

Transport for the North Board

Subject: Integrated Rail Plan

Author: Tim Foster, Head of Policy and Strategy

Sponsor: David Hughes, Strategy and Programme Director

Meeting Date: Thursday 17 September 2020

1. Purpose of the Report

- 1.1 This report updates members on progress towards developing an Integrated Rail Plan for the Midlands and the North. The Board is asked to note progress.

2. Executive Summary

- 2.1 The Integrated Rail Plan will set out a coherent pipeline of rail interventions for the next 25 years across the North of England to deliver the rail services needed to support our economic plans. It will identify how the proposals will be integrated with the major investment planned for Northern Powerhouse Rail (NPR), HS2 Phase 2b, and Transpennine Route Upgrade (TRU). The aim is to identify a single investment programme to create a fully cohesive, reliable and flexible network for passengers and freight. The National Infrastructure Commission (NIC) is developing options for government to consider by the end of 2020.
- 2.2 TfN has identified opportunities for better integration and acceleration of key projects in a phased approach to transform the rail network within 25 years. We believe that an initial programme of enhancements and upgrades could unlock early significant benefits before 2030. Later phases would see NPR and HS2 delivered alongside each other with opportunities for integration of planning and delivery no later than the early 2040s. This vision can be realised, but only if:
- NPR is completed at the same time as HS2 Phase 2b, and integrated as far as possible so both are delivered in the 2030s. From the outset NPR and HS2 need to be planned and built as a single network, as opposed to NPR being viewed as an “add on” to a fixed HS2 scope and programme.
 - Government commits to fully funding its stated commitments (in line with its response to the Oakervee review) to support our ambition to transform the railway in the North, such that the North

can have confidence that a phased long-term programme that will be delivered in full.

- 2.3 The paper recommends TfN provide the Commission with a clear view of the North's priorities in order to inform their thinking as early as possible. This will include the phasing and assumed network for NPR outlined in the NPR paper. The Board will need to confirm its position in November when the preferred network for NPR is agreed.

3. Background

- 3.1 Following the publication of the HS2 Review on 11 February 2020, the Government announced its intention to develop an Integrated Rail Plan for the North and the Midlands by the end of 2020, bringing together NPR, HS2 Phase 2b and other major rail interventions such as TRU.
- 3.2 The NIC has been asked by the government to advise on the appropriate sequencing and delivery of major rail projects in the North and Midlands. The NIC initially conducted a call for evidence to inform a "Rail Needs Assessment" (RNA) to which TfN responded in May. The NIC has said it intends to advise the government on the broad options by the Autumn and has subsequently published the proposed methodology for the RNA in the interim report in July. The options being considered by the NIC have not been released but will be limited to the large 'moving parts' of major schemes.
- 3.4 Following the initial submission to the NIC, TfN is working with partners on more detailed proposals to support statutory advice to government later in the autumn on the North's preferred approach. This advice will include key decisions on Northern Powerhouse Rail due in November, but there is a need to provide the NIC with early advice by the end of September to meet their timescales for preparing the report.

4. Consideration

- 4.1 There is a high level of consensus about what investment is required in the rail network across the North for passengers and freight, as well as what economic and environmental outcomes can be achieved.
- 4.3 As the Oakervee review concluded, the scale of change and investment required necessitates a clear, integrated programme of delivery delivered in phases. This becomes more important in the context of the economic recovery and the emphasis on accelerating transport projects.

- 4.4 There is strong support for the development of a long-term sequenced programme for the railway in the North, which can deliver HS2, Northern Powerhouse Rail and Transpennine Route Upgrade in full as part of a wider programme of enhancements planned around the TfN Long Term Rail Strategy. It also reflects desire for better integration, in particular in respect of HS2 and NPR, as well as with the classic network for passengers and freight.
- 4.5 What the North needs from the IRP can therefore be summarised as follows:
- Commitment to investment in the North with HS2 and NPR in full and support for full delivery of TRU outputs including freight, as part of a 25-year programme to transform the North of England's rail network to deliver our economic and environmental objectives.
 - An agreed programme of accelerated investment in both NPR and the conventional network before 2030 (this was discussed at Partnership Board in July and summarised in Annex A).
 - The remainder of the NPR network to be completed alongside HS2 Phase 2b, in line with the phasing scenarios outlined in the NPR paper.
- 4.6 TfN has not identified any schemes that would need to wait till after 2040 to be completed, provided that HS2 is completed by 2040 as recommended by Oakervee, and NPR can be delivered alongside and integrated with HS2 Phase 2b.
- 4.7 There are risks to a phased approach, but the alternative is either a delay in completing the final network (to the late 2040s) or having more limited solutions decided by government to meet the timescales or available funding.

