

# Moving Forward: The Northern Way

Paul McMahon  
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14 December 2007

Dear Paul

## **Consultation on Network Rail's strategic business plan**

The Northern Way welcomes the opportunity to respond to your consultation on Network Rail's Strategic Business Plan. The annex below sets out response, including an overview of the Northern Way's transport work and the importance of rail to the future of the North's economy; our overall response to the Strategic Business Plan; and our responses to the specific consultation questions that you raise in your consultation letter.

I recently met with Michael Beswick for a discussion about the Northern Way and the Strategic Business Plan and I am also copying this letter to him. I would of course be pleased to discuss the issues we raise or to provide further clarification where you would find it helpful.

Yours sincerely

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## 1. INTRODUCTION

### The Northern Way

- 1.1 The Northern Way is a Government-backed initiative, led by the three Northern Regional Development Agencies (North West Development Agency, One North East and Yorkshire Forward). Our goal is to bridge the £30bn annual economic output gap between the North and the English regional average by growing the North's economy faster.
- 1.2 In the Comprehensive Spending Review the Government announced a funding package to continue the Northern Way's activities for the next three financial years.

### The Northern Way Growth Strategy

- 1.3 **Published in 2004, the Northern Way Growth Strategy *Moving Forward: The Northern Way*** sets out how the Northern Way seeks to bridge the output gap. The Growth Strategy was developed to build on the North's three Regional Economic Strategies and Regional Spatial Strategies. The Growth Strategy highlights transport as a priority area for transformational change. The importance of transport to the North's economic future was reaffirmed in the stock take of the Northern Way's activity undertaken earlier this year and it is now one of three areas that are a focus of Northern Way activity.
- 1.4 The Growth Strategy identified three transport investment priorities:
  - to improve surface access to the North's airports;
  - to improve access to the North's sea ports; and
  - to improve links within and between the North's City Regions.

### The Strategic Direction for Transport

- 1.5 **To support its September 2006 submission to the Comprehensive Spending Review (CSR), the Northern Way developed its *Strategic Direction for Transport***. This is an evidence-based assessment of the most appropriate transport interventions that will promote productivity gain, while at the same time seeking to protect and enhance the North's natural and built environment and contributing to meeting the nation's commitments regarding climate change. Looking over a 20 to 30 year time horizon, it sits below the three high-level transport goals of the Growth Strategy and above the level of individual schemes and projects. The *Strategic Direction* sets out the types of interventions which will have greatest productivity impact.

- 1.6 Improved transport provision within the City Regions is necessary to cater sustainably for increased commuting, especially to city centres. Targeted transport provision will also be needed, focussed on helping to resolve worklessness or supporting regeneration initiatives. However, the Northern Way's work also shows that improving links *between* the North's City Regions offers even greater agglomeration benefits than would be achieved by improving transport *within* the City Regions alone. Improving transport between the City Regions also offers the potential for more balanced growth across the North, while only addressing transport within the City Regions raises the possibility of increasing the differentiation between the stronger and weaker City Regions. Our evidence therefore points to the need for a well-balanced approach to improvements both within and between City Regions.
- 1.7 Connections to airports are very important for business and inward tourism. Investment in improvements between the city regions also needs to expand and improve access to airports, especially to Manchester Airport, the North's premier international airport. This will involve investment in the rail network in Greater Manchester and the Manchester Rail Hub in particular, if more frequent as well as additional direct rail services from cities such as Bradford to the airport are to be realised.
- 1.8 This, however, is just one of several wider objectives that the Northern Way has identified for the Manchester Hub project. These objectives relate in part to the immediate area covered by the urban core and the wider Manchester City Region, but they have a much wider significance too. All of the north's city regions<sup>1</sup> and the wider regional economies would benefit from a scheme that 'unlocks' the rail network in central Manchester, including the movement of freight to and from the North's major ports. The project has the potential to overcome the single biggest inhibitor to the efficient operation of the north's transport. It carries the full support of northern stakeholders in the private and public sectors achieved through the vehicle of the Northern Way Transport Compact, under the chairmanship of David Begg.
- 1.9 The Northern Way was delighted that government in October 2007 added the requirement for Network Rail, in consultation with Northern Way, to carry out the necessary studies to advance this particular project. It is essential that this project is progressed as a truly collaborative exercise that recognises the importance of the wider economic objectives that gave cause for government supporting its development in the first place.
- 1.10 The *Strategic Direction* identifies connections from the North to London and to Heathrow as critical issues for businesses in the North, as well as for inbound tourism. Subsequent work into the agglomeration benefits of a high-speed rail network linking London to the Northwest, Yorkshire and the Humber and the North East (and Scotland) revealed that there could be over £10bn value to the national economy on top of the conventionally measured

