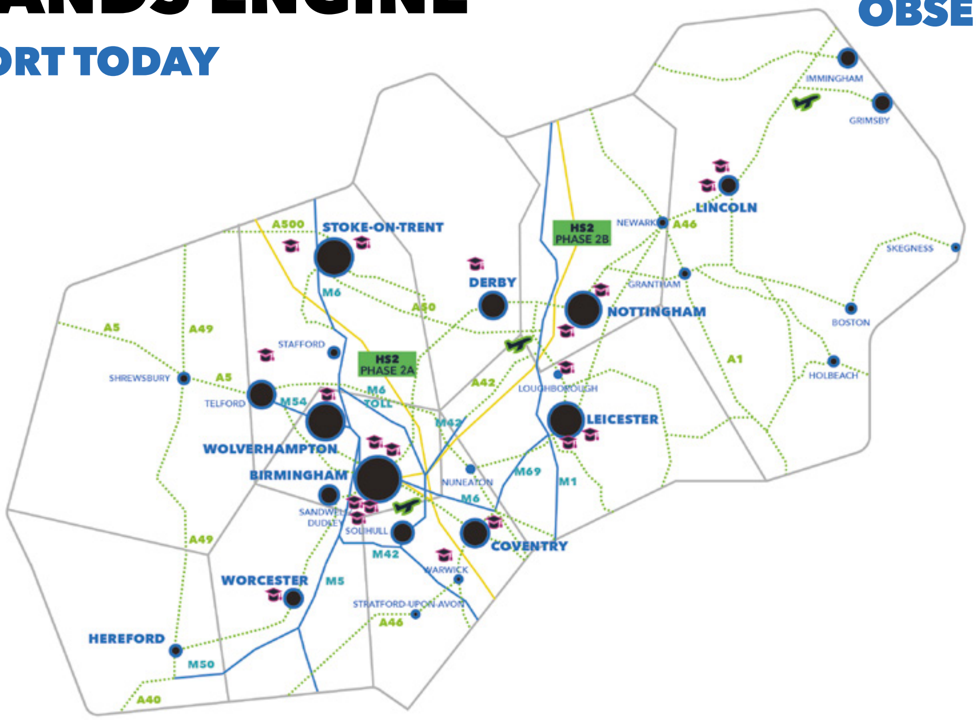
FACTSHEET

MIDLANDS ENGINE OBSERVATORY

MIDLANDS ENGINE

TRANSPORT TODAY



TRANSPORT OPPORTUNITIES AND INNOVATION

- The Midlands has **extensive local transport links and nationally important motorway, rail and aviation infrastructure**. The effectiveness of local transport infrastructure is important in maintaining international competitiveness as there is a close correlation between supplier delivery times to the manufacturing sector and productivity growth
- **92% of the UK's population is less than 4 hours** from the Midlands
- **4 of the UK's 5 primary rail freight** routes run through the Midlands
- **80% of UK rail freight** passes through the Midlands
- Connected to **400 global destinations by air**, Birmingham Airport is the **UK's third largest airport outside London**, and by 2033 is forecast to handle around **18 million passengers per year**. East Midlands Airport is home to the **UK's largest dedicated air cargo operation**
- Our airports ensure the **world is within reach for passengers and visitors** while driving the Midlands as **a centre for international trade and logistics**
- International connectivity is complemented by **east coast ports including Grimsby, Boston and Immingham**. Immingham is the UK's largest port by tonnage, handling 46m tonnes of cargo every year
- **Midlands Connect** leads strategic planning for infrastructure improvements, delivering on plans in the transport strategy to **create 300,000 new jobs while supporting economic recovery and levelling up**
- **Manufacturing opportunities in transport** enable businesses to diversify and adapt to meet new challenges and capitalise on new technologies. This could lead **to 37,000 additional jobs and be worth £3.3bn in Gross Value Added (GVA) by 2030**
- The University of Birmingham has developed **the UK's first hydrogen-powered train** in collaboration with Porterbrook
- Coventry is on track to becoming the **UK's first all-electric bus city by 2025** with up to **300 zero-emission buses.**

THE TRANSPORT SECTOR

- More than **252,100 people** are employed in the transport sector by over **25,000 enterprises** generating just **over £10.2bn in GVA**
- The transport sector accounts for **4.3% of total GVA** – above the UK proportion of 3.6%. It also accounts for **5.7% of total jobs** (England 5%) and **6.5% of total enterprises** (UK 4.5%).

However...

- The sector has been severly impacted by the Covid-19 pandemic. **GVA** has **decreased by 3.7% (-£391m)** since 2019
- **GVA per employee in the transport sector was £39,153** in 2020. This made it the **second lowest sector** and below average across all sectors in the Midlands Engine region of £54,737.

ROAD, RAIL AND AIR

- With fast rail access across the UK – **London, Oxford, Manchester, Leeds, Liverpool, all are less than two hours away**
- With high speed rail investment in **Europe's largest infrastructure project, HS2**, London and Manchester will be accessible in under one hour
- The **A46 corridor** is home to 5.5m people and 2.9m jobs with an economic **output of £115bn – nearly 10% of the English economy**. It stretches for 155 miles from Gloucestershire to Lincolnshire
- The 56-mile **A50/500 corridor** from Stoke-on-Trent to Derby, is home to around a million people and half a million jobs. Many of those jobs are in **globally significant firms such as Toyota, JCB and Rolls-Royce**
- **92,362 ultra-low emission vehicles are licensed** in the Midlands Engine area as of quarter 2 in 2022
- **42.4m passenger journeys on West Midlands trains** and **18m passenger journeys on East Midlands railway** in 2021-22 – figures that are slowly increasing since the Covid-19 pandemic
- **East Midlands Airport** has continued working with local partners to establish **Freeport status**, which is expected to create **60,000 jobs across the region.**

However...

- **Transport connectivity is poor** in some areas, especially travelling east-west across the Midlands. This **hampers business productivity**, making it **difficult for employees to commute** to work and for **businesses to access customers, collaborators and suppliers**
- The road network also has high levels of congestion, and journey times are slow and unreliable. This is a major challenge for the Midlands given its over-reliance on roads compared to elsewhere in the UK
- **Road congestion** is particularly acute in **Birmingham, Nottingham and Leicester.** These were identified by the National Infrastructure Commission as within the top 10 most congested areas outside of London in 2018
- The Midlands **lags on public electric vehicle charging points.** The West Midlands has just 6.7% of the UK share and yet 8.9% of the population. The East Midlands has 5.4% share of charging points with a 7.2% population share
- Rail connectivity between cities and to rural areas is **slow, infrequent, or both**
- **The percentage of trains on time between April 2021 and March 2022 was 58.2%** compared with 75.2% in the previous year for **East Midlands Railway.** For **West Midlands Railway** it was **66.1%** compared with 74.3% in the previous year
- **Passenger numbers at East Midlands Airport** are approximately **67% of pre Covid-19 levels** in July 2022.

INVESTMENT AND EXPENDITURE

- The Midlands' **expenditure on transport increased** by 31.3% (+£1.4bn) since 2019-20 to a total of **£5.9bn** in 2020-21
- **Transport expenditure per capita was £547** for the Midlands in 2020-21 – **an increase of 30.3%** (+£128) since 2019-20.

However...

- The Midlands' **transport expenditure per capita is significantly behind many other UK regions** with London at £1,476. The East Midlands was one of the lowest regions at £477
- There have been **years of underinvestment** in Midlands transport infrastructure. This amounts to more than **£7.3bn** in last 5 years alone.