

Cynulliad Cenedlaethol Cymru	National Assembly for Wales
Y Pwyllgor Menter a Busnes	Enterprise and Business Committee
Ymchwiliad i'r Blaenoriaethau ar gyfer dyfodol Seilwaith y Rheilffyrdd yng Nghymru	Inquiry into the Priorities for the future of Welsh Rail Infrastructure
WRI 26	WRI 26
Rail North and Transport for the North	Rail North and Transport for the North

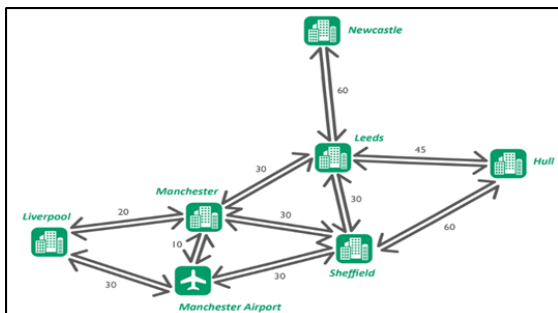
Introduction

1. Rail North and Transport for the North welcome the opportunity to jointly respond to this Committee's inquiry into priorities for future Welsh rail infrastructure, which is timely in the context of the work we are carrying out looking at both rail infrastructure and services. Transport for the North and Rail North are closely linked and in time, it is expected that Rail North will become part of Transport for the North.
2. **Rail North Limited** comprises the Local Transport Authorities (LTAs) across the North of England and as the Rail North Partnership is responsible (jointly with the Department for Transport) for the specification, tendering and management of the Northern and TransPennine rail franchises due to start on 1st April 2016. Rail North has already worked co-operatively with the Welsh Assembly Government and the six North Wales local authorities on the North of England Electrification Task Force project and partner authorities in the North West of England work on a daily basis with North Wales colleagues.
3. **Transport for the North (TfN)** brings together local transport authorities, combined authorities and Local Enterprise Partnerships across the North of England to work with Government, Highways England, HS2 Ltd and Network Rail to develop a multi-modal Northern Transport Strategy. This will set out a programme of transformational investments which will radically improve transport connectivity across the North of England, underpinning and enhancing economic growth in the North as part of a wider 'Northern Powerhouse' programme.
4. TfN is currently being established as a statutory body to advise Government on future investment priorities. Transport for the North and the Welsh Assembly Government recently signed a Memorandum of Understanding, ensuring that the requirements of the Welsh Assembly Government are properly considered during the on-going development of the Northern Transport Strategy.
5. The remit for the Committee's inquiry is wide ranging and a number of aspects fall outside the scope of either Rail North or TfN. This submission will therefore focus on the relationships between North Wales and the North of England, the impact on English transport devolution on Wales and how investment in the Welsh rail network can capitalise on complementary investment in England.

Northern Devolution

6. There are fundamental linkages between North Wales and North West England. However, because economic data is collected separately on either side of the national border, the combined strength is not recognised. There are significant daily cross-border commuter flows of around 44,000 between North Wales and North West England. There is a particular focus of activity in the 'Mersey Dee' area which covers Wrexham, Flintshire, Denbigshire and parts of Cheshire and the Liverpool City Region. This economic geography has a particular focus on advanced manufacturing and innovation with major employers including Airbus, Tata, Toyota, Vauxhall/GM, JCB, Unilever and Essar and generates GVA of £17bn per annum. Despite the size and importance of the Mersey Dee area, intra-regional transport links are generally poor.
7. Across the North of England, rail use is growing – and more strongly than on other transport modes such as bus and road passenger traffic. In this regard, our objective is to facilitate and encourage economic growth. Better connectivity both facilitates and enhances that growth; the Rail North **Long Term Rail Strategy** sets an ambitious target of doubling rail's market share by 2032 over and above current trend growth. We have quantified the benefits of doing this at up to £50bn (PV 2010 over a 60 year appraisal period) with GVA benefits (2025, nominal inflation) that equate to £0.9bn per year.
8. Industry forecasts, which are not transformational in their nature, still suggest that rail demand will increase by 40% by the mid-2020s. For forecast rail mode share in the mid-2020s to double from 5.7% to 11.3%; rail demand will need to grow at around 8% per annum; an increase of 180%. Delivery of committed investments such as the Northern Hub, the electrification programme and introduction of new and additional rolling stock in the North of England will be necessary to meet this demand. However, studies have shown that considerable suppressed demand exists for rail travel in the North and TfN's Northern Transport Strategy will address this.
9. DfT and Rail North have recently completed the refranchising of the Northern and TransPennine services with a transformational specification that was an essential first step for the Long Term Rail Strategy. From April 2016 the new Northern franchise will see more than 2,000 extra services each week, including new regional daily linkages from Chester to Leeds, an almost 40% increase in capacity, and around an additional 400 Sunday services. This will create space for 31,000 extra passengers travelling into the five major commuter cities of Liverpool, Manchester, Leeds, Sheffield and Newcastle during the morning rush-hour. The next TransPennine franchise will introduce new, direct Liverpool to Glasgow and Liverpool to Edinburgh services, double the number of Manchester to Newcastle services, run more daily services from Manchester and Leeds to Hull from December 2017, and an extra 9,000 seats into Manchester, Leeds, Sheffield, Liverpool and Newcastle – an overall capacity boost of nearly 70% across the region during the morning peak. It should be noted though that neither franchise runs services into Wales. The cross border services are provided by Arriva Trains running services from Wales into Manchester.
10. In parallel to the rail franchising processes, Transport for the North is developing its Northern Transport Strategy, which will set out a 30 year capital programme to significantly improve

