

## Chapter 2

# EDDINGTON AND ITS IMPLICATIONS FOR TRANSPORT FUNDING

**Dr Adam Marshall\***

### INTRODUCTION

When the results of his much-delayed and much-heralded study into the role of transport in the UK economy were finally released, Sir Rod Eddington unequivocally urged the Government to ‘prioritise action on those parts of the system where networks are critical in supporting economic growth, and there are clear signals that these networks are not performing’ (Eddington, 2006: 6). But what does this somewhat cryptic Whitehall-speak actually mean?

In short, it’s a call to invest in success – and use limited resources to tackle congestion, overcrowding and key infrastructure ‘pinch-points’ on the existing transport network. This means heavy investment in urban areas, and not in exciting but unproven *grands projets* such as high-speed rail and maglevs.

This chapter argues that Eddington’s key recommendations were about the pragmatic deployment of central government funding rather than road pricing or high-speed trains. Eddington – together with subsequent DfT and Treasury policy decisions – could shift the balance of national transport investment toward London, the Greater South East, and a few Northern city-regions. If followed through by successive Governments, the ‘Eddington agenda’ could help to support future urban growth – though not in all areas of the UK.

This chapter is divided into four sections. First, it examines the content of the Eddington report, building on a paper published by the Centre for Cities in March 2007 (Marshall, 2007).

\*Dr Adam Marshall is Senior Researcher, Centre for Cities, London

Second, the chapter details a range of recent policy decisions, and assesses their fit with Eddington's logic. Third, it analyses the funding implications, focusing on growing urban areas, inter-urban routes, and international gateways. And finally, the chapter concludes with a challenge to national politicians – whose actions are critical to the long-term success or failure of Rod Eddington's blueprint for growth.

## UNDERSTANDING EDDINGTON

### Eddington and the media

The publication of the Eddington Transport Study in December 2006 prompted wide-spread press coverage – nearly all of it focused on Sir Rod Eddington's support for 'widespread road-pricing' to combat Britain's ever worsening congestion, or his rejection of 300kph TGV-style trains rocketing across the countryside.

But while the media had a field day excoriating the Government on road charging, most outlets missed the bigger story: Eddington's radical proposal to re-prioritise the billions spent on transport in Britain on measures that support economic growth.

The distribution of public money, whether in transport or other areas, is usually quite technical and hard to understand. Perhaps Governments like to keep it that way, to ensure that their spending plans are not subjected to the 'wrong' type of public scrutiny. Regardless, Eddington was a public finance bombshell. Why? If followed through in policy, it would concentrate Britain's limited transport investment budget on projects that support growing urban areas – especially around London, the Greater South East, and a small number of growing city-regions in the Midlands and North.

### Eddington's recommendations

The Eddington Transport Study brought a large amount of new evidence to the table, including ten in-depth academic research papers and hundreds of submissions from interested parties. Sir Rod's headline advice is clear: focusing transport investment on existing networks, especially within and between big cities, is the best way to underpin the growth of UK plc. His five key recommendations are:

1. Invest in existing networks
2. Target investment geographically
3. Target congestion and pinch-points
4. Give more weight to the economic benefits of investment
5. Reform sub-national delivery structures

***Invest in existing networks*** Eddington starts by arguing that the UK, broadly speaking, has the right networks in the right places, and that investment must be used to achieve performance enhancements on existing road and rail routes. This means spending money on 'dull but important' projects, rather than highly-visible pieces of new transport infrastructure like high-speed trains. Rail signalling, track improvements, new rolling stock, longer platforms, better road junctions and additional road capacity on selected routes are the order of the day.

Long-standing conventional priorities – such as Birmingham New Street Station, the Manchester rail ‘hub’, Reading Station and improvements to the M62 or the A1 – are therefore more likely to get the go-ahead. The rejection of mega-projects shifts investment focus toward improving, and in some cases, extending metropolitan transport networks. This is good news for both large and smaller cities – Manchester, Leeds, Birmingham, London, Cambridge, Reading, Milton Keynes – where existing transport networks are struggling to deal with the consequences of economic growth.

