

NORTH WEST
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TEAM



Transport Investment

The north west on the move

A progress update: Investing in the
North West's transport network

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'THE NORTH WEST ON THE MOVE'

A progress update:
Investing in the **North
West's transport** network



A REPORT TO GOVERNMENT, THE DEPARTMENT FOR
TRANSPORT AND LOCAL TRANSPORT BODIES

OCTOBER 2015

NWBLT

The North West Business Leadership Team is an independent group of influential business leaders, who work together to promote the sustainable economic development and long-term well-being of North West England. It was launched by HRH The Prince of Wales in July 1989. Membership of the Team is made up of senior executives from the region's major businesses. It operates as an independent business voice for the whole North West, thus providing valuable strategic support for the region's Local Enterprise Partnerships.

Further information regarding the work of the North West Business Leadership Team can be obtained at www.nwblt.co.uk

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EXECUTIVE SUMMARY

In October 2013 the Secretary of State for Transport, The Rt. Hon. Patrick McLoughlin MP, launched the North West Business Leadership Team's report *Transport Investment - The North West On The Move*. The report, which looked at the need for much greater long-term transport investment in the region, was widely welcomed.

A considerable amount has occurred since that time (see below). The establishment of Transport for the North, building upon the One North report and reflecting the devolution of decision-making and the Northern Powerhouse proposals, has raised the prospect of some long overdue investment in the region's strategic transport links.

This update summarises the issues that were contained in the original report, brings up to date the progress that has been made, and sets out how the North West Business Leadership Team envisages further progress in the years 2015-2030.

October 2013

Launch of the NWBLT report 'Transport Investment – The North West on the Move'.

March 2014

The BBC broadcast a documentary called *Mind the Gap*, presented by Evan Davis. The programme focussed on the massive imbalance in economic performance between London and the rest of the country.

The proposition to reduce this economic gap was to turn the whole of Northern England into a single economic area. To achieve this improved transport links between the northern cities was key to rebalancing the economy.

The key statements and documents related to the development of the vision of this Northern Powerhouse are set out below.

June 2014

Chancellor sets out his vision of a Northern Powerhouse and states "he would do this largely by improving transport links in the North".

August 2014

Chancellor welcomes the One North report by Northern Councils which asked for £15bn in transport improvements.

October 2014

The government confirms they will support HS3 – a proposed new high speed rail line across the Pennines, improving connectivity and reducing journey times across the Northern Cities.

November 2014

Chancellor announces the £1bn devolution package for Greater Manchester Combined Authority.

April 2015

Conservative manifesto includes a pledge to rebalance our economy and to build a Northern Powerhouse.

June 2015

Government announces it is "pausing" planned electrification of the trans-Pennine line.

August 2015

Publication of a blueprint for connecting the Northern Powerhouse with a £13bn investment into transport, launched by Secretary of State, Patrick McLoughlin and Lord Jim O'Neill of Gatley.

September 2015

Transpennine electrification restarted.

THE 2013 REPORT

The 2013 Report noted in particular that:

- Public-sector capital investment in transport infrastructure in the North West (and across the entire North of England) has historically lagged far behind levels in London and the South East and in many European industrial regions.
- Although major rail electrification schemes in this Region were being implemented between Liverpool and Manchester, between Liverpool, St. Helens and Wigan, and between Manchester, Preston and Blackpool, several major routes and numerous other connecting lines remained unelectrified. It was anticipated at the time of the report that Trans-Pennine electrification, approved in 2012, would be in place by 2019.
- Plans for High Speed 2 to serve the North West needed to continue to make rapid progress, and construction through to Manchester Piccadilly and other parts of the region should be expedited by 2030 if achievable.
- Bus travel, whilst booming in regulated London, had declined or at best stayed flat-lining in the North West, and needed tackling urgently.
- The North West's motorway and road networks were becoming increasingly congested, with serious gaps and pinch-points, particularly the link between the M6 and the M56 into Manchester, and at either end of the M56.
- Freight, including freight to and from the region's ports, needed to be moved more efficiently and more environmentally-sustainably, including better rail freight links.
- The ports themselves needed to be modernised and expanded to serve the UK more efficiently and to compete more effectively with mainland European distributional hubs.
- The region's two major international airports at Manchester and Liverpool John Lennon must continue to be developed if the region was to be well-served by air links to Europe, the Middle East and Far East and elsewhere. In particular, Air Passenger Duty needed to be reformed to enable regional airports to make the fullest possible contribution to meeting national demand.

