

CB ECONOMICS

REVIEW OF 2009



INTRODUCTION

Despite the economic downturn CB Economics continued to successfully deliver high quality and innovative projects to a wide range of clients. Some of the year's highlights are set out below.

Transport economics

Identifying and assessing the wider social and economic impacts of transport investments and policies is where CB Economics is at the forefront of innovation and practical application in the UK. These skills were widely applied and received considerable publicity in 2009. **Paul Buchanan** directed a study for the British Chambers of Commerce quantifying the economic impacts of hub airports in the UK and hence the economic impact of building Heathrow Airport's third runway. With a press conference launch, the study was widely reported in the media with a follow-on article in The Times. The results were also presented at separate seminars to key staff within DfT and TfL. Other airport work saw an assessment of the economic impact of Waterford airport in Ireland on the regional economy on behalf of the airport operator.

We continue to be asked to advise on Crossrail related matters. This has included updating the Wider Economic Benefits (Agglomeration) element of the economic case for the whole project and advising on the regeneration impacts of additional stations along the route. A longer term project has been the development of the case and justification for seeking £300m in S106 contributions towards Crossrail from developers. This included **John Siraut** providing evidence to the examination in public of alterations to the London Plan.

Building on our Crossrail expertise, Paul and **Kieran Arter** undertook the economic appraisal of the DART Underground programme in Dublin including the first application of Wider Economic Benefits in Ireland. This showed that the wider benefits of DART Underground would be substantial, significantly boosting the case for the scheme.

Adding to previous work, we undertook a detailed economic assessment of traffic signals for GLA Economics with the results presented at a packed conference at City Hall which was described as "a fascinating presentation" by the Guardian which showed the overall economic benefits of traffic signals are significant but there

is also an economic case for removing or switching off some traffic signals at less busy times. The same conference also heard about our related work for London First on the economic impacts of road works which sets out alternative ways of incentivising utility companies and highway authorities to reduce the time taken for road works thereby reducing the associated congestion disbenefits.

Having advised in 2008 on the wider economic and social impacts of the Humber Bridge tolls, this year saw a similar exercise being undertaken in relation to the tolls on the Mersey Road Tunnels by **Ryan Emmett**.

Other transport economic work of note included the economic appraisal of the Olympic Route Network and the Tottenham Hale Gyrotory which led to a successful funding application to central government. In addition we contributed the transport and economic inputs to a Policy Exchange research project examining the potential to enhance passenger services on the River Thames (launched in the New Year by Boris Johnson) and work for Newham setting out the economic case for Eurostar international services calling at Stratford.

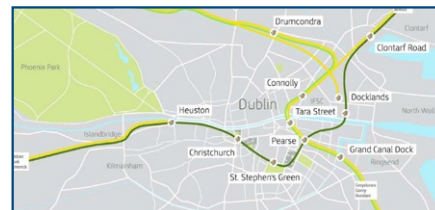
Public realm

Our ground breaking work on valuing enhancements to the public realm and the economic appraisal of walking and cycling continues to lead to new work.

The year saw **Chelsea Dosad** conclude a three year evaluation project for One NorthEast capturing the impact of quality of place investments across the region (these include a range of investments in cultural facilities, streetscapes, parks and other public realm). Whilst for London Parks we developed a methodology to assist the prioritisation of capital and maintenance spending based on the benefits to park users. For Canary Wharf Ltd we investigated the economic and financial feasibility of new Isle of Dogs ferry services.

CB ECONOMICS

REVIEW OF 2009



We have also just commenced a major study assessing the health and social impacts of public realm enhancements, building upon our previous work examining its economic and property value impacts and working towards a holistic approach for valuing the benefits of public realm investment.

Economic development

We have continued to advise on employment and socio-economic issues related to major developments. Examples include large mixed use developments in Carlisle, Lincoln and Bognor Regis for the Church Commissioners where we also provided advice on the impact of the proposed eco-town at Ford. Other locations where we have worked include Crewe. We inputted into the town's visioning and Penzance and the Scilly Isles advising on the economic impacts of different modes of access to the islands.

We have updated our previous work for GLA Economics examining the link between accessibility and employment density which is now feeding into work for LDA on the development of a framework to prioritise public sector investment in London's Opportunity Areas.

Infrastructure studies for local authorities have become a major issue where planning authorities need to understand the implications of housing and population growth on the soft and hard infrastructure in their area and how this can be paid for. We have been involved in a number of such studies for local authorities across the country.

Evaluation work continues apace including work by new team member **Richard Harris** on the value added by the Northern Way programme on transport projects. The team is currently undertaking a strategic review of Local Delivery Vehicles for EEDA which has shaped regional business plan guidance and will go on to provide recommendations to EEDA for future funding and operation of LDVs.

Research

CB Economics continues to use its team's diverse range of skills, including consultation expertise, to undertake a wide range of research projects. The year saw a major study undertaken for the Department of Environment, Food and Rural Affairs into rural housing issues which involved a considerable amount of consultation work in villages across the country. This qualitative research was supported by a hedonic pricing analysis which used detailed Valuation Office data on prices per room and location data from the Rural Services Data Series to determine the drivers of rural property prices. The report will be published shortly.

The team continues to be active on the conference circuit and in the media with our work being covered by the BBC, Financial Times, Daily Telegraph, Guardian, The Scotsman and The Times as well as by the trade, technical and local press. Many of our reports have been published and can be accessed via www.colinbuchanan.com/economics.

If you would like to know more about CB Economics and how we might be able to assist you in 2010 please do not hesitate to contact:

Paul Buchanan
T 020 7053 1307

John Siraut
T 020 7053 1503

E economics@cbuchanan.co.uk

You can also follow Colin Buchanan on twitter
<http://twitter.com/cbuchanancubed>