
Report to: Transport Committee

Date: 8 September 2017

Subject: East Midlands Rail Franchise Consultation

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12a, Local Government Act 1972, Part 1	

1 Purpose

- 1.1 To set out the proposed response to the consultation being carried out by the Department for Transport (DfT) into the future East Midlands rail franchise (EM), and to seek Transport Committee's endorsement of that proposed response.

2 Information

Background: The East Midlands franchise

- 2.1 The EM rail franchise is currently operated by East Midlands Trains (EMT), a subsidiary of the Stagecoach Group. It provides intercity services along the Midland Mainline out of London St Pancras, plus regional services in the East Midlands. At present, very few EMT services touch the Leeds City Region – essentially only 2-3 services a day from Leeds to London St Pancras via the Midland Mainline, which go up to London in the early morning and return late in the evening, run largely because the relevant trains use Leeds's Neville Hill depot. These trains, however, are the only services that provide direct links between Leeds/Wakefield and variety of locations along the Midland Mainline route, such as East Midlands Parkway, Loughborough, Leicester, Market Harborough, Kettering, Wellingborough, Bedford and Luton / Luton Airport.
- 2.2 In addition, there are some other locations on the EM map that have at present poor connectivity to the Leeds City Region; these include Lincoln and North Lincolnshire, as well as the very limited fast service between Leeds and Sheffield. Finally, there are some services within the Leeds City Region itself and its immediate surrounds that we are seeking to upgrade significantly, and where the new EM franchise may present opportunities.

- 2.3 In this context, it is notable that, of the four “Regional Hub Cities” identified by the East Midlands Councils (Derby, Leicester, Lincoln and Nottingham), the Leeds City Region has regular direct train services to only two.
- 2.4 WYCA considers that there is a great opportunity for new/extended EM services to address significant connectivity gaps between the Leeds City Region and areas in the core of the current EM franchise maps, and therefore it is proposed that WYCA should use this consultation to put forward strongly the case for addressing those gaps, both in WYCA’s own response and by helping to frame the response of Rail North.
- 2.5 The EM franchise is now to be re-let, with the new operator to take charge from August 2019. This implies that the Invitation To Tender will be issued to shortlisted bidders in April 2018, with bids to be returned by July 2018, ahead of the contract being awarded in Spring 2019.
- 2.6 The consultation began on 20 July 2017 and ends on 11 October 2017. We have already met informally with two of the three shortlisted franchise bidders, as well as with the current operator, and are in the process of arranging a meeting with the third (which is essentially the bidding team of the current operator). The DfT consultation document¹ asks a number of specific questions, of which some are relevant to the Leeds City Region and some not. In this report it is however proposed to summarise the most important themes which WYCA’s consultation response should raise.

Connectivity Gaps and Opportunities under the new EM franchise

- 2.7 The principal areas WYCA has identified which might be relevant to a future EM network map are from the Leeds, Bradford and Wakefield area to...:

 - 2.7.1 **Loughborough, Leicester, Bedford, Luton and London St Pancras:** Many substantial urban locations with no regular direct services from the Leeds City Region. Analysis of road-based long-distance commuting habits and of road freight has confirmed that these are large markets, and that rail has a low modal share. Existing St Pancras – Sheffield services could cover this by being extended to Leeds.
 - 2.7.2 **Sheffield:** The Leeds – Sheffield fast service, while it is to receive an additional hourly Northern train from December 2019, will at 2 trains per hour still fall well below the standard of the Leeds – Manchester route, below standards prescribed by the Yorkshire Rail Network Study, and below the Northern Powerhouse Rail conditional outputs. The extension proposed above would also help address this gap.
 - 2.7.3 **Lincoln:** Leeds has no direct connectivity to Lincoln, and the new May 2018 Northern service via Sheffield will, at well over 2 hours, not be competitive

¹ Available at: <https://www.gov.uk/government/consultations/future-of-east-midlands-rail-franchise>

with driving. There is a very limited EMT service between Doncaster and Lincoln, operating at times of limited practical use; regular services between Leeds and Lincoln via Doncaster would address this gap. These services could either travel directly between Wakefield and Doncaster, or could run via Pontefract, where they would also provide the long-awaited regular services from Pontefract to Doncaster.