SUBSEQUENT PROGRESS

Since publication of “The North West on the Move”, a number of important schemes have made very good progress. For example:

- Rail electrification from Liverpool to Manchester (Piccadilly and Victoria) and between Liverpool, St. Helens and Wigan/Preston is now fully operational.
- Work is proceeding on preparing the Manchester-Bolton-Preston-Blackpool route for electrification.
- Significant improvements to passenger facilities at Manchester Victoria station and additional capacity in a fourth platform at Manchester Airport are nearing completion.
- The Government has announced the authorisation of 120 much-needed new diesel rail coaches for those routes in the North of England not being electrified, and has given a welcome commitment that all the obsolete Pacer trains will be withdrawn by 2020.
- Excellent progress is being made across Manchester city centre with the Metrolink Second City Crossing, and we look forward to a further network extension to the Trafford Centre and the ordering of additional trams.
- The Government has confirmed the precise route of the first phase of HS2, from London to Birmingham and Lichfield, including several detailed modifications to meet local objections in the South and Midlands. We hope to see the Phase One Bill receive its Third Reading soon.
- Planning of HS2 Phase 2 from Lichfield to Manchester has continued. We are awaiting formal Government confirmation of the precise route, and understand that this is now likely to come in early 2016 rather than late 2015. We also look forward to the early legislation to progress HS2 from Lichfield to Crewe, ahead of the main parts of Phase 2.
- M62 J25-32 have been converted to Smart Motorways in various stages since 2013 and the M60 J8 to M62 J20 is under construction to convert to a Smart Motorway with a completion date of Autumn 2017.
- The M60 North West quadrant feasibility study has been commissioned.
- The Smart Motorways Programme contracts have been let. Relevant projects undergoing design and feasibility work include M62 J10-12, M60 J20-27 and J1-4, M56 J6-8, M6 J16-19 M53 J5-11
- Funds have been committed for dualling the M69 to provide an alternative to the A66 in Cumbria.
- Manchester Airports Group announcement of £1bn investment over the next ten years to support the airports growth is very welcome.

The progress above therefore represents an excellent start in the Government’s programme of transport infrastructure renewal across the region. Many of the above schemes represent major improvements that will benefit the North West for many decades to come, and beyond.

Northern Powerhouse Transport Proposals

We warmly welcome the developing proposals by government to create a Northern Powerhouse and improve transport infrastructure to support this;

- Transport for the North has been created, and tasked with implementing a major uplift in travel quality, particularly into and between the major centres. We particularly welcome the Government's recent commitment to implementing smart (electronic) multi-modal ticketing right across the North of England, a measure we have been seeking for some time, and which we are certain will make public transport more attractive to all users.
- The Government has given a commitment that powers will be devolved to Elected Mayors to plan city bus networks on a similar basis to that used by Transport for London, with elements of a co-ordinated planned network then being competitively tendered. We very much welcome any measures that will increase bus use, and look forward to the publication of the Government's Buses Bill.
- We are fully supportive of the development of a multimodal freight strategy, and look forward to its publication in 2016. We are strongly supportive of Liverpool's and other Northern ports expansion, including fullest use of the Manchester Ship Canal.

DELAYS

We are, however, concerned at the still relatively slow pace of transport improvement in the North West. Infrastructure planning in the UK needs to be speeded up if we are not to be left far behind by our European and worldwide competitors.

Our congested railways and roads are an impediment to the efficient movement of people and goods across the region, and risk deterring outside investment. Urban traffic gridlock, regular and severe motorway delays and rail network overcrowding all cause frustration and waste time and money.

Delay in the electrification of the Trans-Pennine trunk main line

We were particularly concerned at the recent pause in the electrification of the Trans-Pennine trunk main line between Manchester, Huddersfield, Leeds and York and the revelation that the scheme was apparently inadequate in providing the much needed additional line capacity and improved line speeds. Although the work is now restarting, we understand the scheme will not now be completed until 2022. We trust that the time lost has been used to refine and update the plans for modernising the route, including better line speeds and higher-capacity signalling systems, and that Network Rail will now carry out the work swiftly and efficiently.

The planning and implementation of the Trans-Pennine electrification needs to be accompanied by firm planning of TransNorth, the mix of heavily-upgraded and wholly new rail lines that will bring Liverpool, Manchester, Leeds, Sheffield and Newcastle-upon-Tyne much closer together, including a 30-minute transit between Manchester and Leeds and a 60-minute Liverpool-Leeds timing. We warmly welcome initial Government support for this vital modernisation of cross-Pennine links

Rail Capacity Upgrade

We are concerned at delays in the rail capacity upgrade at Liverpool Lime Street station, Blackpool line electrification, construction of the Ordsall Chord which is needed to increase rail capacity in the region and possible delay to the expansion of platform capacity and Manchester Piccadilly and Manchester Oxford Road stations. All these schemes are critical to delivery of much needed rail network improvements in the region and must survive the current national review of Network Rail funding and resource availability.

