

**Report to:** Transport Committee

**Date:** 9 November 2018

**Subject:** Northern Powerhouse Rail Update

**Director:** Alan Reiss, Director Policy, Strategy and Communications

**Author(s):** James Nutter

Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<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 of this report

- 1.1 To update the Committee on the progress being made on the development of the Northern Powerhouse Rail (NPR) programme.
- 1.2 To enable the Committee to provide input on the key issues for West Yorkshire in the development of the Strategic Outline Business Case for NPR, to Cllr Judith Blake and Roger Marsh, as the Combined Authority's representatives on the Transport for the North (TfN) Partnership Board.

## 2. Information

### Background

What is NPR and why is it an important stage in its development?

- 1.3 NPR is a proposed network of inter-city region rail services that will support the development of a Northern Powerhouse economy, by radically improving the capacity of the north's railway to reliably move people and goods.

- 1.4 NPR will connect the north's major economic centres and transport hubs, through fast and frequent rail services that make use of:
- HS2 through a number of junctions with the existing railway;
  - Upgraded existing railway lines;
  - Brand new railway lines; and
  - Upgraded/new station/transport hubs.
- 1.5 The NPR programme is being jointly promoted by TfN and the Department for Transport (DfT), working with Local and Combined Authority and business partners across the North, HS2 Ltd, Network Rail and wider industry.
- 1.6 The programme's development is reaching a critical phase, namely the finalisation of the Strategic Outline Business Case (SOBC). This will demonstrate whether or not the overall NPR programme has a business case that is worth developing in more depth (at a very significant cost), to the next stage of development i.e. Outline Business Case. In his speech to the House of Commons on the Budget, Chancellor Philip Hammond confirmed £37 million of development funding will be made available for Northern Powerhouse Rail. The confirmed funding allows momentum to continue and will support the next stage of planning and design work.
- 1.7 The 6 December 2018 meeting of the TfN Partnership Board will consider and potentially endorse the NPR SOBC, which subject to the outcome of that meeting, will then be considered by the DfT's Board Investment Commercial Committee on 18 December 2018. It is this latter meeting which will decide whether or not to continue the development of the NPR programme, which will require a significant amount of Government funding. Once the Combined Authority has seen the results, this can be shared privately with Transport Committee Members.
- 1.8 In advance of the TfN Partnership Board meeting, it is important that the Committee is able to consider and advise the Combined Authority's representatives on the key issues in the development of NPR for West Yorkshire.

#### The Combined Authorities priorities for Transport for the North

- 1.9 The Combined Authority re-affirmed its priorities in relation to Transport for the North's (TfN) work programme and investment planning, in August 2017:
- A **Northern Powerhouse Rail Network (NPR)** that radically improves journey times across the North with **stops in Leeds, Bradford and York** and **integrates effectively with HS2**;
  - Continued investment in the existing networks including significant improvements to the **Calder Valley Line** and **East Coast Mainline**;
  - Consider how to reduce congestion and improve reliability on the **M62**. As part of this and the priority above, understanding how best to support our economic objectives by improving transport between Lancashire and Greater

Manchester to West and North Yorkshire (including serving Leeds Bradford Airport (known to TfN as the '**Central Pennines Corridor**'));

- Delivery of the **Transpennine Route Upgrade** programme by 2022, to improve capacity and connectivity between but not limited to Manchester, Huddersfield, Leeds and York; and
- Delivery of **HS2** to the Leeds City Region.

#### The Combined Authority and LEP Position on NPR

1.10 The Combined Authority and the Leeds City Region (LCR) LEP agreed this region's position and priorities for NPR in 2016. This was developed through collaboration with LCR public and private sector partners, and evidence based work on how NPR could best support the LCR SEP and emerging transport strategy vision and objectives. The position includes:

- NPR is just one part of the region's connectivity requirements and there are other layers and supporting measures that are needed e.g. intra-city region rail, other public transport and highways improvements;
- Nowhere should lose the connectivity that they have now, or will have through planned investments e.g. improved services committed through the new Northern and TransPennine Express rail franchises, and Transpennine Route Upgrade;
- Northern connectivity is multi-modal & NPR forms only one part of the connectivity that rail will provide for the North;
- NPR station design is fundamental in being able to make seamless connections to other rail and transport services.
- Intermediate NPR stations would deliver significant additional GDP benefits to the LCR economy over and above a single stop at Leeds. There is a strong case for a West Yorkshire NPR station to the west of Leeds. The evidence points to it being located in Bradford and in particular in Bradford city centre based on regeneration opportunities and benefits to the economy and the labour market. There are strong, positive regeneration impacts and therefore a case for a NPR stop at York that would serve northern and eastern parts of LCR and Yorkshire.
- Those parts of LCR not directly on NPR can receive benefits from released capacity on the existing rail network.