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<sup>1</sup> There are eight: Tyne & Wear; Tees Valley; Hull; Leeds (includes York and Bradford); Sheffield; Manchester; Liverpool and Preston/Central Lancashire

benefits. Proportionately more of this benefit accrues to the northern regions and especially the North East, and, moreover, the inclusion of a trans-Pennine connector to this network contributes 40% uplift in the agglomeration effect. This important evidence on the wider economic effect of investment in the longer distance rail network, published in September 2007, is available on the Northern Way website.

- 1.11 The *Strategic Direction* highlights the mixed traffic pattern of use of the East Coast, West Coast and Midland Main Lines. There is a concern that it will not be possible to cater simultaneously for the growth that may be expected in, for example, unitised rail freight, longer distance commuting in the southeast, the expansion of rail commuter services in the Midlands, the expansion of the commuter rail networks serving the northern city regions (which in part rely on these routes) and critical business links between the north and south of the country. The Northern Way looks to the Network Rail Strategic Business Plan for a greater sense of a way forward on these bigger picture issues.
- 1.12 The importance of rail freight and, in particular, the enhancement of rail access to and from the North's principal ports on the Humber, Mersey and Tees to support growth in container movements is addressed in the *Strategic Direction*. The Northern Way is funding work through the GRIP process to consider gauge enhancement for routes to/from the Northern Ports. This work will be concluded by summer 2008 and has been complemented by a series of capital contributions that the Northern Way has made to help deliver the expansion of freight network capability on both the Humber and Merseyside (see below).
- 1.13 The development of rail freight in the north is likely to be affected by decisions taken on the north-south main lines as well as gauge enhancement and capacity works to access the expanding northern ports, which are accounting for a growing proportion of the UK's port traffic. While the programme of Route Utilisation studies has helped tackle these and related areas, they are only partly complete and have awkward boundaries /overlaps in the North.

### **The Northern Way's Short, Medium and Long Term Transport Priorities**

- 1.14 As part of our September 2006 CSR submission the Northern Way undertook to make a further submission to Government setting out our short, medium and long term priorities for investment in the North's transport system. This submission was made at the end of March 2007. The Northern Way's prioritisation work shows that while the transport proposals being pursued by stakeholders across the North will make worthwhile contributions to productivity growth, taken together they do not allow the *Strategic Direction* to be met. Consequently, if the North's productivity growth is to be maximised, the strategic "gaps" between what is currently being promoted and what the *Strategic Direction* suggests will be required need to be addressed.

1.15 These include a programme of measures that will have an important bearing on the rail network and should be taken into account by Network Rail in its Strategic Business Plan. These proposals are additional to the key rail developments discussed above and are:

- The aim of having a northern-wide smartcard system for public transport use by all modes
- The aim of identifying suitable sites for the creation of strategic park and ride facilities, with high quality access to several (as appropriate) city region centres and linked to the management of congestion on the North's motorways
- A programme of behaviour change measures to encourage the better use of available transport capacity, and the creation of an easy to use integrated public transport network for the north
- The adoption of Active Traffic Management proposals on the North's strategic road network.

1.16 In September, the Northern Way published a summary report and detailed technical report that set out the method, process and findings of the prioritisation exercise. Both the summary report and the technical report can be downloaded from the Northern Way's website.