In the context of rail improvements and underpinning the urgency for rail improvements in the region, we note that the latest DfT train crowding statistics identify TransPennine Express as continuing to have the highest passenger growth rates of any UK passenger operator and that Manchester has the highest level of train crowding in any city outside of London.

Highways England

The Highway Agency has now been replaced by the government owned company Highways England and significant reorganisations are underway at all levels. This has prompted a review of procurement routes and programmes, leading to a significant budget review and a number of schemes which were progressing through their development stages have been cropped or postponed. The remaining work on priority schemes needs to be progressed as quickly as possible.

Airport Passenger Duty Reform

We regret that the opportunity was not taken in the recent Budget to reform Airport Passenger Duty. We feel strongly that the duty should be targeted at airports where there is excess demand over capacity. Manchester and Liverpool John Lennon airports have ample capacity, and reform of APD would enable them to grow more rapidly. This will boost regional economic growth, and direct and indirect employment, and help to relieve the airports of the South East. We sincerely hope that Airport Passenger Duty reform will be implemented in the next Budget.

In Summary

As a region, and as a nation, we strongly urge the more rapid planning and implementing of transport improvements, as part of the economic regeneration of the region and as part of the Northern Powerhouse.

We therefore urge the Government, the Department for Transport, and agencies such as Network Rail and the Office for Rail and Road, to work more closely with each other and with North West businesses and local authorities - particularly Transport for the North and the Passenger Transport Executives, the Local Enterprise Partnerships, and, ports and airports - to develop and implement schemes that are fully costed, can be more quickly and efficiently resourced in terms of skilled staff and equipment, and offer the optimum long-term solution to congestion problems.

NEXT STEPS

As set out in our original paper, our priorities are to very rapidly improve the efficiency of the North West transport system and the region's links with Europe and the rest of the world. Despite the revolution in electronic communications, most North West economic activity involves the physical movement of people, and much of it also the movement of freight. It is vital that this is not impeded by congested roads and motorways, overcrowded trains, buses mired in gridlock, outdated ticketing systems and other problems.

The priorities as we see them are now as follows:-

Short term (ie in the next five years to the end of 2020)

- Rolling-out of smart electronic multimodal passenger ticketing, without irrelevant local administrative boundaries, right across the North of England.
- The earliest possible arrival of the promised 120 new diesel rail vehicles and the additional modernised cascaded ex-South East electric trains, and the elimination of obsolete Pacer rolling stock.
- Completing the delivery of agreed rail schemes, including Manchester-Preston-Blackpool electrification, Liverpool Lime Street Station capacity improvement, the Northern Hub elements (including the Ordsall Chord), and a start being made on the vital additional through platforms at Manchester Piccadilly and the Oxford Road remodelling.
- Construction of new freight loops on the Hope Valley line to enable additional Manchester Sheffield capacity.
- Concluding the franchise awards for the new TransPennine and Northern rail franchises together with the delivery of the capacity and service improvements specified for those franchises.
- Introduction of further new rail services, such as the recently-agreed service between Blackpool and London (starting 2018), where overall Network Rail capacity permits.
- Completion of the planning of both phases of HS2, the completed passage of Parliamentary Bills for each phase (including an accelerated Lichfield-Crewe section), and commencement of construction of Phase 1 from 2017. Planning for extending HS2 via the North West to Scotland should also continue.
- Initial stages of the planning of TransNorth, linking (using a mixture of existing and new rail tracks) Liverpool with Manchester, Leeds, Sheffield, York, Hull and Newcastle-upon-Tyne, to the point where any necessary Parliamentary Bill for a first phase could be introduced to Parliament immediately post-2020.
- Improved-quality bus networks, with buses making a significantly-greater contribution towards containing urban car congestion. This will require a greater focus upon implementing bus priorities and adopting more coherent and integrated network planning through elected Mayors.
- Progress with construction of missing links in the regional motorway and trunk road network, particularly to assist efficient freight movement.

- Reform of Airport Passenger Duty, so that it is applied on a selective basis.
- Development of an ambitious regional freight movement strategy, recognising the opportunities offered by Liverpool Superport and the Manchester Ship Canal with efficient logistics terminals, better rail capacity, faster and more reliable transit times, better port links, multi-modal inland terminals, and improved through services via the Channel Tunnel to the European rail network.
- All available measures to reduce carbon, and continuing progress in accident reduction, particularly for vulnerable groups of users.

