financial and programme skills, exist throughout the team, but lack depth 	<ul style="list-style-type: none"> ○ Third parties are utilised for major improvement projects, where there is no business requirement to hold the skills in-house ○ Teams possess the full suite of skills to for example., manage a franchised network, introduce an electric fleet or deliver a major programme of works
Do you have a long-term plan for delivering improvements to customer experience, while releasing benefits in the short term?	<ul style="list-style-type: none"> ○ Strategies exist, but it is unclear how they will be delivered, in what order or how they impact each other ○ Strategies primarily cover one of ticketing, modes, operators and data 	<ul style="list-style-type: none"> ○ A high-level plan to integrate networks exists, but it is unclear what the dependencies are or how to release early benefits ○ Improvement plans consider ticketing, modes, operators and data but not the dependencies 	<ul style="list-style-type: none"> ○ A single plan is in place, with improvements sequenced to allow for continuous benefit release ○ Improvement plan links ticketing, modes, operators and data, with improvements in one enabling improvements in the others
Is your data allowing you to act as a transport aggregator?	<ul style="list-style-type: none"> ○ Data exists in operator silos meaning that providing, for example, a single view of current bus performance is impossible 	<ul style="list-style-type: none"> ○ Data is shared between operators allowing for real time performance monitoring 	<ul style="list-style-type: none"> ○ Data is accessible to third parties, allowing for the development of new services whether journey planning apps, or private transport services
Does a clear plan exists for achieving your green goals?	<ul style="list-style-type: none"> ○ An ambitious target exist, but plans for realising are immature, with no funding in place, no clarity on trade-offs and no alignment between modes 	<ul style="list-style-type: none"> ○ An ambitious target is supported by a clear and funded plan covering all modes. The importance of investing in green solutions versus other priorities is understood 	<ul style="list-style-type: none"> ○ An ambitious target is supported by a clear and funded plan, covering all modes. The plan considers the full supply chain, for example, ensuring that only green hydrogen is used in hydrogen buses

Defining regional transport

What is regional transport, what was our approach and who to contact for more information.



What is regional transport?

There is no single definition of regional transport, but for the purposes of this report, regional transport refers to the movement of people within towns and cities in the UK, as well as around their wider metropolitan area. This includes various modes of transportation such as buses, trams, trains, active travel, with a consideration of the interoperability between them. Importantly, it includes wider road users as well as public transport. It also encompasses the infrastructure, policies, and authorities responsible for managing and regulating transportation across the UK, as well as transport authorities, regional authorities, and regional operators as appropriate.

This report deliberately spans the UK, including Scotland, Wales and Northern Ireland, as well as different geographies within England. This reflects the Government's commitment to broad based growth.

Method

This report looks at success stories from across the UK's regions and sets out what underpinned that success. It then divides them into six themes for regional leaders and wider decision makers to consider.

It is not intended to be a 'scientific' study or a checklist of actions which need to be completed to successfully deliver a regional transport scheme. Rather, it is a set of examples of key considerations and innovative ideas intended to generate debate across the sector.

The findings are based on interviews with senior regional transport leaders in Combined Authorities and "Transport for Xs" across the country, over the summer and autumn of 2024. The aim was to draw on the knowledge of senior leaders and to reflect the diversity of experiences across the country.

Where available we have used data to demonstrate the success of different interventions. We have also quoted from interviewees to allow readers to understand the thought processes for key decision makers and what they see as valuable. We hope that this report will stimulate debate, at an exciting time for Regional Transport.



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Charlotte is a transformation leader specialising in complex technology driven transformation across transport, travel and logistics firms globally. She is passionate about leveraging technologies to make lasting impact to people, organisations, industries and nations. She has a specific focus on collaboration, pulling disparate organisations and teams together to drive towards a common goal, developing and embedding the necessary behaviours to ensure all teams succeed.



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Chris has over 14 years of experience in consulting, the majority of which has been focused on the transport sector. He works with clients to support them with the management of complex programmes, with a focus on developing business cases and setting up programmes for success. Some of his previous projects include delivering work for the UK Police Force, Combined Authority, and a major airline.

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