### **The Northern Way Growth Fund**

1.17 Through its Growth Fund, the Northern Way has co-funded a number of early win investments in the North's rail network, each targeted at promoting productivity growth. These are:

- Manchester Airport Rail Station Platform 3 due to be complete by December 2008
- Rail access to the Port of Liverpool: Restoration of Olive Mount Chord and gauge clearance to WCML via Runcorn due to be complete in Autumn 2008 (and with PTIF, also gauge via Earlestown)
- Rail access to the Humber Ports: enhancement of Hull Dock Branch Line due to be complete in Spring 2008 (and with PTIF rail capacity enhancements to the South Humber Bank)
- The business cases (to GRIP3) for Tees and Humber to Midlands and Scotland, and Trans Pennine gauge enhancements which are due to be complete in Summer 2008

### **The Northern Way and Rail White Paper**

1.18 The Northern Way welcomed the Government's Rail White Paper and the associated High Level Output Statement and Statement of Funds Available. In particular we welcomed the long term financial and planning commitment to the railways and specifically commitments to:

- Additional rolling stock for the Trans Pennine and Northern franchises
- Tackling capacity bottlenecks

- Reductions in Liverpool – Manchester, and Manchester – Leeds journey times
- The introduction of pre-series Inter City Express Programme trains to the ECML from 2012.

1.19 Given its importance to the North West, we also welcomed the commitment to increase WCML capacity around Stafford, as well as the commitment to reduce journey times on Midland Main Line to the Sheffield City Region. The commitment to introduce a Strategic Freight Network was also welcomed.

## **2. THE NETWORK STRATEGIC BUSINESS PLAN (SBP)**

- 2.1 The rail network in the North was essentially built in the 19th Century for the demands and requirements of that age. The current signalling is basic and out of date, there has been a significant lack of investment in both trackside and station infrastructure and the services provided often do not match demands to today's passengers. There has been no electrification in the last ten years. Much of the suburban network uses 2/3 car 'Pacer' trains with low seating capacities, slow speeds and out of date, even inadequate technology. While other routes enjoy excellent new rolling stock (the Trans-Pennine Express for example), the effect of quality and service enhancement is often over-crowding (demand growth on Trans-Pennine Express was 20% in 2007 over the previous year). For the casual user, it is hit or miss: maybe a seat on an old and uncomfortable train or standing on a faster service; there is little sense of an overall quality standard being applicable.
- 2.2 For the user, the historic legacy and patchiness in service quality shows. It discourages would-be patrons, and especially those users that the Northern Way would want to see transfer from peak period car use to rail. Station facilities are often poor, and while recent investment decisions are welcome (for instance at Salford Central) at other stations (for example, Wakefield Kirkgate or Stockton) conditions are dire and would be considered unacceptable in the southeast. This imbalance should not, in fairness, be allowed to continue, but we see little recognition of the scale of the remedial activity needed or any sense in the SBP that Network Rail recognise that the need to achieve a catch-up in the rate of renewals work across the north to bring the network up to national norms is a valid perspective.
- 2.3 Average speeds on the railways in the North are often slower today than thirty or even 130 years ago; often because express services have been replaced with 'all stations' services, as PTEs and TOCs try to cater for the vast increases in passenger demand.
- 2.4 Passenger growth in the North has been higher than nationally over the last ten years. The rapid expansion of the economies of key Northern cities has been the catalyst for this massive passenger demand growth. Passenger growth in West Yorkshire for example has been as high as 8.6% per annum between 2000 and 2006. In Manchester, passenger demand is growing at 5% per annum with an expectation of 44% growth over the period to 2017. These rapid rates of growth are of course faster than either the HLOS seems to recognise and indeed than is reflected in the SBP. The fact that road traffic growth in the North is also significantly exceeding national rates of growth strongly suggests that, as road congestion becomes more extensive, the high rates of rail passenger growth also experienced in the North in recent years are not about to diminish to the rates anticipated in the SBP and HLOS.