connectivity and accessibility across the North of England for both passengers and freight and covering all modes. A key element of this Strategy is the development of the ‘Northern Powerhouse Rail’ (NPR) concept, which is a proposal to connect the North’s city regions with fast frequent rail services. Clear ambitious targets for connectivity in terms of frequency and journey times were published by the Government and TfN in March 2015 and are as indicated below. These are called the ‘conditional outputs’. TfN is working in partnership with Network Rail and HS2 Ltd to understand the means by which these outputs can best be met.



	Hull	Leeds	Liverpool	Manchester	Manchester Airport	Newcastle	Sheffield	Journey Time (minutes)
Hull		45	95	75	85	105	60	
Leeds	2		50	30	40	60	30	
Liverpool	1	4		20	30	110	50	
Manchester	2	6	6		10	90	30	
Manchester Airport	1	2	2	high		100	30	
Newcastle	0	4	2	3	1		90	
Sheffield	2	6	2	6	2	2		
Frequency (trains per hour)								

11. Options that meet, or move towards meeting the NPR vision are being developed through a series of studies to establish the scale of investment required and the strength of case. This includes looking at making use of the HS2 network where possible, upgrading existing routes, and the construction of brand new railway lines. We are also assessing the investment needed within cities; both at stations and on cross-city routes, to enable the fast through journeys that will make up a coherent network rather than a series of point-to-point links.

12. Emerging findings from this work show that entirely new lines, or in some cases major bypasses and cutoffs (i.e. sections of new route), may be needed to deliver the connectivity vision. In certain locations, HS2 will play a part in delivering the transformational NPR vision. On the existing network express; semi-fast, local and freight services run on the same, often two-track railway, limiting its capacity to deliver transformational changes in speed or frequency. So to deliver the transformation, new lines are needed to separate these very different types of service.

13. Between Liverpool and Manchester, there may be the potential to use the proposed HS2 infrastructure to achieve the output. Initial work indicates such an option may also require a new line from Liverpool to the proposed HS2 route. Such a new line could also permit faster HS2 services between Liverpool and London.

14. On routes between Manchester and Leeds and Manchester and Sheffield, analysis so far suggests that very significant sections of new line would be needed to achieve the vision for journey times and service frequencies. However, if provided, these could free up capacity for additional local passenger services, better serving key intermediate centres and rail freight. The proposed HS2 route offers significant potential to provide a fast link between Leeds and Sheffield.

15. For Newcastle and Hull, packages of upgrades to existing lines, electrification and faster trains could improve journey times and service frequencies between the North East and Humber areas and the rest of the North. Work is underway to explore the potential to make more intensive use of the HS2 eastern leg connection to the East Coast Main Line to address the key constraint of line capacity east of Leeds, as well as options on the East Coast Main Line to Newcastle and routes to Hull.
16. The Northern Powerhouse Rail (NPR) proposals not only benefit the cities which it directly serves; by transferring inter-regional rail services to a dedicated new line a significant amount of capacity can be released on the existing rail network which could be used for enhanced commuter services. Future work for TfN will include examining how other centres of population can be served by new rail services. There is also the option to use this capacity for freight services, exploiting the opportunity brought about by the developments at the Port of Liverpool and offering benefits for the large number of advanced manufacturing sites in North Wales and focused on Deeside.
17. The NPR proposals are underpinned by a new approach to economic development in the United Kingdom. Connecting the individual centres of the North of England serves to strengthen their labour and business markets, and building on their collective strengths and identities, will allow the North's economy to function more as a single unit.
18. The Welsh Government has been particularly interested in the freight and logistics element of the NTS, given the importance of the Port of Holyhead and Deeside Industrial Estate to the North Wales economy. Representatives of the Welsh Assembly Government have met several times with TfN officers responsible for freight and logistics. As part of the development of a Northern Freight and Logistics Strategy TfN held a stakeholder workshop with representatives of the North Wales freight industry in Llandudno in December 2015.

