

Transport for the North Board – Item 4.3

Subject: TransPennine Route Upgrade

Author: James Syson, Rail Strategy Liaison Manager and Jim Bamford, Head of Investment Planning

Sponsor: David Hoggarth, Strategic Rail Director

Meeting Date: Thursday 12 September 2019

1. Purpose of the Report:

- 1.1 To update the Board on the TransPennine Route Upgrade (TRU), highlighting the progress being made in delivering this multi-billion-pound rail project on the north trans Pennine rail corridor and noting aspects of the project which still require clarification from the Department for Transport (DfT) and Network Rail.
- 1.2 To support a presentation on TRU progress and disruption planning at the Board meeting from Network Rail (Chris Montgomery – Major Programme Director) and to have an update from the DfT on the points of clarification about the proposed Phase 1 investment concerning future proofing, contingency and future funding.

2. Executive Summary:

- 2.1 TRU is being promoted by the Department for Transport (DfT) as sole client. It is, the first major rail investment decision by the DfT affecting the North that has received formal advice from Transport for the North. Unlike Northern Powerhouse Rail (NPR) Transport for the North is not co-client for this scheme and therefore Transport for the North involvement is significantly less and there are limited resources able to be allocated to it.
- 2.2 Central to the Transport for the North statutory advice issued to the Secretary of State in September 2018 (see Appendix 1) was to back the first phase of investment but with the recommendation for design of an option which would deliver the key strategic outputs in full (including a W10/12 gauge cleared hourly freight path) to be designed in detail to identify the financial (including whole life costs), economic, environmental and deliverability implications prior to any final decision for delivery in 2019. We understand this has not been undertaken, and we still await clarification from the DfT on a number of points relating to the first phase of investment.

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- 2.3 Transport for the North welcomes the news that a review of the TRU costs for electrification is currently being undertaken by Network Rail and that key principles to help plan for disruption during construction have been developed. However, greater clarity on the potential impact during Phase 1 construction on passengers, communities and the economy of the north is required.
- 2.4 Whilst we recognise there has been significant recent changes in Government following the appointment of the new Prime Minister and Secretary of State for Transport in July, it is still anticipated that DfT will provide written advice to address the points of clarification previously raised by Transport for the North. In addition, Network Rail will be providing a presentation at the Board meeting to support member understanding.

3.0 Issues:

TRU Statutory Advice

- 3.1 Transport for the North is not a co-client on TRU and therefore has limited, or no sight of key material such as the business case. Network Rail are cliented by DfT. On other projects such as NPR or the Trans Pennine Tunnel Transport for the North has a much more pro-active role and one where our input helps shape the development of the projects. On TRU, with Transport for the North having just being given statutory status, we were in the position of providing advice "ex post", i.e. after key decisions had already been made without our meaningful input. It is important that an 'ex post' advice approach is avoided on future major decisions in the north. This requires a new approach to be agreed between DfT and Transport for the North to decision making on current projects being developed – the most significant being the solution for addressing congestion on the Central Manchester Corridor where problems can ripple far and wide across the northern network.
- 3.2 Transport for the North's statutory advice on TRU was agreed at the Board meeting in September 2018. We received a reply from the Secretary of State in October 2018 setting out his support to ensure that any work delivered in the first phase must be designed in such a way as to ensure that it is future proofed for later phases. However, the letter was also clear that DfT's priority was successful delivery in CP6 and wanted to avoid Network Rail diverting its resources to planning later phases at the expense of delivering the first phase. While we believe a high-level assessment of the preferred option set out in our advice, comparing cost with DfT's option, was undertaken it wasn't clear that the additional design work we proposed was going to be instructed.
- 3.3 As a result, in December 2018 Transport for the North sought clarification from the DfT on several points relating to their preferred option, these are listed below:

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- a) How the first phase of investment could be future-proofed - for example through passive provision within the initial phase of investment;
 - b) Whether any further contribution to the outputs proposed for delivery within CP6 can be achieved at minimal incremental cost or through allocation of any released contingency as designs develop; and
 - c) Greater clarity on what outputs will be provided by the first phase of investment in CP6 and assurances over future funding to deliver the outputs in full.

These points all relate to whether a fully thought out approach to a phased project is in place. While some progress has been made on assessing full electrification for TRU, which was one element of what we advised, we believe more is still needed to be done. A response to these points from DfT has been pursued at various times and an update is expected at the Transport for the North Board meeting in September.

- 3.4 Having provided our statutory advice and continuing to follow up on it Transport for the North's current role in TRU is mainly to keep pressure on DfT as the TRU client to maximise investment and minimise disruption. Even with the scope of the Phase 1 works being less than our preferred option there are significant concerns about protracted disruption being expressed by the train operating companies. More detail on mitigating disruption is set out later in this paper.