- 2.5 Network Rail's SBP therefore fails either to reflect or to seek to accommodate actual likely demand growth in the North. Even if much could be achieved (which it can) by a programme of train lengthening, the resources expected to be committed by DfT to the North remain uncertain, and there is no sign of a major Network Rail programme to accommodate the longer trains through the provision of extra servicing, stabling and depot facilities, longer platforms etc. This will potentially have a harmful effect on the ability to achieve the economic growth objectives of the Northern Way.
- 2.6 It is the role of the Northern Way to identify how transport provision can support productivity growth in the North. To this end, we have developed the Strategic Direction for Transport, which is fully consistent with the findings of the Government's Eddington Transport Study. We have also identified short, medium and long term transport priorities. Addressing current capacity bottlenecks and catering for background growth is, of course, an important objective, but what our work has demonstrated is that links between the North's City Regions and with 'global gateways' are of key importance for the region's economic future, and that economic growth in the North will generate and will require additional demand on north-south and east-west corridors and into our city regions.
- 2.7 The Department for Transport's recent publication Towards a Sustainable Transport System points one way forward with a series of 'modally agnostic' corridor studies. Of course, Network Rail in their SBP has to confine its interest to the rail mode, and it is undoubtedly unfortunate that the Department's report was produced and published in parallel with the SBP. Nevertheless, we would expect to see an explicit recognition that Network Rail will participate in these studies as necessary and that planning for the rail network will take account of the management of demand on the strategic and local road networks. However, even so, there is clearly a gap. The very significant commitments made in the Rail White Paper and subsequent agreements on Crossrail and on Manchester Hub, leave little in the way of worked-up proposals or vision for the next stage of rail network development. It cannot simply be left to teams of consultants to be appointed in due course by DfT to develop acceptable rail sector candidate solutions, no doubt under timescale pressures. There is no equivalent shortage of previously prepared and studied road schemes, There is potential for the rail sector to lose out, with schemes not well developed and being marked down, or with substantial risk premia being added to reflect uncertainties.
- 2.8 This points to a need for a much more substantive effort in longer term rail planning than is apparent from either the SBP or from those RUSs that have been completed to date.

2.9 In summary, Northern Way wishes to make five key points:

- The need for long term planning
- The treatment of growth
- Manchester Hub – and its objectives
- The RUS programme, and its limitations in developing the SBP
- The Northern Way's role.

### **Long Term Planning**

2.10 The Strategic Business Plan should reflect a clear view beyond Control Period 4 of Network Rail's plans. While there are aspirational statements and programmes outlined for technology changes that may or may not bring capability enhancements (example: the ECTS programme), it is not possible to understand what (say) the East Coast Main Line will offer in terms of outputs over the next 10 – 20 years.

2.11 We note that there appears to be a difference of view between on the one hand Network Rail and the Train Operating Companies and on the other the Department for Transport in a key area of network capability which is whether or not there should be further electrification. The SBP is mute on this point. This is unsatisfactory, even if the exigencies of the SOFA mean that any electrification schemes cannot proceed until 2014. At least there should be a commitment to get the planning work under way, and the Northern Way has identified specific schemes that would support City Region economic expansion. These include schemes in West Yorkshire and Merseyside; Tees Valley (where there is a major opportunity to apply the tram-train concept and deliver wider economic benefits); and there is also very obviously a need to re-examine electrification in the context of the Manchester Hub work. In all these areas – and electrification is of course just one topic area – the SBP is silent.

2.12 As noted, unless this is put right, this will undermine the ability of rail to fulfil its evident potential through the DfT's planned corridor studies. A recent example illustrates the problem: while the National Grid wishes to re-route its facilities into the only tunnel bore usable by rail at Woodhead, there is no available industry strategy that can be referenced to expose a policy inconsistency, even though it is apparent that there could be a very sensible re-use of the facility in due course. An absence of long term plans can have very expensive and limiting consequences.

2.13 We therefore propose that Northern Way should meet the gap by carrying out a northern-wide update of the erstwhile (SRA and then DfT) Regional Planning Assessments, bringing them up to date in terms of demand growth projections and identifying the wider economic and sustainability objectives that the North needs the rail sector to help meet. We would ask that Network Rail is invited to participate with the Northern Way and other key stakeholders, including the PTEs in this process, with a view to informing both the Northern Way's own longer term thinking (with respect to the North) and informing the upcoming DfT corridor studies in a coherent fashion.