**Target investment geographically** Additionally, Eddington argues that transport investment must be concentrated geographically in order to have maximum impact. On the basis of measures of congestion and economic benefit, he prioritises three principal geographic areas for investment:

- ❑ ‘Growing urban areas and their catchments’ (city-regions)
- ❑ Key inter-urban corridors (road and rail)
- ❑ International gateways (ports, airports).

This is potentially a major win for big city-regions, and especially for London and the South East, where existing transport networks are strained. Eddington effectively argues for an end to a funding system that ‘divides the spoils’ between regions, and a greater focus on measures that tackle urban congestion. An investment policy following this logic would also focus resources on the West and East Coast Main Lines, Transpennine rail and road corridors, and surface access to airports and ports.

**Target congestion and pinch-points** Eddington supports an investment approach that uses ‘packages’ of measures to address the problems created by congestion and infrastructure bottlenecks. Interestingly, road-user charging is only one element within a wider strategy that aims to boost performance and reliability.

In broad terms, a focus on tackling congestion will help successful cities up and down the country – where traffic and rail overcrowding ‘black spots’ are most likely to be found. Places like Cambridge, Manchester, Leeds, and Bristol are clear examples.

However, Eddington pours cold water on the hopes of cities interested in using transport infrastructure (e.g. trams) to improve their economic fortunes. Many less-successful cities, including Liverpool, Newcastle and Hull (see Athey et al, 2007 for a breakdown of English cities’ economic fortunes), worry that a congestion-focused policy would leave them out of the investment picture altogether.

**Give more weight to economic benefits** Reductions in congestion and overcrowding deliver clear economic benefits to cities. However, some of these are not currently counted in the DfT’s appraisal methodologies – including agglomeration benefits (see Webber and Athey, 2007 for more). Eddington proposes to shift appraisal systems to ensure that greater weight is placed on the wider economic benefits of transport investment.

This is yet another recommendation that could prompt a shift in funding toward England's big city-regions. Emerging evidence suggests that the investment case for urban road and rail schemes improves substantially when wider economic (and social/environmental) benefits are counted. Eddington's recommendations are likely to make urban transport improvements – and especially schemes that deliver better access to high-value employment in city centres – even more attractive to the Treasury. Although Eddington's report is strictly mode-neutral, his recommendations on appraisal could tilt the balance somewhat in favour of road projects, even when their negative environmental impacts are quantified and taken into account.

The Centre for Cities is now completing work on the wider economic benefits of investment in the Leeds city region which indicates that some investment packages are under-valued by some 20-25% in conventional appraisal (Marshall and Webber, forthcoming). Updated appraisal techniques – which better internalise the costs and benefits of transport investments – are likely to privilege investment in major cities even further.

**Reform sub-national governance structures** In order to deliver substantial improvements to the national transport network, Eddington also makes a strong case for better governance structures at national, regional and local level. He makes three key proposals here:

- A better long-term approach to transport investment planning at national level
- New planning procedures for major infrastructure projects that reduce delays while retaining accountability.
- Reformed sub-national delivery, with the right mix of powers and resources for city-regional transport delivery

All three proposals have important implications for transport funding. Long-term investment planning, for example, could increase certainty and stability while decreasing costs for specific transport schemes. Similarly, if new planning rules decrease the amount of time and expense involved in transport planning, key transport schemes could be completed for less. And better city-regional delivery bodies – with greater discretion over spending for key local schemes – could put in place improved local infrastructure more quickly and efficiently (see, for example, APUDG, 2007; CfIT, 2007).

### **The impact on transport funding**

Taken together, Eddington's five principal recommendations could substantially alter the way that funding for major schemes is appropriated in the United Kingdom. Eddington's is very much a growth-maximising agenda. While his report touches on environmental and social considerations, his primary mission was very much to identify a rationale for transport investment that contributes to raising productivity and enhancing economic prospects. In the future, schemes seeking funding must show evidence of clear 'option generation' and appraisal – and resources will be prioritised accordingly. Whitehall will in future grant its blessing to select packages of cost-efficient network improvements and a limited number of larger schemes.

