TRANSPORT FOR THE NORTH

Meeting:	Rail North Committee Consultation Call
Subject:	Rail Outlook including the Strategic Rail Report
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Meeting Date:	Wednesday, 21 February 2024

1. Purpose of the Report:

1.1 To provide a 'rail outlook' highlighting how rail services in the North need to develop over the next decade or so to accommodate the ambition and growth set out in Transport for the North's Strategic Rail Plan. It also highlights how the North can deliver many of the objectives of rail reform ahead of the legislation to create Great British Railways.

1.2 To seek endorsement of final version of the Strategic Rail Report which will accompany the Strategic Transport Plan (STP) providing more details and evidence on the rail elements of the plan.

2. Recommendations:

2.1 That the Committee notes the content of the report including the strong growth aspirations set out in the Strategic Transport Plan if rail is to play its full role in supporting the economic, social, and environmental aspirations of the North.

2.2 That the Committee endorses the final version of the Strategic Rail Report noting that it has been updated following feedback from the summer 2023 consultation on the draft STP.

3. Rail Outlook:

Introduction

3.1 This report looks ahead 10 years+ to the mid-2030s and beyond and uses the evidence and analysis set out in the Strategic Transport Plan and the accompanying Strategic Rail Report to set out the potential for Rail in the North to play a stronger role in the social, economic, and environmental priorities of the North.

3.2 The report also summarises work that Transport for the North has been undertaking on a Blueprint for Rail in the North that brings together planned investment programmes indicating how the schemes will link together to provide a rolling programme of investment.

3.3 The well-documented challenges faced by the industry from the disastrous May 2018 timetable change to network congestion pinch points and the impact of covid mean that reform is essential. Whilst legislation and a clear plan for the proposed Great British Railways is still awaited, the North is able to build on some strong foundations including a statutory Strategic Transport Plan backed by a firm evidence-base, the Rail North Partnership (bringing much greater local oversight) including Regional Business Units.

3.4 Finally, the report suggests some next steps including a programme of re-specifying the Northern and TransPennine Express service contracts to ensure they meet the priorities of the North and take full advantage of the investment planned over the period. This work will also ensure that by using the evidence

base and analytical expertise, Transport for the North clearly articulates the priorities for the North to current and future governments.

Strategic Rail Report

3.5 The Strategic Transport Plan (STP) sets out a 30-year vision for the development of the North's transport network. This is supported by a Strategic Rail Report (SRR) which explains in more detail the interventions that are needed to develop the North's network.

3.6 Over summer 2023, Transport for the North undertook an extensive consultation on the draft STP and over 600 responses were received. Both the STP and SRR were reviewed and updated where appropriate to reflect the responses received. The final version of the SRR is included as Appendix 1 for endorsement.

3.7 The North of England has an extensive rail network which links major cities and towns, providing important inter-city links to London, the Midlands and Scotland, connections between the North's key destinations, and supporting local links. In the North, these local lines include not only busy suburban commuter railways, but also important rural and tourist lines (e.g. Settle & Carlisle, Esk Valley) and coastal connections (e.g. Cumbrian Coast, Hull to Scarborough). For rail to function effectively, it is important that these are planned as a single network and aligned with wider economic and transport planning. Whilst providing important commuter and business links, the North's passenger railways accommodate a high proportion of leisure travellers, which has meant that demand has recovered more rapidly following the pandemic than elsewhere in the country.

3.8 Prior to covid, demand on Northern and TransPennine Express had been growing strongly, from 3.53 billion passenger kilometres travelled in 2010-11 to 4.67 billion in 2018-19 (a 32% increase in 8 years or around 3.5% each year).[1] The recovery in rail demand after covid in the North has been strong, with passenger use already significantly higher than pre-pandemic at weekends (although weekday use remains at 87% of 2019 levels). Transport for the North's Future Travel Scenarios work suggest the potential rail demand growth could be between 78% and 193% by 2050.[2] For the higher end growth this represents an annual growth rate of over 4% compared to the 3.5% seen in the pre-pandemic years.

3.9 The Strategic Rail Report identifies a number of barriers that will need to be addressed in order to accommodate these scale of growth rates. These are highlighted below:

3.10 **Reliability: Performance of train operators in the North is lower than elsewhere.** Around half of trains in northern England and a third of trains nationally had been late in 2019-2020, with little improvement in the previous five years. Nine of the top 20 train delay "hotspots" are in the North of England, and of the remaining 11 only two others are outside London and the South East.[3] The Castlefield Corridor in Manchester, through which trains from across the North and beyond must pass, has been identified as "congested infrastructure" by Network Rail.