## **Growth**

- 2.14 The SBP underestimates the likely growth rates in the North. Network Rail should be required to prepare a revised plan with a higher, more accurate growth projection, and set out how they would propose to accommodate the expected impact of growth in the range 30 – 40% by the end of CP4 (2009-2014) period.
- 2.15 In the absence of such a plan, the ORR should be aware that the fragile nature of northern railway infrastructure and the very intense use of the network through a series of inter-connected pinch-points (Sheffield - Dore, Leeds, Manchester, Preston – Lancaster, etc) is such that the HLOS performance reliability targets will be at risk, as delays accumulate through seeking to accommodate demand on overcrowded trains.

## **Manchester Hub**

- 2.16 Government has asked Network Rail to take this forward in close consultation with Northern Way. The SBP does not specifically acknowledge this important partnership approach. Neither does it acknowledge the important wider economic purpose behind the Hub. Network Rail (and possibly the rail branch of DfT) may have some preconceived ideas on the Manchester Hub. Northern Way should be recognised as the overarching sponsor of this project, with key inputs to be made by other stakeholders including, of course, DfT itself.

## **The RUS Programme**

- 2.17 While we welcome the discipline that the RUS programme has brought to Network Rail's thinking on the prioritisation of renewals and other short term measures, it is ultimately no substitute for proper long term planning. We are concerned in case the non-existence of key northern RUSs such as for Trans-Pennine will inhibit good decision-making for CP4. We cannot for example see how this 'route' can sensibly be separated from consideration of the needs of the north-west.
- 2.18 We would ask that explicit consideration is given to the network across the North, with a consistency check based on the state of play with all of the relevant RUSs to see if any developments and interfaces have been overlooked.

## **Northern Way Role**

- 2.19 Northern Way is fulfilling a specific function for government departments, working with regional and local stakeholders in both private and public sectors to identify the north's transport priorities against an explicit economic remit. Government has welcomed the work done to date (and this is reflected in references to the merit of the Northern Way's evidence-based methodology in the recent policy report Towards a Sustainable Transport System and in the Sub-National Review). However, the progress achieved to date, let alone that which we expect to make over the course of the next three years, will be undermined if there is no explicit recognition of the Northern Way's legitimate role in this regard in the SBP. While we of course wish Network Rail to continue to consult all of its stakeholders, we would also ask that it is required in finalising its SBP to take into particular account the priorities set by Northern Way in the North, and that it is obliged to consult fully with Northern Way in future on all of its proposals in so far as they affect the North of England.

### 3. RESPONSES TO ORR QUESTIONS

#### **The overall strategy set out in the SBP and whether it constitutes a sustainable approach for the longer term**

- 3.1 The Northern Way Growth Strategy Moving Forward: The Northern Way sets out how, by growing the North's economy faster, the £30bn output gap between the North and England average can be bridged over a 25 year period. It builds upon the three Regional Economic Strategies and Regional Spatial Strategies.
- 3.2 The Northern Way sees it as essential to the development of a coherent and consistent transport policy that short term programmes are developed within the context of long term strategic vision. The Northern Way's Strategic Direction gives evidence for the most appropriate transport interventions in terms of productivity gains. It addresses questions of timescales, priorities and the coherence of the policy mix, looking ahead over a 20 to 30 year time horizon. It underpins the transport elements of the Northern Way's submission to the 2007 Comprehensive Spending Review and sets the context for our subsequent identification of transport priorities.
- 3.3 The SBP sets out how Network Rail intends to deliver HLOS for Control Period 4. In the document Network Rail recognises that the SBP must be consistent with the longer term objectives for the railway as set out in the Rail White Paper and the National Transport Strategy for Scotland, however while the SBP document realises that a longer term strategy looking towards 2030 is required for the railway, what the SBP presents is a programme of incremental enhancements. While each of these will have to be shown to be value for money in their own right. It has not been demonstrated in the SBP that this combined package is the optimum one, either in value for money terms or in terms of achievement the long term strategic goals.
- 3.4 The SBP gives little direct mention to the needs of the North for passengers and freight. This could be due to a number of reasons, such as the incomplete and rather disjointed RUS approach in the North but also because Network Rail has not taken enough account of the Northern Way's findings. While the Manchester Hub is mentioned, the Plan does not specifically mention other schemes in the North and it is unclear whether Network Rail fully appreciates the objectives and therefore the rationale for tackling this issue. Investment in improvements between the city regions also needs to improve access to airports, especially to Manchester Airport. This will require investment in the rail network in Greater Manchester and the Manchester Rail Hub in particular. As well as benefiting the Manchester City Region, the Manchester Hub project will benefit all eight northern city regions.
- 3.5 Consultation with industry bodies and stakeholders is a central element to developing a strategic plan that meets the economic, social and environmental objectives that are set for the nation's transport system. As

