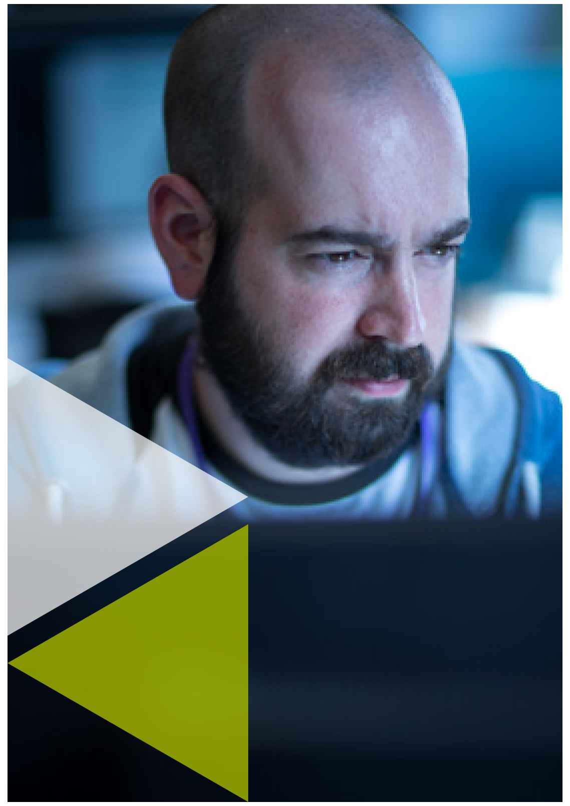
Transport and digital connectivity

Why is this important?

Links within and between regions are fundamental for facilitating economic growth. For example, transport connectivity allows businesses to move their goods to markets and allows individuals to access employment opportunities. Digital connectivity is increasingly important for business both in terms of reaching customers and to operate business systems.

What are the key findings from the data?

- Public expenditure on transport per head in the North East region is below the England excluding London averages. Whilst spend per head has increased in the North East since 2014/15, the rate of increase has been faster in the rest of England, meaning the gap has widened
- Usage of public transport is high in the North East LEP area, with significantly higher rates of Metro and bus passenger journey than England excluding London. Bus passenger journeys and mileage have decreased since 2014, whilst Metro passenger journeys have increased
- The volume (tonnage) of freight being transported by road from the North East region per head is higher than the national average and has increased since 2014
- There have been improvements in access to superfast broadband, with six of the seven local authorities in the North East LEP area, now above the English average in terms of the proportion of premises with access. Access to 4G varies across our area.



Transport and digital connectivity in the North East LEP economy

Indicator	Most recent data	Change since 2014	NE as % of England excl. London	Gap closing with England excl. London
Public expenditure on transport per head	£303 (2015/16)	Increase of £65 per head	87	No - widened
Metro (light rail and tram) passenger journeys per head	104.2 (2016/17)	Increased by 0.8 journeys per head	470	No - narrowed
Metro (light rail and tram) mileage per head	19.2 (2016/17)	Decreased by 0.3 miles per head	374	No - narrowed
Bus passenger journeys per head	73.6 (2016/17)	Decreased by 6.7 journeys per head	156	No change
Bus mileage per head	34.7 (2016/17)	Decreased by 1.5 miles per head	175	No - widened
Goods lifted (tonnes) by GB-registered heavy goods vehicles per head	39 (2016)	Increased by 7 tonnes per head	122	No change
Proportion of premises with superfast broadband (30Mbit/s+) services available	89-96% (2017)	Increased between 5 and 27 percentage points	Not available	Not available
Proportion of indoor premises receiving 4G mobile coverage from all operators	40-87% (2017)	Varied from increase of 39 percentage points to decrease of 22 (2015)	Not available	Not available

Sources: Country and Regional Public Sector Finances (ONS), Light rail and tram statistics (Department for Transport), Bus statistics (Department for Transport), Road freight statistics (Department for Transport) and Connected Nations (Ofcom)
Notes: 1. Data for public expenditure and freight lifted are for North East region.
2. Data on digital connectivity are not available for LEPs, so range for the 7 local authorities within North East LEP area is provided.

Wider commentary

Public investment in transport

In 2015/16, public expenditure on transport in the North East region was £303 per head. This compares to £349 across England excluding.

- Public expenditure on transport is much higher in London (£972 per head) than in the rest of England
- The North East is the English region with the third lowest public expenditure on transport in 2015/16 (after the East Midlands and the South West).

In the Budget 2017, the Government announced an investment of £337 million for fleet replacement on the Tyne and Wear Metro.

Metro

There were 37.7 million passenger journeys on the Metro during 2016/17, with the Metro operating 204.9 million passenger miles during 2016/17.

In terms of reliability, this is calculated as the proportion of trains arriving within three minutes later than scheduled or within 29 seconds earlier than scheduled. In 2016/17, the average rate was 82.3%.

Bus

In 2016/17, there were 144.9 million passenger journeys on local bus services in the North East LEP area, with local bus services operating 68.3 million vehicle miles during 2016/17. In terms of punctuality and reliability, in 2016/17:

- The average excess waiting time for frequent services was 0.8 minutes in the Tyne and Wear Integrated Transport Authority (ITA) area. Data is not available for Durham, Northumberland or England as a whole. For comparison, the average excess waiting times were 1.3 minutes in Merseyside ITA and 2.1 minutes in West Midlands ITA
- 90% of non-frequent bus services in the Tyne and Wear ITA, 93% in Durham and 85% in Northumberland ran on time. This compares to 83% across England as a whole.