NPR Statutory Advice

- 3.5 There continues to be an important relationship between TRU and NPR. NPR assumes that the current TRU works are delivered in full which has been important in assessing the costs of future provision. Given the operational relationship between the two separately managed investments Transport for the North's statutory advice on NPR called for an enhanced role on TRU. That remains our request.
- 3.6 This Autumn we will establish if there is to be acceleration of the new line between Leeds and Manchester. This was proposed by the Prime Minister in his speech at the Manchester Science and Industry Museum on 27 July 2019 with details to be agreed in the Autumn. Work is ongoing with DfT to establish the practical impact of this and a paper will be taken later in the meeting. If there is meaningful acceleration of the new line then the nature of TRU works and the duration and extent of disruption will be brought into even sharper focus as full passenger benefits from the TRU investment will exist for a shorter period. Whilst we are not sighted on the business case for TRU it will inevitably be the case that they are weakened if a new line is built under NPR rather than using TRU infrastructure.

Strategic Access Plan

- 3.7 In partnership with Transport for the North, Rail North Partnership and train operating companies affected by TRU, a number of key principles for disruptive possession of the north trans Pennine rail corridor (which form the basis of a draft Strategic Access Plan) have been adopted by Network Rail. These focus on:
- Passengers;
 - Freight;
 - Delivery;
 - Operations; and
 - Franchises.
- 3.8 Network Rail are carrying out the work to establish the level to which the key principles for disruptive possessions planning can be met to help mitigate against passenger, community and economic disruption and have been asked to provide an update at the meeting.

Electrification Cost Challenge

- 3.9 Part of Transport for the North's preferred option was for full electrification of the line and some helpful work has been carried out on this in part triggered by the Railway Industry Association (RIA) Electrification Cost Challenge report which has identified that rail electrification can be delivered at 33-50% of the cost of some past projects if the Government commits to a rolling programme of work which would allow the industry to build up expertise and capabilities.
- 3.10 Given the optimism within the industry for delivering more cost-effective electrification it is our understanding that Prof Andrew McNaughton has been asked by Rob McIntosh (Network Rail's Route Managing Director, LNE) to challenge full electrification costs for TRU, and to see if the TransPennine Route can be electrified throughout within the proposed budget for partial electrification.
- 3.11 Transport for the North's Strategic Transport Plan sets out that it will support the UK in meeting commitments under the Climate Change Act 2008 by collaborating with Partners and stakeholders to deliver a low carbon Northern transport network, including a zero-carbon public transport network, by 2050. Full electrification of the TransPennine route would support this commitment.

Transport and Work Act Order (TWAO) consultation - Huddersfield to Westtown

- 3.12 Some very positive progress has been made with Phase 1 works with the start of public consultation on the 13km section of railway between Huddersfield and Westtown (near Dewsbury). This is required for a Transport and Works Act Order (TWAO) and is an important milestone for the scheme. This section of the TRU corridor will require the

reinstatement of a four-track alignment, full electrification of the track, grade separation of a junction at Ravensthorpe either as a flyover or dive-under and enhancement and in some cases rebuild of stations at Huddersfield, Deighton, Mirfield and Ravensthorpe.

- 3.13 A series of public events are taking place in early September forming the first phase of consultation which will close in late October, with a second phase to follow in spring 2020. The feedback received would help to form part of a TWAO submission that Network Rail plans to make to the Secretary of state in autumn 2020. A decision on the TWAO is expected in 2022 and, if approved, work would begin thereafter.

Freight

- 3.14 The nature of trans Pennine freight is changing rapidly, reflecting the evolving nature of the Northern economy and the role of the Ports in serving Northern businesses. The Chartered Institute for Logistics and Transport (CILT) and the Rail Freight Group (RFG) on behalf of the Ports, Shipping and Rail freight industries have therefore begun work to identify the potential opportunities for using low floor wagons and gauge easement works for meeting short term demand for 'Short Sea' (from both Continental Europe and Scandinavia) and 'Deep Sea' (from the rest of the World) container movements across the Pennines.
- 3.15 Whilst this work sounds promising in helping to support the increasing demand for freight movement by rail over the TRU Phase 1 work programme (5-7 years) the freight industry is keen to reiterate the call for a fully gauge cleared route (W10/12) to be embedded within the TRU project.

4. Conclusion:

- 4.1 Without a co-client role Transport for the North has limited sight of and input to key decisions and limited resource to deploy to the project. Our statutory advice on NPR has called for an enhanced role on TRU and the Blake Jones Review and Transport for the North's corporate planning considers the issue of greater powers.
- 4.2 With our current powers we will continue to push the case for future proofing of design and to seek clarity over the benefits being provided by Phase 1. We will also continue to work with freight operators to make the case for a gauge-cleared freight path and welcome the work on full electrification. In addition to this we have focussed on the mitigation of disruption, reinforced by concerns from the train operating companies, and we will continue to seek reassurance from DfT on this point.
- 4.3 The relationship between TRU and NPR is key, especially if the Leeds - Manchester line is accelerated as proposed by the Prime Minister.

- 4.4 Given the TWAO process and the ongoing plans to mitigate disruption it is Transport for the North's view that the planned £2.9bn spend in CP6, ie by March 2024, is unlikely to be practical to achieve fully. Indeed, it may be ill advised for Network Rail to push to achieve that level of work as the disruption impact on passengers and the wider economy could be considerable. Further information on the industry's planned level of disruption and mitigating measures is needed.