5. Affordability considerations

- 5.1 The Integrated Rail Plan should not result in a reopening of existing government commitments to the main 'building blocks' including both legs of HS2 Phase 2b, NPR and TRU. In that context, however, it is important to note that some of the fiscal scenarios being considered by the NIC are likely to result in funding envelopes that are insufficient to meet the currently forecast combined cost of HS2 and NPR.
- 5.2 Clearly, in reality, much will depend on the outturn cost of HS2 Phases 1 and 2a. The rail enhancements and renewals budgets may also come under pressure if required to fund elements of NPR upgrades.
- 5.3 The delivery mechanisms need to be set up with a clear focus on improving value for money against historic norms and there are significant efficiency gains to be achieved from a single, integrated long term pipeline of work. Nonetheless, depending on which of the NIC

fiscal envelopes is adopted by government as the basis for the final IRP, there would appear to be a real risk that the IRP has to make choices within constrained resources, as opposed to questions of phasing and integration.

- 5.4 The UK is often criticised for its faltering approach to developing infrastructure, and its relatively low infrastructure spend compared to other OECD countries. The IRP provides a real opportunity to set out a funded long-term plan that in turn can give private sector businesses the confidence to invest in the North.

6. Integration of planning and delivery

- 6.1 Subject to the above funding risk, the IRP nonetheless remains an opportunity for the delivery of early and significant benefits for the North. This will require the Government to agree the pipeline, the funding and delivery mechanisms through the Integrated Rail Plan and National Infrastructure Plan. There is an urgent need to unblock delivery of major schemes and create a practical deliverable programme for the North that is aligned with partners' wider plans.
- 6.2 We recommend agreeing an accelerated programme in partnership with Network Rail and others to deliver early benefits in terms of speed, frequency and reliability of services on the existing network. Alongside this, TfN, Government and partners can complete design and consents work on the remaining new line elements of NPR and Phase 2b that will require Parliamentary approvals.
- 6.3 There are opportunities for greater integration between the major schemes, and with local connectivity opportunities that can ensure efficient delivery of 'once and done' solutions rather than piecemeal upgrades. This should help achieve a more efficient approach to delivery and costs if planned efficiently as a network (as TfN is doing with NPR).
- 6.4 This includes areas for greater integration between NPR and HS2 Phase 2b in places where, as the Board has previously identified, NPR infrastructure and services were designed to fit around a fixed HS2 design. Both HS2 Phase 2b and NPR need to be completed at least in line with the Oakervee review conclusions. Government should seek to accelerate both legs of 2b, prioritising delivery of early parts of the Phase 2b network in the North where early delivery can unlock benefits for NPR and the wider North¹.

7. Advising the National Infrastructure Commission

- 7.1 Given the timescales for the NIC's advice to government, we would recommend TfN provides initial, confidential advice to the NIC on the emerging preferences of TfN Board for NPR. We would also submit the

¹ As the TfN submission to the Oakervee review outlined, Northern Powerhouse Rail will use at least 80km of the planned HS2 network.

proposals for an accelerated programme to 2030 contained in Annex A, subject to finalising the details with rail officers during September.

8. Next steps

- 8.1 Work is continuing in September to finalise the detailed report and conclusions in time to inform the NIC's considerations. There will be a further round of development in October to consider delivery arrangements and supply chain issues. We will integrate the NPR evidence base into this work as it emerges in October and is considered by the Board in November. Final statutory advice from the Board to government will accompany NPR decision making in November.

9. Conclusion

- 9.1 There are clear opportunities to deliver both HS2 and NPR together to make better use of shared infrastructure and integrate with the conventional network. That vision can be delivered, but only if:
- NPR is built at the same time as HS2 Phase 2b, and integrated as far as possible so both are delivered in the 2030s. From the outset NPR and HS2 need to be planned and built as a single network.
 - Government funding meets the ambition and stated commitments (in line with its response to the Oakervee review). A fiscal envelope needs to be agreed with Government that matches its existing commitments on major schemes and therefore allows the North's needs to be met.
 - The North can have confidence that a phased programme will be delivered in full.

10. Recommendations

- 10.1 The Board is asked to:
1. Note the emerging conclusions from the paper.
 2. Agree that the proposals at Annex A for an initial programme of rail investment through to 2030 should be further developed, subject to final decisions on NPR at the November Board.
 3. Agree that TfN Board's view on NPR phasing is fed into the NIC considerations.
 4. Agree TfN should work with rail officers in September to finalise our advice to the NIC, to feed in to their Rail Needs Assessment before it is finalised.