3.11 **Resilience: The network suffers delays and disruption due to poor weather and the impact of incidents elsewhere.** As well as delays caused by vehicles or congestion, some aspects (such as level crossings and bridge failures)

[1] Office of Rail and Road, *Table 1233: Passenger Kilometres by Operator, Great Britain, April 2011 to September 2022,* 15th Dec. 2022
https://dataportal.orr.gov.uk/statistics/usage/passenger-rail-usage/table-1233-passenger-kilometres-by-operator/
[2] Transport for the North (2020), *Future Travel Scenarios: Adaptive Planning to Deliver Our Strategic Vision in an Uncertain Future,* Dec. 2020, pp. 59-77
https://transportforthenorth.com/wp-content/uploads/Transport for the North_Future_Scenarios_Report.pdf
[3] Network Rail Industry Performance, *Congestion Hotspots,* 23rd July 2019
https://public.tableau.com/app/profile/nr.industry.performance/viz/CongestionHotspots/CongestionDelayHotspots

can lead to further disruption. As an example, the introduction of new trains and other initiatives that have reduced the traditional rail adhesion problems in the autumn, but performance in 2023 was still significantly impacted by a combination of staffing issues and impactful weather events (such as storms and flooding).

3.12 **Stations: Facilities vary, accessibility is poor.** The North's stations vary considerably, with some having very good information and passenger facilities, and good examples of community-based enterprises leading to improvements. Facilities are inconsistent though, and in some cases, stations are not accessible or have poor lighting and waiting facilities. Currently less than half (48%) of the 600 stations in the North have step-free access to all areas.[4]

3.13 **Slow journey times: Links between Northern cities are slow compared to others in the UK and in continental Europe.** Journeys between major cities are slow; Leeds to Manchester takes 48-61 minutes for a 42-mile journey, Sheffield to Hull takes 76-84 minutes for 59 miles. Away from routes between the main centres, journey times are slower still; for example, Bradford to Preston takes 81-90 minutes for a 52-mile journey. In many cases, rail does not offer journey times competitive with private road transport. Work by Transport for the North has shown that worthwhile journey time savings on some routes can be achieved for relatively small outlays, potentially leading to higher revenue through faster journeys and operational cost savings

3.14 **Connectivity: Some major centres have poor direct connectivity.** Whilst some major population centres in the North are well-connected to the rest of the country and to other places in the North, this is not always the case. Bradford, the seventh most populous city in England, has only limited London services, with all other journeys involving use of local trains to Leeds or Manchester for onward connections. The North's network is generally not integrated in terms of offering convenient, co-ordinated, and reliable connections between rail services and other forms of public transport, and active travel modes could be improved

3.15 The Strategic Transport Plan vision is: "*By 2050 the North of England will have become a thriving, socially inclusive region. Our communities, businesses and places will all benefit from sustainable economic growth, improved health and wellbeing and access to opportunities for all. This will be achieved through a transformed near zero emission, integrated, safe, affordable, and sustainable transport system, which will enhance connectivity and resilience, support mode shift and improve journey times for all users*." That vision is supported by three objectives:

- Transforming economic performance
- Rapid decarbonisation of surface transport
- Reducing transport-related social exclusion.

3.16 Rail will contribute to transforming economic performance by providing faster journeys, both between major cities and across the North. Transport for the North has set out clearly what is needed to support the transformation including Transpennine Route Upgrade (TRU), NPR in full and the outputs previously committed through HS2 Phase 2b. These initiatives have the potential to reduce passenger journey times in the medium and long term, helping the North's economy to operate in a more efficient, cohesive, inclusive and productive manner. Cutting rail journey times between York and Manchester to as little as 63 minutes (through completing TRU) will be an important first step in this transformation.
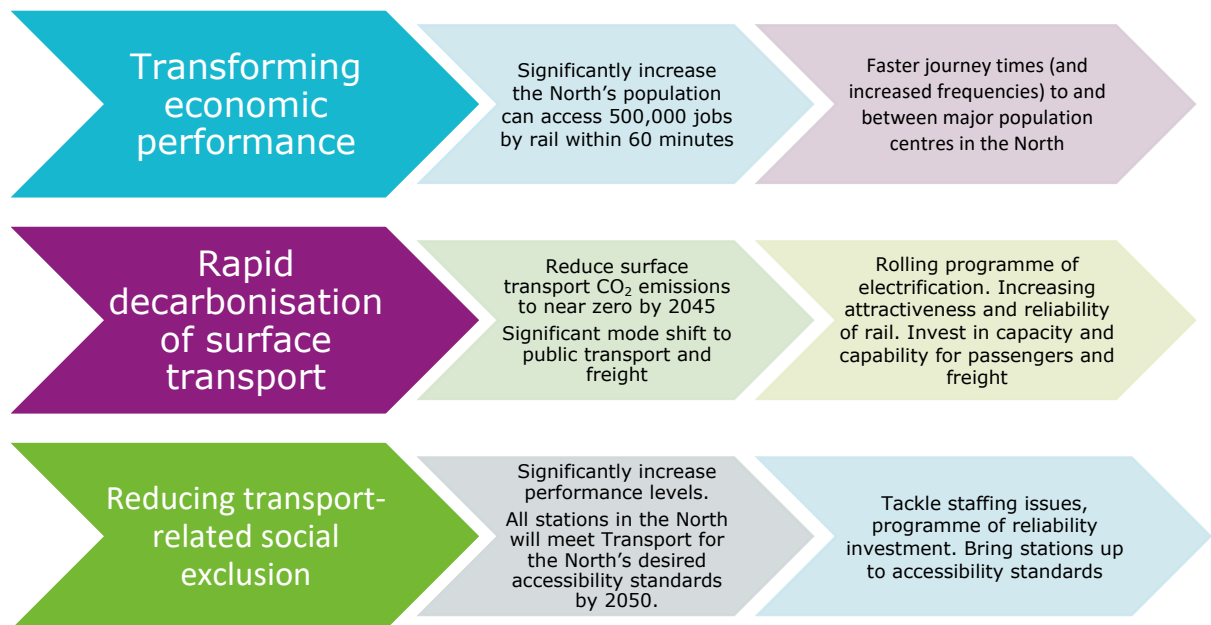
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[4] Mott MacDonald (for Transport for the North), *Northern England Station Enhancements Programme: Strategic Outline Business Case,* May 2022, pp. 42-50