5. Recommendation:

- 5.1 To note the restrictions on Transport for the North's role given our current powers and role on TRU.
- 5.2 To note that we continue to seek clarification on the future proofing of the proposed Phase 1 investment programme and seek assurances over the use of any released contingency and future funding to deliver all strategic outputs in full including the gauge-cleared hourly freight path.
- 5.3 To note that the current Phase 1 investment plan is likely to require significant disruptive possessions of the north trans Pennine rail corridor over the next 5 -7 years and that the level to which Network Rail can mitigate its impact upon passengers, communities and the economy of the north through the adoption of a set of Passenger, Freight, Operations, Delivery and Franchise key principles is currently unclear.
- 5.4 To note that while the recent pledge from the Prime Minister to accelerate the Northern Powerhouse Rail scheme between Manchester and Leeds is welcomed there remains some uncertainty as to the impact this and the review into HS2 may have on delivering TRU Phase 1 and any future phases of investment given the inter-play between TRU and NPR.
- 5.5 To note the conclusion of the electrification cost challenge report from the Rail Industry Association (RIA) and to support the work being undertaken by Network Rail to review the cost of electrification along the north trans Pennine rail corridor.
- 5.6 To note the significant milestone achieved for the scheme with the start of public consultation on the Transport and Works Act Order for the section of line between Huddersfield and Westtown (near Dewsbury).
- 5.7 To note the emerging work of the Chartered Institute of Logistics & Transport and the Rail Freight Group in identifying a potential phased approach to delivering gauge clearance of the north trans Pennine rail corridor to meet short term demand for container traffic flows across the Pennines and their call for the TRU programme to be formally remitted to embrace the output need for W10/W12 gauge clearance.

6. Appendices:

- 6.1 Appendix 1 Transport for the North TRU Statutory Advice 28
September 2019

List of Background Documents:

The following background papers were considered in preparation of this report:

Transport for the North Partnership Board – 20 June 2019

Agenda Item 9

Subject: Rail Update

Author: James Syson / David Hoggarth

Sponsor: David Hoggarth, Strategic Rail Director

Transport for the North Partnership Board – 7 February 2019

Agenda Item 5

Subject: TransPennine Route Upgrade

Author: Jim Bamford, Head of Investment Planning & James Syson, Rail Strategy Liaison Manager.

Sponsor: David Hoggarth, Strategic Rail Director

Transport for the North Partnership Board – 13 September 2018

Agenda Item 4

Subject: TransPennine Route Upgrade

Author: Jim Bamford, Head of Investment Planning & James Syson, Rail Strategy Liaison Manager.

Sponsor: David Hoggarth, Strategic Rail Director

Required Considerations

Equalities:

Age		No
Disability		No
Gender Reassignment		No
Pregnancy and Maternity		No
Race		No
Religion or Belief		No
Sex		No
Sexual Orientation		No

Consideration	Comment	Responsible Officer	Director
Equalities	A full impact assessment has not been carried out because this is a scheme being developed	Jim Bamford /James Syson	David Hoggarth

	by DfT – however the Transport for the North Single Development Option seeks to support Equality Act 2010 compliance at each TRU station.		
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Environment and Sustainability

	No
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Consideration	Comment	Responsible Officer	Director
Sustainability / Environment	A full impact assessment has not been carried out because this will be developed by the DfT as part of their business case development including an assessment of the likely benefit to air quality at stations and along the TRU corridor.	Jim Bamford /James Syson	David Hoggarth

Legal

Yes	
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Consideration	Comment	Responsible Officer	Director
Legal	The legal implications will need to be considered by the DfT as the sole client for this project.	Julie Openshaw Head of Legal	Julie Openshaw Head of Legal

Finance

Yes	
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Consideration	Comment	Responsible Officer	Director
Finance	The financial implications are being considered by the DfT as	Gareth Sutton Financial Controller	Iain Craven Finance Director

	sole client for this project.		
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Resource

Yes	
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Consideration	Comment	Responsible Officer	Director
Resource	The resource implications have been/ are being considered by the DfT as sole client for this project. There may however also be a need for further resources to be allocated to the Rail North Partnership team and Transport for the North Strategic Rail Team to support ongoing work for which further/additional funding would first need to be secured prior to any additional roles being agreed.	Stephen Hipwell Head of Human Resources	Dawn Madin Business Capabilities Director

Risk

Yes	
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Consideration	Comment	Responsible Officer	Director
Risk	A risk assessment has been undertaken by Network Rail and they will continue monitor this on behalf of the DfT.	Jim Bamford / James Syson	David Hoggarth

Consultation

	No
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Consideration	Comment	Responsible Officer	Director
Consultation	A consultation has not been carried out by DfT or Transport for the North at this early stage. However, Transport for the North have ensured officers, elected members and LEP representatives have been fully engaged.	Jim Bamford / James Syson	David Hoggarth