ENDS

Annex A: Initial Pipeline of Rail Schemes

- 1.1 There are very clear opportunities for accelerating a wide range of schemes across the North which could be delivered in the next 10 years and provide the foundations for a modernised rail network and could allow NPR services to start running in the 2020s.
- 1.2 TfN has worked with partners to identify a range of schemes across the North that can be accelerated and delivered ahead of work starting on the main phases of NPR and HS2 in the North, building on the Economic Recovery Plan proposals already agreed at Board in July.
- 1.3 In developing TfN's response to the Rail Needs Assessment, we have identified a long list of rail interventions compiled from the HS2 and NPR proposals, from the response of Partners and other stakeholders submitted to the NIC, and from other ad hoc submissions.
- 1.4 The schemes fall into one of two categories:
 - Complementary" or "independent" schemes that may help facilitate or support NPR, HS2 or TRU but do not need to be integrated at a technical level, which in turn means they may be capable of being phased or delivered early.
 - Elements of the integrated parts of NPR and HS2 that can be made independent and phased for early delivery, for example the new stations at Barnsley and Rotherham, or reopening the Leamside line.
- 1.5 They include:
 1. Carlisle, Lancaster, Preston, and Wigan station upgrades;
 2. Crewe Hub (excluding Crewe North connection to HS2);
 3. Castlefield Corridor and Manchester area reliability works
 4. Liverpool Central platform capacity improvements;
 5. East Coast Freight priority route and related reliability enhancements (including Leamside reopening, Yarm gauge works, some capacity works at York and Doncaster);
 6. Leamside Newcastle – Washington passenger service – but only if integrated with NPR and East Coast freight priority routes;
 7. Hope Valley (journey time, reliability and local capacity improvements – but not large enough to trigger works at Stockport or HS2 Reddish North Link link-line);
 8. Electrification NPR East (Leeds – Hull including Hambleton, Selby – Temple Hirst Junction, Micklefield – Church Fenton and Doncaster – Sheffield);
 9. NPR Stations at Dearne Valley and Rotherham and tram train in South Yorkshire
 10. Selection of preferred route and gauge clearance for Transpennine freight;
 11. Testing WCML freight priority scheme via Sandbach if required;

12. Capacity and reliability works at Leeds and Sheffield;

- 1.6 Building on the Economic Recovery Plan proposals, these schemes would constitute the early phases of the Northern Infrastructure pipeline. It would include opportunities for early delivery of independent 'complementary' schemes that can start to deliver early benefits for passengers whilst creating the foundations for longer term investment.
- 1.7 The schemes identified have both significant benefits for passenger and freight services which will support the North's economic ambitions. They tackle existing long-standing problems on the network and can facilitate more efficient delivery of other rail projects, while achieving early outcomes for sustainable economic growth. They also help to unlock key freight routes and create confidence for investors that there is a long-term plan for the railway that they can align with.
- 1.8 We recommend it be supported by a programme of smaller enhancements for line speed, reliability and resilience improvements developed by TfN and managed in partnership with Network Rail. Such a programme would be affordable within the funding scenarios being considered by the NIC and would significantly accelerate development in line with the government's approach and help reduce operating costs for the Northern and TPE franchises.
- 1.9 TfN will continue to work with rail officers to develop these proposals.

Required Considerations:

Equalities:

Age	Yes	No
Disability	Yes	No
Gender Reassignment	Yes	No
Pregnancy and Maternity	Yes	No
Race	Yes	No
Religion or Belief	Yes	No
Sex	Yes	No
Sexual Orientation	Yes	No

Consideration	Comment	Responsible Officer	Director
Equalities	A full Impact assessment has not been carried out at this stage of development	Head of Policy	Strategy and Programme Director

Environment and Sustainability

Yes	No
-----	-----------

Consideration	Comment	Responsible Officer	Director
Sustainability / Environment – including considerations regarding Active Travel and Wellbeing	A full impact assessment has not been carried out because no formal decisions are required at this stage of development.	Head of Policy	Strategy and Programme Director.

Legal

Yes	No
------------	----

Consideration	Comment	Responsible Officer	Director
Legal	There are no new legal implications for TfN as a result of this report	Julie Openshaw	Dawn Madin

Finance

Yes	No
-----	----

Consideration	Comment	Responsible Officer	Director
Finance			

Resource

Yes	No
-----	-----------

Consideration	Comment	Responsible Officer	Director
Resource	There are no direct or specific resourcing implications to TfN as a result of the recommendations within this report.	Head of Human Resources	Business Capabilities Director

Risk

Yes	No
------------	----

Consideration	Comment	Responsible Officer	Director
Risk	A risk assessment has been carried out and the findings are contained in the report.		

Consultation

Yes	No
------------	----

Consideration	Comment	Responsible Officer	Director
Consultation	A suitable consultation has been carried with partner authority officers and the results are included in the report.	Head of policy	Programme and Strategy Director.