And, critically, Eddington's language suggests that greater weight will be placed on the economic benefits of particular investments – which will privilege certain geographic areas (e.g. large cities) and certain transport modes. This will be discussed in greater detail below.

## **POLICY DEVELOPMENTS SINCE EDDINGTON**

### **Introduction**

Although highly-anticipated, the Eddington Study was only the first of a wide range of policy announcements affecting the distribution of transport funding in the UK. In effect, Eddington prepared the ground with its emphasis on incremental improvements to the existing network – and subsequent policy documents are being used to flesh out the detail.

A flurry of White Papers and Reviews on transport-related issues has been issued in recent months. Table 2.1 details the most important of these.

The moves above are important, but the Government has yet to play its 'trump card': the 2007 Comprehensive Spending Review (CSR), which will set out the financial resources available to deliver Whitehall objectives over the next three years. After years of large increases in public spending, the CSR is widely expected to be tight, with little new money available for major spending departments.

Rod Eddington's final report – with inside assistance from the Treasury – clearly anticipated this spending shift, and focused attention on making better use of available resources. Subsequent policy documents have stayed 'on message', and have proposed incremental changes to the transport network, rather than large-scale new financial commitments. Proponents of high-speed rail, for example, have been repeatedly disappointed by the Government's focus on improvements to existing networks at the expense of radical new infrastructure solutions.

But does the Government's incrementalism suggest a lack of vision, or is it a prudent move at a time of tighter public finances? Some would argue that the Government's evolving approach – injecting a more 'economic' appraisal process into transport investment decisions – is actually the right one.

The Centre for Cities, for one, believes that a more 'economic' approach to the appraisal of transport schemes is indeed helpful – but it must be matched by substantial increases in overall transport investment. Despite the current Government's steady increases in overall transport spending since the late 1990s, there is still a long legacy of transport under-investment to overcome. Although most commentators believe that the CSR will not deliver additional transport resources, beyond the already-announced Transport Innovation Fund (which runs to 2014/15), Eddington's call for greater targeting and better use of resources must not be used as an excuse to limit overall transport investment.

**Table 2.1 Policy moves since Eddington**

<b>DATE</b>	<b>DOCUMENT</b>	<b>EDDINGTON-RELEVANT ISSUES</b>
Dec 2006	Putting Passengers First	<ul style="list-style-type: none"> <li>▪ Proposals for changes to bus regulation outside London</li> </ul>
May 2007	Draft Local Transport Bill	<ul style="list-style-type: none"> <li>▪ Reform of local transport governance, especially in major metropolitan areas</li> <li>▪ Integrated Transport Strategies</li> <li>▪ Bus regulation proposals</li> <li>▪ Additional enabling powers for local road pricing schemes</li> </ul>
May 2007	Planning White Paper	<ul style="list-style-type: none"> <li>▪ Reform planning process for major infrastructure, increasing clarity and efficiency</li> <li>▪ Infrastructure Planning Commission to decide selected large transport schemes</li> </ul>
July 2007	Sub-National Review of Economic Development	<ul style="list-style-type: none"> <li>▪ Single Regional Strategy (planning and investment)</li> <li>▪ Expand Regional Funding Allocations for transport, housing, and economic development</li> <li>▪ Further consultation on Supplementary Business Rates</li> <li>▪ Move decision-making power on key schemes downward to regional and sub-regional level as appropriate</li> </ul>
July 2007	Ports Policy Review interim report	<ul style="list-style-type: none"> <li>▪ Improve key gateways</li> <li>▪ Improve access – e.g. through better inter-urban links</li> </ul>
July 2007	Consultation on Mayoral Powers (London)	<ul style="list-style-type: none"> <li>▪ Proposed greater GLA/TfL control over London commuter rail lines</li> </ul>
July 2007	Rail White Paper	<ul style="list-style-type: none"> <li>▪ 2009-2014: <ul style="list-style-type: none"> <li>○ Platform lengthening, additional carriages, signalling, etc.</li> <li>○ Thameslink, New St Station, Reading Station, finish West Coast Main Line</li> <li>○ Plan Strategic Freight Network</li> </ul> </li> <li>▪ Longer-term, additional conventional improvements to address demand, overcrowding</li> </ul>
July 2007	Transport Innovation	<ul style="list-style-type: none"> <li>▪ Cities bid for money to support proposed local road pricing schemes</li> </ul>