Medium-term (ie between now and the end of 2025)

- Continuing improvements in intermodal integration, including completion of the pan-North electronic ticketing.
- Full completion of Trans-Pennine electrification and associated capacity and line speed upgrades (via the existing line) between Manchester, Huddersfield, Leeds and York (Liverpool-Manchester and York-Newcastle are already electrified).
- Completion of construction of Phase 1 of HS2 (with onward services to Liverpool, Manchester, Lancashire, Cumbria and Scotland via existing tracks expected to commence in 2026) and very significant progress in the early stages of construction of Phase 2 through to Crewe and Manchester Piccadilly. Planning HS2 through to Scotland should be finalised.
- Final-stage planning and initial construction commencing of TransNorth, the new trunk rail line that will link Liverpool, Manchester, Leeds, Sheffield, Hull, York and the North East.
- Continuing electrification of other key routes such as Liverpool-Warrington-Manchester, Chester-Warrington-Earlestown, Chester-Crewe, and feeder routes such as Blackburn-Bolton and Manchester-Rochdale-Leeds, with introduction of further modernised ex-South East electric rolling stock.
- Continuing to deal with the most serious pinch-points on the region's very busy motorway and trunk road network.
- Continued progress with the provision of efficient railfreight/intermodal logistics terminals, and better railfreight links to elsewhere in the UK and to Europe via the Channel Tunnel.
- Further developing Liverpool Superport, including its road, railfreight and Manchester Ship Canal links.
- The continued major development of Manchester and Liverpool John Lennon airports, including planning of the HS2 station at Manchester Airport (to be open by 2030) and investigation of a rail link into Liverpool John Lennon airport
- Further reductions in carbon emissions and accident casualties.

Longer-term (ie between now and 2030)

- Further electrification of most of the remainder of the interurban/suburban rail networks around Liverpool, Manchester and Preston.
- Full completion of the modernisation of the diesel train fleet, with elimination of overcrowding, the withdrawal of almost all pre-privatisation rolling stock and an overall higher standard of comfort.
- Full completion of HS2 Phase 2 to Manchester Airport and Manchester Piccadilly, and construction of HS2 to Scotland via Lancashire to commence.
- Advance-stage construction of TransNorth, including if justified a new Trans-Pennine tunnel, and upgrading of appropriate existing routes forming the full TransNorth network.
- Continuing progress on shifting heavy freight to rail, via rail-linked multi-modal distributional hubs.
- A motorway network that functions 24/7 without the severe congestion (other than in exceptional circumstances) that currently regularly delays vital movement of freight.
- By 2025-30, we anticipate a step-change in the development and value of North West port facilities, and with significantly more port freight being moved across the North by rail, to reduce the impact of this traffic upon the highway network.
- We are wholly supportive of the development of both Manchester and Liverpool John Lennon airports to their fullest potential, including landside developments such as Airport City at Manchester. We are also fully supportive of both HS2 to Manchester Airport, which we would like to see completed by 2030 and the construction of the west-east high speed rail network serving the airport by the same date. We also wish to see development of a rail link to Liverpool John Lennon Airport.
- Achievement of the phased major reduction in carbon emissions and accidents.

CONCLUSIONS

There is growing concern that, unless more rapid progress is made, the North West as an economic region will struggle to compete with very rapidly-modernising economies elsewhere in the world. In a global economy, and where there is the constant need for greater competitiveness whilst at the same time seeking improvements in safety and sustainability, it is vital that we adopt the above measures if we are to significantly improve our region's congested and unreliable internal and external transport links.

Many of the developments sought in this update can, and will, be led and funded by the private sector, either on its own initiative or acting as a contractor to central and local Government. But central and local Government must play its part, too, by:

- Planning and funding the construction of national-status transport links.
- Pressing ahead with long-overdue modernisation programmes such as rail electrification, through the appropriate agencies and in consultation with Transport for the North.
- Facilitating developments through encouraging of private financing, and through a simpler and much faster planning process that still champions the rights of adversely-affected individuals and offers proper compensation.
- Most of all, make better progress through the delivery process. Most of our international competitors are much quicker at this than the UK, and our economy will suffer if we do not modernise our transport system more rapidly.

The North West Business Leadership Team intends to play its part by working both with its partners in the private sector and with local and central Government, to achieve these ambitions for the benefit of all concerned.