we described in the Introduction, the Northern Way is a Government-backed initiative to support the policy goal of closing the economic gap between the North and the rest of the country. Other than consultation on the partially complete programme of route utilisation strategies, this consultation by ORR is the first opportunity that the Northern Way has been given to formally provide input to the SBP process. As part of its remit, set out by the Government. The Northern Way has identified and talked to northern stakeholders, both public and private, about the key requirements (including on the rail network) to achieve economic growth.

- 3.6 We believe that the SBP developed by Network Rail, shows there is recognition of the importance of the Department for Transport, Transport Scotland and even Transport for London in setting out their Plan. And yet while the Northern Way has established agreed investment priorities for the North, there is not a clear recognition of those priorities by Network Rail.
- 3.7 Moving forward, if the SBP is to achieve the widespread support that Network Rail no doubt aspires to, the Northern Way and the 3 northern RDAs, who will in future each be responsible for Integrated Regional Strategies as part of the Government's Sub National Review, the Northern Way (and the three RDAs in respect of their regions), needs to be explicitly included as the key stakeholder/client/sponsor for matters which affect the North of England. This is particularly so for the key Manchester Hub project which the Northern Way has identified as the most significant rail scheme in the North.

**The performance improvements proposed by Network Rail in response to the requirements of the HLOSs, including the balance between what Network Rail and train operators will achieve**

- 3.8 Commuter and long distance services in the North have seen significant demand growth over recent years. Many parts of the Industry in the North are anticipating and planning for further demand growth over the coming years. Work undertaken by the Northern Way has established that poor reliability and punctuality has a significant detrimental impact on productivity and economic growth.

- 3.9 The North's rail network has seen the highest demand growth nationally; the road network also has seen such growth and key cross city region arterials are becoming increasingly congested worsening journey times, reliability, punctuality and consequently stifling economic growth. As road congestion worsens, the role of the rail industry in providing a high performing rail service increases. Network Rail cannot address the problems on the road network however it should be leading the industry in the direction of a reliable, low journey time, high performance system.
- 3.10 Network Rail is to be congratulated for the improvements to performance which it has made throughout Control Period 3 and we are encouraged that it wants to see this trend continue. However, unreliability of services on the ECML as well on key cross country and trans-Pennine services remains poor and falls short of the performance of services on MML and WCML. However, there appears no coherent programme to address this. The new National Express East Coast service starts out its existence with the worst punctuality record of all the longer distance franchises and a massive challenge to achieve close to a 10 percentage point improvement in PPM. Performance on this route is of fundamental importance to economies of the North East and Yorkshire and the Humber. The SBP is curiously devoid of a coherent plan to tackle the ECML problem, an oversight that simply must be put right. Network enhancement is required to improve performance. Throughout the SBP, there is very little information on what actual enhancements are proposed, how much they will cost and what actual benefits they will bring.
- 3.11 While noting that tackling bottlenecks and additional capacity will be needed and that there are significant conventional and wider economic benefits to the North of reducing journey times, the Northern Way agrees with the Government's White Paper conclusion that major line-of-route enhancements are to be avoided. The West Coast Main Line Upgrade programme will have entailed about ten years of disruption when completed. The Northern Way wants to see improvements that will protect and enhance the quality of the links in terms of journey times, reliability of journey times and frequencies; but if the Northern economy is to grow as intended a period of extended disruption on the East Coast Main Line, as has happened on the West Coast, also has to be avoided.