Priorities for Improvement

19. Building on the opportunities that arise from HS2 is integral to the Northern Transport Strategy. The planned early delivery of the High Speed 2 rail 'superhub' at Crewe is clearly an important development from a cross boundary point of view and will also support the freight market through electrification of Crewe to Holyhead. Crewe is already an important interchange location for services from North and South Wales and this importance will increase with the arrival of HS2. An economic assessment of the benefits of a superhub station with a direct HS2 connection, commissioned by Cheshire East Council put the impact of such a development at £3bn in GVA and up to 60,000 new jobs across the local and wider economic area.
20. This and linkages to other key destinations in the North of England supports the recommendation of the North Wales Economic Ambition Board to electrify the North Wales Coast Line. In addition to the general benefits of journey time reduction and capacity increase which accompanies electrification, this would permit the introduction of direct services to the airports of Manchester and Liverpool, improve connectivity to Chester and permit the transit of larger containers on conventional rail wagons to and from Holyhead port. This offers an opportunity to exploit the

transformational service benefits that the proposals for a Crewe HS2 superhub would bring. Rail North and TfN see improvements to the railway in North Wales, and connectivity on to the network in the North West of England as the key priority. This would enable cross border links to be strengthened.

21. Cheshire West and Chester Council and Merseytravel are also working closely with the Welsh Assembly Government to improve service quality on the 'Borderlands line' between Wrexham and Bidston. However, solutions will be dependent upon funds being aligned from the separate administrations for any enhanced rail infrastructure works. Service enhancements ultimately need to be negotiated as part of the Wales and Borders refranchising process, which is the responsibility of the Welsh Assembly Government. Notwithstanding these practicalities, the Borderlands line should be recognised as a high priority by the Welsh Assembly Government in terms of its economic importance in linking three mutually supportive Enterprise Zones (Liverpool Waters, Wirral Waters and Deeside) and in supporting access to education, leisure and retailing. It will also serve an increasingly important social and economic role in the context of the new prison being developed in Wrexham.
22. Decisions on rail electrification in Wales are reliant on 'feeder' sections from English networks being electrified too. A longstanding problem is that electrification business cases in Wales can be weaker as a result of the lower passenger flows and associated economic benefits. This highlights the importance of decisions being taken at a strategic level, rather than on a route-by-route basis. Rail North provided substantial support to the Electrification Task Force which was established by the Secretary of State for Transport to provide independent advice on the priorities for future electrification. The Welsh Assembly Government and the six North Wales Local Authorities were involved in the work of the Task Force and the Stakeholder Reference Group.
23. These examples highlight the importance of effective joint working and planning between Welsh and English bodies on such issues. More formal working with English border areas (such as the MoU signed with TfN) should be proposed by the Committee, as should opportunities to align funds, which are increasingly devolved in both England and in Wales
24. The issue as to whether the Department for Transport (DfT) should devolve rail infrastructure responsibilities in Wales is not straightforward and we would not wish to comment on an issue that is ultimately for Wales to reach a view upon. It is noted that most rail services in Wales have origins or destinations in England, or else pass through significant parts of England, which highlights the complexity of devolution in a practical sense. In our experience, the key to maximising success, irrespective of whether infrastructure decisions are devolved by DfT or not, requires strong and meaningful partnership across logical economic geographies, putting, as far as possible, administrative boundaries to one side and assessing issues and problems in a strategic context across the network as a whole. Equally, the Welsh Assembly Government should remain able to fund additional infrastructure enhancements, as local transport authorities in England are also able to do.
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on the priorities for future electrification. The Welsh Assembly Government and the six North Wales Local Authorities were involved in the work of the Task Force and the Stakeholder Reference Group. Transport for the North remains an advocate of the findings of this work and would like to see the principle, of a continuous rolling programme of electrification remain at the heart of National rail infrastructure policy.