## **UNDERSTANDING THE FINANCIAL IMPLICATIONS**

The sections above have already hinted at the funding implications that the Eddington Study – and subsequent policy announcements – are likely to have across the UK. But can we get a clearer picture of how future investment patterns are likely to affect different geographic areas? This section will look at the three geographical priorities identified by Eddington – urban areas, inter-urban corridors, and international gateways – in turn.

## Urban areas

**Accounting for agglomeration** As argued above, big urban areas are likely to be major beneficiaries of any Eddington-based shift in transport funding formulae, in part because urban schemes often offer substantial economic benefits which are not captured by traditional project appraisal methods.

The move toward stronger project appraisal – and the inclusion of wider economic benefits – is also visible in the Government’s shifting approach to funding. The creation of the £8bn Transport Innovation Fund, which is intended to fund transport projects that show clear productivity (and congestion) impacts, is a case in point. Explicitly linking the only new source of transport funding to the economic potential of individual schemes suggests that the era of ‘predict and provide’ has been replaced by one of ‘appraise and decide’.

Recent moves to understand agglomeration economies – the benefits arising from the geographic concentration of people and businesses – are at the heart of this shift. Following Eddington and several years’ research undertaken on behalf of the DfT (Graham, 2005), the Government is keen to measure agglomeration benefits and consider them when appraising individual transport investment proposals.

In basic terms, increasing the extent to which people and businesses are concentrated together can magnify the impact of agglomeration economies - contributing to improved economic performance and increased productivity for the area concerned. Transport projects have the capacity to increase the ‘effective density’ of a city or an urban area by increasing the number of people and businesses who can access that area quickly (Webber and Athey, 2007).

Forthcoming research from the Centre for Cities, conducted in partnership with the Leeds City-Region, suggests that a package of schemes delivering improved access to Leeds city centre could add 25% more benefit to the local economy than conventional appraisal estimates would predict (Marshall and Webber, forthcoming).

However, it is critical to note that not all urban transport investment projects can deliver such substantial impacts. Many schemes, including most tram proposals, are unlikely to deliver major changes in effective density – nor agglomeration benefits of a scale sufficient to swing benefit-cost ratios toward the favourable range. By contrast, less-visible urban road and rail infrastructure schemes could have agglomeration impacts that – if counted – would strengthen a city’s case for immediate funding to deliver improvements.

Additionally, the inclusion of agglomeration benefits in project appraisal is very likely to privilege successful and growing urban areas. Eddington delivers a tough message here: the UK needs to ‘invest in success’, which means concentrating limited transport resources on those urban areas that contribute most to the national bottom line. This is good news for London, smaller cities in the Greater South East (Reading, Cambridge, Brighton, Milton Keynes) and selected Northern city-regions (Manchester, Leeds). But many other cities and towns seeking substantial new transport investment may find their hopes dashed by a strengthened ‘agglomeration logic’ in the project appraisal and selection process.

**Governance and devolution** Better project appraisal, however, is not the only ‘Eddington recommendation’ likely to have a major impact on transport funding in urban areas during the coming years. Eddington’s call for an improved sub-national delivery system, and more integrated local transport governance, is also critically important.