3.17   Meanwhile, investment in the network to provide more capacity for freight trains (and to allow industry standard containers to be carried on direct routes which match freight demand) will support economic growth and allow the North to capitalise on its freight and port assets. This would contribute to the achievement of the target of trebling rail's share of freight volumes in the North from 8.5% today to 25.5% by 2050, with corresponding environmental and decongestion benefits.

3.18   A rolling programme of rail electrification is key to achieving **rapid decarbonisation**, building on the electrification that is already in place. Electrification offers a cleaner, faster and more reliable railway, but only 25% of our railways are electrified, compared to 38% nationally.[5] The Transpennine Route Upgrade (TRU) will electrify the north trans-Pennine route, but there are many other routes where electrification would be very beneficial, including links to freight terminals. To achieve this, a rolling programme of electrification across the North is needed, which will also allow the industry to develop and retain essential knowledge and skills, and generate knowledge spillovers into the wider economy

3.19   To support electrification, further investment in new electric trains is also required, building on those fleets introduced in recent years. For areas where conventional electrification cannot be justified, battery and hydrogen-powered trains will need to be developed. Electrification and the introduction of new trains is essential to meet the government's decarbonisation targets and the ambitions in Transport for the North's *Decarbonisation Strategy.*[6]

3.20   Provision of a consistent and reliable railway is important to reduce **transport-related social exclusion**. Urgent action is needed to address poor performance, which has been exacerbated by staffing issues. The perception of rail as unreliable needs to be addressed, and Transport for the North has developed a programme of small-scale schemes which can achieve real benefits in the short term, complemented by investment in known infrastructure constraints that cause delays. In addition, the resilience of the network needs to be improved so disruption due to adverse weather and other causes can be better managed and knock-on delays to passengers reduced

3.21   Transport for the North's objectives for rail are set out in the *Strategic Rail Report* at Appendix 1. These are illustrated in the diagram overleaf which highlights the targets and some of the actions that will be required.

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[5] Office of Rail and Road, *Rail Infrastructure and Assets, 2019-20,* 5th Nov. 2020, p. 1
https://dataportal.orr.gov.uk/media/1842/rail-infrastructure-assets-2019-20.pdf
[6] Transport for the North, *Transport Decarbonisation Strategy,* Dec. 2021, p. 52
https://transportforthenorth.com/wp-content/uploads/Transport for the North-Transport-Decarbonisation-Strategy-Transport for the NorthDEC2021.pdf

Transforming economic performance	Significantly increase the North's population can access 500,000 jobs by rail within 60 minutes	Faster journey times (and increased frequencies) to and between major population centres in the North
Rapid decarbonisation of surface transport	Reduce surface transport CO_2 emissions to near zero by 2045. Significant mode shift to public transport and freight	Rolling programme of electrification. Increasing attractiveness and reliability of rail. Invest in capacity and capability for passengers and freight
Reducing transport-related social exclusion	Significantly increase performance levels. All stations in the North will meet Transport for the North's desired accessibility standards by 2050.	Tackle staffing issues, programme of reliability investment. Bring stations up to accessibility standards

Delivery

3.22   Delivery of these outcomes will require a programme of interventions including both capital investment (e.g expanding track and platforms at key hotspots), but also a programme of outputs delivered through the train operators (including amended services, more capacity, new rolling stock and fares and ticketing). Through the STP evidence and local knowledge (working with partners), Transport for the North is in a unique position to shape such a programme that will deliver on the STP outputs and provide good value for money (e.g reducing subsidy by driving growth).