- 2.7.4 **Dearne Valley:** WYCA was disappointed that the new Northern franchise failed to specify regular services on the Sheffield – Rotherham – Pontefract – York line, with the service remaining at the current two or three per day, despite the evidence we had put forward. While we continue to work with Northern towards the introduction of such a service as an increment to Arriva's current franchise, the EM franchise could present an alternative opportunity to do so. This could take the form of an extension northwards of one of the two trains hourly from London St Pancras, or could run from another location such as Nottingham or Derby.
- 2.7.5 **Cambridge, East Anglia and Stansted:** Again, evidence shows significant economic linkages, road traffic flows, but low rail modal shares – reflecting an absence of direct services and implying a clear latent rail market. While a future service may be better suited to an East Coast Mainline operator, EM options may be possible.
- 2.7.6 **North Lincolnshire (Scunthorpe and Grimsby):** Connectivity to these areas almost invariably involves interchange at Doncaster, and connections are generally poor, resulting in journey times uncompetitive with car travel. Although again this is an area that is on the edge of the current EMT system map, a future EM operator may have a role to play in improving this economically significant linkage.
- 2.8 It should be noted that WYCA's stance as regards rail franchises is in general neutral on the question of by whom a given service is operated, provided that the right levels of direct services and convenient interchange are provided, and that additional inefficiencies are not created by the franchising map. WYCA's policy is also to be neutral as between bidders for a given franchise.

Franchise consultation: Other themes

- 2.9 The consultation document also covers a number of other areas on which WYCA would propose to comment on behalf of the City Region:
- 2.9.1 ***On-board facilities:*** WYCA would consider that the majority of EM trains that we envisage serving the Leeds City Region, should our proposals be accepted in part or full, will have the character of intercity trains and should offer a standard of service and passenger accommodation which reflects this.

- 2.9.2 *Meeting the needs of passengers travelling to and from the airports within the East Midlands franchise:* The services we have proposed above would improve substantially links from the Leeds City Region to East Midlands and Luton airports.
- 2.9.3 *Improving all aspects of the door-to-door journey experience:* From a WYCA perspective, we would wish to see far better integration between different train operators in matters such as timetable planning (planning connections, ensuring even service intervals), information (timetable and route information to show all relevant services) and fares and promotions. WYCA would also expect full cooperation of the new EM operator in the development of new ticketing technologies, including MCard multimodal products.
- 2.10 One question which the DfT consultation document does *not* ask directly is that of electrification of the Midland Mainline. This is very much a “live issue” in light of the Secretary Of State’s recent announcement that electrification of the line from London through to Sheffield (and Nottingham) is to be dropped beyond the London commuter section. The document refers to:
- ... the benefits delivered to passengers through a modern fleet of bi-mode trains. Bi-modes will deliver passenger benefits sooner than electrification would without the disruption from putting up wires and masts along the whole route.*
- and states that:
- ... we will require the next operator to come forward with plans for modern, fast, efficient and comfortable trains for the Midland Main Line, including a brand new fleet of bi-mode intercity trains able to run on both electrified and non-electrified lines.*
- 2.11 WYCA has previously supported a rolling programme of overhead line electrification (the North of England Electrification Task Force’s ‘Northern Sparks’ work) due to the economic benefits it brings. These benefits include improved line capacity, reduced greenhouse gas emissions and noise/air pollution, reduced operating costs, and improved journey times and reliability.
- 2.12 Such benefits would have been enabled through the Midland Mainline electrification scheme, where further electrification will in any case be needed for HS2 and Thameslink. Therefore a specification in the future franchises requiring bidders to propose “bi-modal” (i.e. electro-diesel) trains, which will have an asset life of circa 30 years, would not be desirable². We would therefore propose that our consultation response should confirm our support for the full electrification of the route from London through Sheffield and on to Doncaster and Leeds; and that the rolling-stock strategy should be compatible with this.

² See TransPennine Route Upgrade – Item 7 for more information on electrification.

3 Financial Implications

3.1 None.

4 Legal Implications

4.1 None.

5 Staffing Implications

5.1 None.

6 External Consultees

6.1 We intend to consult with officers in the five West Yorkshire Districts (and with councillors via them), and we have already received input from various stakeholders such as rail user and business groups. This input will help inform the final consultation response. In addition, as noted above, we have already met with the current operator (Stagecoach EMT) and with two competing bidders (Arriva and First Trenitalia); it is hoped that this will help in ensuring that the WYCA perspective on the EM franchise is “on the radar” in good time for the refranchising process to consider fully the options we are putting forward.

7 Recommendations

- 7.1 That the proposed approach to the EM consultation, as summarised above, be endorsed, and to delegate to the Chair and WYCA Managing Director to submit a corresponding response document.
- 7.2 That WYCA officers continue to work with the three bidders shortlisted for the EM franchise, and with Rail North, to pursue positive outcomes for the Leeds City Region from the specification of the new franchise.

8 Background Documents

8.1 None.