The recently published Draft Local Transport Bill (DfT, 2007) and the Treasury-led Sub-National Review of Economic Development and Regeneration (HMT et al, 2007) go some way toward implementing Eddington’s proposals for clearer transport governance and delivery arrangements. The Bill, for example, offers major city-regions an opportunity to reform existing transport governance arrangements – and a chance to pool fragmented powers and funding streams through a new Integrated Transport Strategy.

The *Sub-National Review*, meanwhile, opened the door to greater local financial flexibility – with targeted new revenue-raising powers also on the table for the first time. The Review commits the Government to a thorough examination of proposals for a Supplementary Business Rate (SBR), which could be used to finance local transport infrastructure priorities.

The Centre for Cities has undertaken extensive research on SBR over the past two years – and has argued that relatively small SBRs of approximately 5% could part-fund major infrastructure projects in England’s cities. A recently-published paper, featuring calculations done together with PricewaterhouseCoopers (Harrison and Marshall, 2007), found that:

- ❑ **Greater Manchester (10 local authorities):** a 2p supplement on the business rate across Greater Manchester (10 authorities) would yield approximately £40m per year – and potentially support a thirty-year loan of £800m. This would effectively allow Greater Manchester to complete Metrolink Phase III without central funding at current cost projections.
- ❑ **Birmingham (city):** a 2p SBR ‘top up’ would yield £15.1m per year in Birmingham, which could support a thirty-year loan of £302m. This would eliminate the funding gap for the New Street Station redevelopment, and yield funds for additional transport improvements.
- ❑ **Leeds (city):** a 2p SBR ‘top up’ in Leeds City would raise £13m per year – and could underpin a thirty-year loan of £260m. This would fund over half of the proposed £374m Bus Rapid Transit network – the successor scheme to the cancelled Leeds Supertram.
- ❑ **Milton Keynes (city):** A 4p SBR in Milton Keynes would yield approximately £11.4m per year. This could potentially be used to support a thirty-year loan of £228m – a critical source of infrastructure funding for an area slated for massive housing growth.

The *Sub-National Review* also hints that the Government is planning to increase the scale and scope of the Regional Funding Allocations (RFA) process. This suggests that the regional and local levels are increasingly being seen as the ‘right scale’ at which to prioritise financial resources for transport schemes. If the quantum of money distributed through RFAs does in fact increase, then local authorities and Regional Development Agencies will be in a far better

position to prioritise major urban schemes that deliver economic, social and environmental benefits.

The Government has made a substantial rhetorical commitment to the devolution of transport powers and funding since the publication of the Eddington Report, especially where urban areas are concerned. The next year is likely to be crucial for transport in England's major urban areas – as they could get a larger slice of the funding 'cake' as well as the ability to top up their share using new, local revenue-raising powers.

### **'Key inter-urban corridors'**

In addition to growing urban areas, Rod Eddington urged the Government to focus substantial investment on key inter-urban corridors – the motorways and rail lines that connect Britain's major cities to each other. The evidence base underpinning the Eddington report, for example, found that a number of proposed inter-urban improvement schemes offered astronomical economic benefits, with some road projects achieving benefit-cost ratios of nearly 20:1.

What implications does the Eddington-inspired focus on inter-urban links have for the distribution of transport funding?

First, the Government has given strong signals that funding will be committed to the improvement of existing inter-city links. Eddington's argument against *grands projets*, such as a new high-speed rail network, appears to have won the day in DfT as well as the Treasury. The Government will have a tough job explaining this approach to a sceptical press and public – as improvements to existing roads and railways are often invisible, and lack the propaganda impact of a major new transport scheme.

The recent Rail White Paper (July 2007) gives the first indication of how inter-city rail links might look following targeted investment in the existing network. The White Paper proposes the use of limited resources to improve key 'pinch-points' on the national network, such as infrastructure limitations around Reading Station and Birmingham New Street Station. It promises substantial investment in train and platform lengthening – critically important for access to Central London from its ever-expanding commuter belt. And it argues that any major new rail investments during the next thirty years would be used to create new conventional capacity on the inter-city routes with the biggest congestion and capacity problems – e.g. London-Birmingham-Manchester. Taken together, these measures could increase capacity substantially, but are unlikely to deliver a step-change in inter-city rail service.