Rail

In 2016, measured on a 'typical Autumn weekday', there were:

- 204 rail services arriving at Newcastle Central station, with 56,984 seats available and carrying 23,654 passengers
- 200 rail services departing at Newcastle Central station, with 56,276 seats available and carrying 24,164 passengers
- Between 2014 and 2016, the number of seats and the number of passengers arriving in Newcastle Central station both increased by 6%. The number of seats departing also increased by 6%, while the number of passengers departing increased by 7%

13 stations in our region had more than 100,000 entries and exits during 2016/17 – Newcastle, Durham, Berwick-upon-Tweed, Sunderland, Morpeth, MetroCentre, Hexham, Alnmouth, Chester-le-Street, Prudhoe, Seaham, Bishop Auckland and Wylam. All except the MetroCentre had experienced an increase in usage compared to 2015/16.

Road freight

In 2016, 76 million tonnes of freight were lifted by GB-registered heavy goods vehicles in the North East region.

- The North East accounted for 4.7% of all freight (by tonnage) lifted in England during 2016
- 22% of freight lifted was transported out of the region, with the rest moved within the region with the rest moved within the region
- The number of tonnes lifted in the North East (region) has increased from 63 million in 2014. This is a 20.6% increase, slightly below the English increase of 25.4% over the same period.

A similar pattern emerges when goods moved is considered. Goods moved is defined as the weight of goods carried multiplied by the distance hauled, measured in tonne kilometres. In 2016, the North East region was the origin of 6,707 million tonne kilometres of freight moved by GB-registered heavy goods vehicles.

Air transport

In 2016:

- 4.8 million passengers travelled through Newcastle Airport. Newcastle Airport accounted for 1.8% of all passengers travelling through UK airports in 2016
- Newcastle Airport handled 4,574 tonnes of freight. Newcastle accounts for just 0.2% of freight handled by UK airports. However, this reflects the dominance of London airports and Heathrow in particular which account for 78% and 65% of total freight respectively. Freight being carried by Newcastle has increased by almost 15-fold since 2006, when only 306 tonnes were handled by the airport.

Ports

The North East LEP area is home to five ports - Port of Berwick, Port of Blyth, Port of Sunderland, Port of Tyne and Seaham Harbour

In 2016, the North East's ports handled 5.73 million tonnes of freight, 1.2% of all freight handled in the UK in that period. Within this:

- 1.83 million tonnes of handled freight was outwards
- 3.89 million tonnes was inwards

In addition, in 2016, 584,000 passengers travelled through the Port of Tyne.

Fixed broadband coverage, 2017

	% of premises with superfast broadband (30Mbit/s+) services available	% of premises with full fibre broadband services available	% of premises unable to receive download speed of 10Mbit/s+
Sunderland	96	0	1
North Tyneside	95	0	2
Newcastle	95	5	0
South Tyneside	94	0	2
Gateshead	93	1	2
England	92	3	3
County Durham	92	0	2
Northumberland	89	2	5

Source: Source: Connected nations (Ofcom)

Mobile coverage (% of indoor premises receiving coverage from all operators), 2017

	Voice	Data	4G
Sunderland	96	89	79
Newcastle	98	98	87
North Tyneside	95	90	72
Gateshead	97	97	72
Urban England	96	96	66
South Tyneside	97	97	66
England	91	87	60
County Durham	86	83	50
Northumberland	81	76	40
Rural England	59	48	19

Source: Source: Connected nations (Ofcom)
Note: There are four UK operators: Telefónica UK (O2), EE (formerly T-Mobile and Orange), Vodafone and 3 (Hutchison 3G UK Limited)

Digital connectivity

Individuals and businesses increasingly rely on access to high quality fixed-line and mobile communications.

Ofcom publish data on access to communications services.

As data is not available at a LEP level, data is presented here for the seven local authority areas within our area.

In relation to fixed broadband coverage:

- The majority of premises have access to superfast broadband – with this ranging from 89% in Northumberland to 96% in Sunderland. All local authorities in our area except Northumberland have a higher proportion of their premises having access to superfast broadband than the national average of 92%
- Very few premises in the area have access to full fibre broadband - reflecting the national position Newcastle has almost double than the national average (5% compared to 3%)
- Few premises within our area are unable to receive a download speed of 10 Mbit per second - with most areas performing better than England on this measure.

Looking at mobile coverage:

- The proportion of premises that are able to receive voice signal from all four operators ranges from 81% in Northumberland to 98% in Newcastle
- The proportion of premises that are able to receive a data signal from all four operators ranges from 76% in Northumberland to 98% in Newcastle
- 4G is particularly important for businesses due to the increase of usage of cloud-based software and teleconferencing. The proportion of premises that are able to receive a 4G signal from all four operators has a much wider range than the other mobile indicators - from 40% in Northumberland to 87% in Newcastle.

Across all of the mobile coverage, a clear pattern emerges with five of the seven local authorities performing better than England as a whole. This reflects a wider national trend of rural areas having lower rates of coverage than urban areas. Those with underprovision - Country Durham and Northumberland - are the two more rural authorities in our area and both performing better than rural areas across England as a whole.

What next?

The North East has high usage of public transport and good broadband coverage. Whilst public expenditure on transport has increased since 2014, this still lags behind the national position. Priorities for North East are:

- To continue to secure investment for its transport and digital infrastructure. The announcement by Government of funding to upgrade the Metro fleet is highly welcomed but it will also be important to secure investment for other key projects. The North East LEP will continue to work with partners to secure public and private investment into the region and to improve connectivity between our region and elsewhere
- To encourage innovation in transport and digital service provision. A key example of how the North East LEP is supporting this is the Go Ultra Low Cities programme to develop rapid charging stations for electric vehicles in Newcastle and Sunderland.