#### **NPR SOBC - West Yorkshire Issues for Consideration**

##### Key NPR Issues for West Yorkshire

1.11 The following points are proposed to be the Combined Authorities key issues in the continued development of NPR through SOBC and beyond. These matters are derived from an assessment of the current uncertainties still for

resolution through the NPR programme development process, against the Combined Authority's position on NPR as outlined in paragraph 2.8,:

- West Yorkshire needs NPR to create and release new rail capacity, for better, reliable local, inter-regional and freight rail services;
- The design of the infrastructure needs to accommodate future demand and growth for all services (local, regional and national), and future proofed as far as possible;
- Delivery of HS2 Phase 2b to Yorkshire is vital to the delivery of the NPR objectives;
- An NPR station in Bradford city centre on a new line between Leeds and Manchester is a vital component of the overall Northern Powerhouse concept;
- Transpennine Route Upgrade (TRU) is a vital short – medium term intervention to provide improved rail capacity across the north, but also to West Yorkshire, and Leeds and Kirklees in particular. TRU is also vital post-NPR to cater for long term demand growth between Kirklees and Leeds, Manchester and other major centres;
- NPR needs to be developed as part of a north of England strategy and plan for improvement of the rest of the rail network and its services – to ensure the full benefits of NPR are realised across all West Yorkshire Districts;
- There is a need for an holistic, major rail infrastructure capacity improvement at and around Leeds station for both non-NPR and NPR rail services. NPR cannot be developed at the expense of the ability to affordably provide capacity for other rail service improvements;
- NPR/HS2 touchpoints (junctions) are a vital ingredient, including at Garforth and Stourton. Any NPR network without Stourton would be particularly damaging because:
  - Leeds is at a HS2 network dead-end;
  - Leeds could not be served by high speed rail Edinburgh – Newcastle – York – HS2 Eastern leg – Birmingham/London services;
  - It would be difficult for Leeds to be part of/benefit from any extension of HS2 eastern leg to Scotland in the future; and
  - There will be less released capacity on existing railway lines.

#### The Case for NPR in Bradford - Update

- 1.12 Working closely with City of Bradford Council, the Combined Authority commissioned further work to help deepen the understanding of and support for, the economic and strategic case for NPR to serve Bradford. Two commissions have been completed over the last few months with the main conclusions summarised as follows.

1.13 City of Bradford Council commissioned economic consultants Genecon to produce a strategic economic case for NPR in Bradford. The main conclusions are:

- The realisation of NPR connectivity in Bradford City Centre has the potential to enable a significant transformation in economic performance;
- A city centre NPR station could deliver up to 15,000 new jobs across Leeds City Region, generating £14.0bn in additional GVA, £5.8bn at present values;
- It could accelerate the delivery of around 670,000 sqm of new commercial floorspace and around 8,500 new housing units within the city Centre;
- A city centre NPR station could generate around £61m in land value uplift returns by 2060, around £33m in present values; and it could,
- Generate around £119m in additional business rate returns (£51m at present values) and around £19m in additional Council Tax (£9m at NPV).

1.14 The Combined Authority commissioned consultants Arup to undertake demand modelling work to understand the likely differences in passenger rail demand from city centre and parkway NPR station options. The conclusions are:

- Different station locations perform different functions with a city centre NPR station acting as a gateway for Bradford with the parkway serving more commuter trips to Manchester and Leeds. A city centre station is likely to act as both an origin (e.g. outbound commuting trips from Bradford) as well as a destination (e.g. inbound commuting and business travel).
- Passenger demand and revenue is likely to be higher for a city centre station than a parkway;
- Passenger demand and revenue will be highest for a city centre NPR station that is well connected to places north of Bradford city centre. Cross-city north – south connections as outlined in the Leeds City Region Connectivity Strategy will be important as a means of widening the catchment for NPR;
- The proposals offer the potential, subject to improving the above-mentioned north – south connectivity between the Bradford stations, to provide significant released capacity at Leeds station with many NPR trips between Leeds and Manchester switching to start or end at Bradford.
- A city centre NPR station offers a step-change in Bradford-Leeds connectivity with a rail service taking less than 10 minutes between the two cities. This may act to bring the two cities together to form a single economic entity.
- The proposals significantly increase the ‘reach’ of Bradford for both businesses and residents in the city. The centre of Manchester becomes circa 20 minutes away from the city - a similar journey time currently enjoyed to Leeds. Liverpool is around 40 minutes away and Birmingham is around an

hour away via HS2. This will completely transform the connectivity of the city and help to deliver economic change; and

- A parkway station could help to deliver relief to the M62 which currently experiences around 70,000 trips each way each day on the section between Huddersfield and Rochdale. A parkway station may, however, exacerbate congestion on one of the most congested sections of the motorway between junctions 25 and 27 as passengers access the parkway from Leeds and Kirklees/Calderdale.

### **3. Financial Implications**

3.1 There are no financial implications directly arising from this report.

### **4. Legal Implications**

4.1 There are no legal implications directly arising from this report.

### **5. Staffing Implications**

5.1 There are no staffing implications directly arising from this report.

### **6. External Consultees**

6.1 No external consultations have been undertaken.

### **7. Recommendations**

7.2 That the Committee endorses the key priorities in paragraph 2.9 for NPR and agrees these priorities are pressed for through the Combined Authority's representatives on TfN's Partnership Board.

7.3 That the Committee notes the conclusions of recent studies relating to NPR serving Bradford and endorses their use in making the case for a city centre station in Bradford, outlined in paragraphs 2.10 – 2.12.

### **8. Background Documents**

None.

### **9. Appendices**

None