## **The plans for enhancing capacity to deliver the requirements of the HLOSs and the demand forecasts underpinning these**

- 3.12 It is generally accepted that the North has seen significant demand growth over the past decade, with the expectation that this will continue into the future. HLOS sets out the desires of the Department for Transport to accommodate future demand growth in England and Wales. The framework for growth developed for HLOS predicts a significantly lower level of demand growth relative to the experience and expectations of Train Operators and the Northern Way. Network Rail, through the SBP does not believe that the HLOS framework for growth should be abandoned or revised.
- 3.13 As already set out, the Northern Way's evidence suggests that demand growth in the North is underestimated in HLOS; furthermore, the catalyst for further demand growth and economic growth in the North of England will be improved connectivity between the key city regions. Demand growth in HLOS is also focussed in the South of England. HLOS recognises that cities such as Manchester and Liverpool are reaching capacity. However Network Rail's SBP only proposes to alleviate capacity constraints at the London termini, Birmingham New Street and Edinburgh Waverley. In terms of services, although the North is predicted to have some of the highest load factors in England, the SBP gives little evidence of a consistent approach to the provision of additional rolling stock capacity. The North requires significant additional rolling stock capacity.
- 3.14 Transport has been identified as a top priority for the Northern Way and within this, catering for demand growth this crucial to the ongoing development of the North. The Northern Way identified the following areas where capacity issues need to be resolved in order to maximise productivity growth:
- A rail rolling stock strategy that addresses capacity and quality to meet commuter demand into our growing Northern City Regions;
  - Resolving the rail capacity constraints on the trans-Pennine routes;
  - Increasing capacity in Manchester through the Manchester Hub project and including for access to Manchester Airport; and
  - Improving capacity and access to the major northern ports on the Humber, Mersey and Tees.
- 3.15 There is particular uncertainty in the SBP over future plans for the East Coast Main Line. The SBP puts forward a number of possible measures for the CP4 period that are intended to enhance services. However, these are

not specified in any detail or costed. Their benefits are also unclear and there is no clear longer term programme covering CP5 (2014-2019). This means that there appears to be no major funding commitment for the ECML and yet it is already at capacity.

- 3.16 We would like to see proposals enabling journey time improvements and frequencies similar to those very recently set out in the proposed December 2008 timetable for the West Coast Main Line. As part of this, the Northern Way would like to see explicit consideration of disruption impacts of enhancement programmes and how these are mitigated.
- 3.17 Demand growth over the West Coast Main Line is such that further investment in schemes to enhance capacity, beyond the scheme in hand along the Trent Valley will be needed to obtain the full regional benefit of reliable rail freight and increased frequencies of passenger services. The Northern Way believes it to be essential that the schemes currently under consideration by Network Rail for achieving an effective bypass of the congested junctions at Stafford are progressed with all due haste and priority: this is an essential scheme as far as access capacity for the North West is concerned.
- 3.18 For commuter and city region services in the short to medium term, the emphasis with the rail passenger network should be on capacity expansion through train lengthening and securing new replacements for life-expired rolling stock. Enhancing capacity through train lengthening provides the capability to provide significant additional capacity without the need for major infrastructure projects. A strategic approach should be adopted to train lengthening and the phased replacement of the North's fleet of old rolling stock.
- 3.19 In the longer term, additional capacity and improved journey times should be planned through the creation of new high speed lines that can benefit both person travel and freight. Work to consider the case for additional lines needs to start soon if it is fully to inform the 2012 HLOS and the SPB for CP5. Our evidence indicates that such long term additional capacity will be essential in the long term to allow the economic expansion of the city regions and also provide the fast, reliable and efficient connections between the key growth centres needed to fashion a viable alternative to investment in London/the South East. A new high-speed trans-Pennine rail link, as part of a national high-speed rail network serving both sides of the Pennines would address the locational disadvantage of the North in terms of access to markets; access to the world financial centre that is tantalisingly close

(London) and access to key international gateways (airports and ports) and would complement the expansion of the leading Leeds and Manchester economies while also benefiting the wider North.