Second, Eddington's conclusions give rise to a range of questions around the relative funding balance between road and rail links. Eddington's evidence base clearly shows that large, inter-urban road schemes score better than big rail schemes, which usually have higher capital and revenue costs. Yet Ministers have repeatedly downplayed the idea of a large-scale road building programme, given their commitments to tackle the issues around climate change. Should road-building – as Archer and Glaister (2006) have argued – form a central part of the Government's inter-urban investment agenda, given its high economic returns? Is a tug-of-war between

Network Rail and the Highways Agency likely when it comes to overall levels of funding, and specific types of subsidy? And how can the Government reconcile a ‘benefits maximisation’ agenda with its goal to reduce carbon emissions from inter-city transport?

And third, it’s clear from Eddington and subsequent policy pronouncements that some inter-urban upgrades are favoured over others. Better trans-Pennine links, which improve connectivity between a range of major cities – Liverpool, Manchester, Leeds, Sheffield – will be higher on the Government’s investment list than road or rail links that seek to reduce the peripherality of, say, Hull or Norwich. Similarly, early long-term planning suggests that any large-scale new rail infrastructure would be primarily intended to relieve the existing West Coast Main Line – rather than the Midland or East Coast routes.

### **‘International gateways’**

The Eddington Report’s third geographic investment priority – international gateways – is perhaps unsurprising, given Sir Rod’s many years of service as chief executive of British Airways. Yet the arguments Eddington makes for investment in the UK’s principal ports and airports are strong. If the Government implements investment plans based on his logic, the benefits once again are likely to accrue to urban areas – and especially to the Greater South East.

Given the fact that most of Britain’s international gateways are privately owned, the Government has shied away from direct investment in them. However, the Ports Policy Review, Aviation White Paper and other documents have highlighted the importance of improved *access to gateways* as a key investment priority. As Eddington notes, “available evidence suggests that investment in additional fixed infrastructure in these places can deliver strong returns for the economy and benefit a wide range of users” (2007: 201). The Centre for Cities’ own *Connecting Cities* research (Marshall and Harrison, 2007) found that surface access to major air hubs and port facilities was a top priority for cities seeking to improve their economic performance.

But what are the key ‘gateway’ projects likely to be? When it comes to airports, improved road and rail access to expanding big-city hubs at Heathrow, Stansted, Manchester and Birmingham is likely to top the list, especially if these facilities receive permission to increase their capacity and their long-haul flights offer. Access improvements to seaports are likely to be less visible – rail gauge fixes, better links from ports to motorways/trunk roads/rail lines, an upgraded A14 – but could mean some new investment for smaller urban areas in the East of England (Felixstowe, Haven Gateway), plus traditional port cities like Teesside, Liverpool and Bristol.

Eddington’s proposals for speeding up the planning process for major infrastructure could also have an impact on funding. His and Kate Barker’s proposed Independent Planning Commission has been taken forward by the recent Planning White Paper (Cabinet Office, 2007). If a particular project – such as a new airport runway or a major port capacity expansion – is fast-tracked by a new Commission rather than knocked back by a reticent local authority, the greater certainty generated could cause the Government to release funding for access or infrastructure improvements.

## Scotland, Wales, Northern Ireland

While the Eddington Study ostensibly covers the whole of the UK's transport system, most of its detailed policy recommendations refer principally to England. The Eddington Implementation Team, which sits in the Department for Transport, is also England-focused.

The devolved administrations in Scotland and Northern Ireland, and to a lesser extent Wales, have a degree of flexibility in responding to Rod Eddington's logic – not least in terms of the projects they choose to fund using devolved budgets. The Scottish Executive, for example, has already shown its independence by investing in a wide range of rail projects, including airport links and improvements to lines in the Central Belt. Whether the devolved administrations will follow Eddington's lead, and focus their transport budgets on urban or productivity-maximising schemes, is up for debate.