3.23   It is proposed to shape delivery through:

- A 'blueprint' for rail investment across the North
- A re-specification of rail services which will inform future service contracts
- Rail reform by building on the existing arrangements in the North.

3.24   A draft blueprint has been developed that maps out committed and planned investment across the North. An extract from the draft (up to 2032) is included as Appendix 2. The blueprint identifies the funding status of schemes, the planned delivery timeline and the points where the timetable and/or rolling stock need to change in line with the infrastructure. The blueprint also identifies any issues that are not yet resolved – for example capacity of a third fast train per hour on the Hope Valley following completion of the line upgrade. There are further layers of detail under development including post 2032 reflecting the impact of cancellation of HS2 North of Birmingham.

3.25   The Committee's working group recently received an update on the train operator Annual Business Planning process. For the first time (at Transport for the North's request), these Business Plans included sections on Levelling Up. It was apparent to the working group that the nature of the Annual Business Planning round doesn't provide the scope to establish how train services can be developed over the longer-term to meet the Levelling Up agenda and Transport for the North's Strategic Transport Plan. It is also the case that the business planning process places the emphasis of the train operators to come up with proposals. In the longer-term it is important that the service specification is driven by the wider objectives (of Transport for the North and DfT, the joint clients) and should be developed in a much more collaborative way.

3.26   A proposal has therefore been developed to undertake a re-specification exercise for the two train operators covered by Rail North Partnership (Northern and TransPennine Express) which would draw on the evidence-base underpinning the Strategic Transport Plan and local knowledge and priorities by working with collaboratively with Transport for the North's partner authorities. It would be similar to the positive process that led to the specification of the 2016 franchises but would be designed to fit with the revised approach to rail service contacts in place and to transcend future contract extensions/ changes and/or re-procurement.

3.27   Transport for the North is developing a phased approach to reform. This will enable the North to benefit from greater integration and our pan-Northern strategy ahead of proposed rail reform legislation. Key aspects of reform include:

- using the Strategic Transport Plan (and its evidence base) to serve as the basis for railway outputs in the North and working with Network Rail to develop this
- developing Transport for the North's NPR co-sponsor role into a broader sponsorship role across all relevant schemes in the North
- using existing powers under the Rail North Partnership agreement to improve integration of track and train.

3.28   These are reforms are evolutions of the current role that Transport for the North plays which enable partners in the north to deliver early on some of the rail reform objectives. These reforms would provide a guiding mind for the rail industry in the North and are independent of the legislation to establish Great British Railways. Nonetheless, they will also be adaptable to future legislation and an arms-length body which brings track and train together.

3.29   A more detailed Rail Reform proposition will be developed for the June 2024 meeting of the Rail North Committee.

4.   Corporate Considerations

Financial Implications

4.1   There are no financial implications for Transport for the North as a result of this report.

Resource Implications

4.2   There are no resourcing implications for Transport for the North as a result of this report. Work highlighted will be managed within existing resources outlined within the Transport for the North Business Plan.

Legal Implications

4.3   There are no apparent legal implications as a result of this report.

Risk Management and Key Issues

4.4   There are two Transport for the North corporate risks that are being actively managed which relate to this report. They are: (i) Transport for the North could have a reduced role in rail industry and (ii) future timetable changes in the North reduce rail connectivity.

Environmental Implications

4.5   This report does not constitute or influence a plan or programme which sets the framework for future development consents of projects listed in the Environmental Impact Assessment (EIA) Directive and therefore does not stimulate the need for Strategic Environmental Assessment or EIA.

Rail and investment in rail infrastructure has an essential part to play in achieving our social inclusion and decarbonisation strategic ambitions within Transport for the North's Strategic Transport Plan, particularly in relation to our headline

objectives of achieving 51% of trips by sustainable travel modes (as opposed to private cars) and tripling rail freight to 25.5% a tonne km.

Equality and Diversity

4.6   A full impact assessment has not been carried out because it is not relevant to the type of work referenced. Individual interventions will be subject to an Equalities Impact Assessment where required as part of the scheme development process.

Consultations:

4.7   The Strategic Rail Report has been subject to full public consultation alongside the Strategic Transport Plan.

5.   Background Papers:

5.1   None

6.   Appendices:

6.1   Appendix 1: Strategic Rail Report

6.2   Appendix 2: Draft Blueprint for Rail in the North (Extract)

Glossary of terms, abbreviations and acronyms used
TPE   TransPennine Express TRU   Transpennine Route Upgrade NPR   Northern Powerhouse Rail STP   Strategic Transport Plan SRR   Strategic Rail Report