- 3.20 In terms of electrification, the Northern Way supports the SBP's ambition to understand at a more detailed level how electrification can help improve capacity in the longer term. The use of diesel trains does appear inefficient in terms of value for money and fuel efficiency and environmental impact, however we would like to see a full and assessment of the costs and benefits of electrification to take place.
- 3.21 Already through application of its Growth Fund, the Northern Way is supporting the restoration of Olive Mount Chord and gauge enhancements to the Port of Liverpool and rail capacity enhancement to Hull Docks. These projects are being expanded upon with Productivity TIF funding to deliver further gauge enhancements to the Port of Liverpool and further rail capacity enhancements to the Humber Ports. In addition the Northern Way, with Network Rail, is developing the business case for gauge enhancements from the Tees and the Humber to Scotland, to the Midlands and across the Pennines to WCML.
- 3.22 The HLOS, however, does not generally cover freight and consequently the SBP makes little mention to it. The North's ports are important to the economy of the North, in terms of employment opportunities, value-added employment along the supply chain and in facilitating imports and exports for the North's businesses and industries and other parts of the UK. Rail freight is an important and growing part of the rail network but is often overlooked. The Northern Way would like Network Rail to incorporate a greater emphasis to rail freight in the SBP.

### **The proposals for managing safety and delivering the improvement in safety required by the Secretary of State's HLOS**

- 3.23 Although a safe railway must be a high priority, it is an area, given our economic focus, which we leave to others to comment upon.

### **The company's approach to managing its assets (explained in its asset policies)**

- 3.24 Asset policies provide the link between Network Rail meeting its stakeholder/statutory requirements while understanding how it manages its asset base. The Northern Way is encouraged that Network Rail is engaged

in developing solutions which assess whole life, whole system costs in order to deliver regimes which optimise asset life and maximise value for money. The Northern Way believes that maintenance should be viewed also as an opportunity for renewal and enhancements. Further to this approach, appropriate opportunities should be taken to make available additional capacity in the rail network now, even if planned for use in the future. We would be prepared to work with Network Rail to maximise such opportunities linked to our growth agenda.

### **The scope for improvement in efficiency and delivery**

- 3.25 Within the current framework, the Northern Way believes that the delivery process for small projects is overly complex and protracted, given the often small scale of funding involved. Network Rail's GRIP framework stipulates that projects of any size must all go through the same process, regardless of whether tens of millions of pounds and a significant time horizon is involved or lower costs and a very short time period. We would like to see a process which is more flexible to adapt to the specific requirements of individual schemes.

### **The possessions strategy and the company's plans for moving to shorter possession durations and implementing the 7-day railway**

- 3.26 The Northern Way welcomes the move towards a seven-day railway. Any such implementation must provide value for money while allowing for timely implementation of renewal and enhancement proposals.
- 3.27 We recognise that trade-offs will need to be made as a result of such proposals. Given their controversial nature, we request that stakeholders, such as the Northern Way be consulted with on a regular basis as the proposals develop.

### **The company's strategy for stations in CP4 (including the national stations improvement programme)**

- 3.28 The proposals for station development in the SBP focus on the major termini in London as well as Birmingham New Street and Edinburgh Waverley to deliver increased platform capacity and access better facilities. Network Rail is also developing a modular station, to be used as a 'standard' for new station proposals. The National Stations Improvement Programme (NSIP) aims to provide a step change in the environment of medium sized stations

in England and Wales. The SBP outlines Network Rail's support for the NSIP as well as showing openness to understanding potential delivery options for stations.

- 3.29 The Northern Way would like to understand how the strategy developed for station improvements has been developed. Understanding the long term strategy for station development will help define the short term objectives and to establish where funding should be allocated. The Northern Way sees issues such as car parking and integration between modes as extremely important key issues neither of which the SBP makes significant reference to. At best, only modest reference is also made to planned improvements to stations in the North of England. The Northern Way would like to see further references to station developments and to its specific proposals for strategic park and ride in the North of England in the SBP.

**How well the plan addresses the needs of the railway customer and market beyond those specified in the HLOS.**

- 3.30 The SBP as a document aims to meet the requirements of HLOS but there is no evidence that the SBP has any long term strategic footing beyond meeting HLOS in CP4. It is therefore unclear whether the trajectory set by the SBP will provide the most effective means of developing the infrastructure in the North of England in a manner which will meet the long term requirements set out by the Northern Way.