## CONCLUSIONS

If current and future Governments apply Sir Rod Eddington's stricter economic tests to proposed transport improvements, we could see major changes in the deployment of the UK's transport budget, including:

- ❑ *Geographically concentrated investment.* In future, major infrastructure schemes will have to pass a series of 'Eddington tests' – with large urban areas and the Greater South East the likely beneficiaries. If a scheme doesn't solve problems on the existing network in growing urban areas, inter-city corridors or on the approaches to a major international gateway, it's unlikely to be funded.
- ❑ *A focus on packages of small schemes.* Geographic concentration of investment doesn't necessarily mean fewer, bigger investments. Eddington's "small is beautiful" logic is already being translated into policy decisions – and the many investment commitments set out in the recent Rail White Paper are clear examples.
- ❑ *Invisible improvements.* Most users won't see the signalling changes, traffic management systems, power upgrades and engineering upgrades that will shore up the existing transport network. This means that scheme promoters – local, regional and national alike – will need to work harder to communicate the benefits of investment to the public. Transport for London has made a good start, with clear and high-profile poster campaigns explaining what the congestion charge and planned signalling upgrades will deliver.
- ❑ *Ever greater prioritisation.* Major new funding for transport infrastructure is unlikely following the Comprehensive Spending Review, with the possible exception of Crossrail. This means that national, regional and local authorities all need to focus on prioritisation and appraisal – and make limited resources count.

These shifts raise important political questions – for Labour and the Conservatives alike. Neither party can afford to alienate voters in key marginal constituencies, and the 'winners and losers' rhetoric that follows in the wake of major funding decisions is likely to weigh heavily on politicians' minds.

In a recent article for Transport Times, Professor David Begg refers to a seminal quote from Tony Blair in 1998: “If it comes down to a choice between the Government being unpopular or wrong, I would rather be unpopular.”

Begg (2007) cites Blair in an open letter to Ruth Kelly, the latest occupant of the DfT’s corner office, urging her to push ahead with road pricing. It seems appropriate to extend the maxim to transport funding decisions, more broadly. Any strategy that moves from ‘jam-spreading’ toward concentration of resources on a few priority areas is bound to be politically unpopular.

But Eddington’s call to focus investment in major urban areas, and improving existing links between them, is the right one. While this may not win a contest in the court of public opinion, which often focuses on iconic new infrastructure, it will help provide the conditions for continued growth in cities – the UK’s economic building blocks. Any legacy-conscious transport secretary – or Chancellor of the Exchequer, for that matter – should take note.

## REFERENCES

- APUDG (2007) *Loosening the leash: how local government can deliver infrastructure with private sector money*. London: All Party Urban Development Group.
- Archer C and Glaister S (2006) *Investing in roads: pricing, costs and new capacity* Southampton: ITC.
- Athey G et al (2007) *Two-track cities: the challenge of sustaining growth and building opportunity*. London: Centre for Cities.
- Begg D (2007) ‘Dear Ruth: no U-turns on road pricing, please’, *Transport Times*, August 2007.
- CfIT (2007) *Moving forward: better transport for city-regions* London: Commission for Integrated Transport
- DCLG (2007) *Planning for a Sustainable Future: White Paper* London: HMSO
- Eddington R (2006) *The Eddington Transport Study: Main report: transport’s role in sustaining the UK’s productivity and competitiveness* London: HMSO
- Graham D (2005) *Transport, wider economic benefits, and impacts on GDP* London: Department for Transport
- Marshall A (2007) *Getting the Connections Right: Eddington and the future of urban transport investment* London: Centre for Cities
- Marshall A and Harrison B (2007) *Connecting Cities: local transport, regional connectivity and economic growth* London: Centre for Cities
- Marshall A and Webber C (forthcoming) *Agglomeration and the Leeds City-Region* London: Centre for Cities
- Webber C and Athey G (2007) *The Route to Growth: transport, density and productivity* London: Centre for Cities