

Meeting **JOINT COMMITTEE ON STRATEGIC PLANNING AND TRANSPORT**

Date **22 June 2012** Agenda item number

From **JOINT OFFICER STEERING GROUP**

RAIL ISSUES UPDATE

Purpose of the report

1. To update the Committee on key rail issues in and into the Greater Nottingham area and rail services across local authority boundaries. The work of the two Councils, although separate, is complementary, and of mutual benefit.

Midland Main Line (MML)

2. The process has started of determining the financial arrangements for the rail industry for the period 2014 - 2019 (called 'Control Period 5 - or 'CP5'), including provision for investment in enhancements.
3. As detailed in the rail report to the last Joint Committee meeting, the 'Initial Industry Plan' for that period includes proposals for a number of enhancements on the MML, but at this stage they are merely proposals. There are a number of stages at which the MML schemes could be excluded. On the other hand there are just 2 stages at which the MML schemes could gain a definitive approval :-
 - In July 2012. If anything is specified in the Government's High Level Output Statement (HLOS) then that is an absolute Government requirement, and Network Rail and the Office of Rail Regulation (ORR) must deliver during CP5; and
 - In October 2013, when the ORR gives its final approval to the funding for all CP5 schemes.
4. Both Councils have been making great efforts to secure approval for investment in the MML through the HLOS, particularly
 - The second phase of the linespeed works, including easing the curve and the speed limit at Market Harborough,
 - An improved layout at Leicester, with extra tracks and an improved layout to reduce conflicting movements between MML trains and east -west trains (including freight trains) which cause timetabling constraints; and
 - An enhanced layout at Derby.

5. In February, along with Andrew Pritchard from East Midlands Councils, I met and briefed Nicky Morgan MP for Loughborough on the MML, and she has taken the MML campaign up with enormous vigour. She has
 - organised a joint letter from 20 MPs to the Rail Minister, Theresa Villiers MP, pressing the case for the upgrade and electrification;
 - organised an adjournment debate in the House of Commons on April 16th in which 28 MPs participated, for which briefings were provided for MPs;
 - organised a series of questions from MPs to the Minister;
 - organised a delegation of MPs to meet the Business Secretary, Vince Cable MP, on 3rd July, in which the Leader of Nottinghamshire CC, Cllr Cutts, will represent local authorities along the line; and
 - generally sustained a high level of pressure on DfT.
6. East Midlands Councils has organised a joint letter from all the East Midlands' Council Leaders. And Cllrs Jackson and Urquhart have also written a joint letter.
7. Network Rail has continued work on developing and designing the schemes, and the latest estimated cost of these enhancements, is believed to be (in approximate round figures)

• Second phase of linespeed works	£ 30m
• Improved layout and flyover at Leicester	£120m
• Improved layout at Derby	£ 65m

Nottingham - Newark - Lincoln

8. Work continues to secure an enhanced service on this line. The County Council's LSTF bid had contained a sum to cover the cost of an additional train from Newark into Nottingham at the start of the morning peak period, but unfortunately that bid was unsuccessful. Possible other funding sources are now being sought

Nottingham station

9. The multi-story car park has been completed to schedule and opened in May 2012. Network Rail have appointed Vinci Plc to deliver the main station works. Detailed design work is ongoing with substantive works due to start in the Autumn. These are also being coordinated with NET Phase 2 and station resignalling works, all for completion by 2014.
10. Preparatory works have commenced for the renewal of the track and signals that will be undertaken in summer 2013, and the enhancements for which the Councils have secured funding of £11.6million.

Cycle Rail Integration

11. East Midlands Trains, Nottinghamshire County Council and the City Council are working in partnership to install secure cycle parking cages and bike hire facilities at Bulwell, Beeston and Hucknall Stations. This will also include

additional gating and smart card access to half of the cycle parking facility at Nottingham Station. Nottingham Station will be up and running before the end of June with installation of the other sites over the next few months.

12. Access to the parking will be provided free of charge once the user has registered to obtain a smart card. Cards which contain this feature currently include the Citycard, Trent University staff and student card and employer's smart cards.
13. The new parking facilities will be incorporated into a package of facilities which will also be available at tram and bus park and ride sites, Broad Marsh bus station and the Fletcher Gate car park. This investment will help encourage cycle use as well as integration with public transport and the car.
14. Funding for the Station specific works is coming from the Association of Train Operating Companies (ATOC), there is also a Local Sustainable Transport Fund contribution which is also funding the wider scheme.

Rail devolution

15. The Government is currently consulting on proposals to devolve responsibility for rail franchising. At the moment the franchise contracts underlying most train services in England are specified, funded and managed centrally by the DfT. The Government is seeking views on whether, in line with its localism agenda, improved outcomes for passengers might be achieved in some cases if decisions relating to local rail services were made closer to the communities they serve.
16. If any of the potential changes go ahead, then they will be implemented in line with the franchise re-letting process, which will gain momentum over the next few years. The document focuses particularly on the Northern franchise, which contains the Nottingham – Leeds and Retford - Worksop - Sheffield services, as that will be re-let September 2013.
17. The document is currently open for consultation until the 28th June. As well as the consultation the DfT are looking for expressions of interests from bodies that may be willing to take these powers on.
18. The DfT has approached this question with the presumption that some train services are primarily of national strategic importance and therefore should be specified and procured centrally, while other services are of greatest significance to more local interests, and might therefore benefit from being locally specified. It suggests 5 types of service:-
 - Inter-city services linking London with other major towns and cities – this includes the MML
 - Inter-regional services linking large towns and cities, other than London, across the country – including Nottingham to Birmingham, Liverpool to Norwich, and Nottingham to Leeds
 - Commuter services taking hundreds of thousands of people to work into London every day on a very congested network

- Local services conveying people into the major cities and conurbations across the country
 - Services linking smaller towns and rural areas with larger towns, cities and the inter-city rail network.
19. Depending on the degree of decentralisation sought, the devolved body must be democratically accountable, and have a governance structure that is able to make all necessary decisions and take responsibility for risk for the duration of a franchise.
 20. In most cases the devolved body will expect a block grant or 'dowry' from the Government to enable it to fund a network of services similar to that which exists prior to decentralisation. The devolved body will also wish to ensure that the network is able to adapt to the changing needs of its users, including the provision of additional capacity to meet growth in demand, and to support economic growth by improving local connectivity. It is not entirely clear how such additional capacity would be funded.
 21. The great potential benefit of such devolution is that it could facilitate enhancements as determined by local stakeholders. The big danger is that, the responsibility would include financial responsibility. The budget of the devolved services could amount to around £1billion per annum.
 22. Three Integrated Transport Authorities(ITA) - South Yorkshire, West Yorkshire and Greater Manchester ITAs - are interested in principle in such devolution, and are exploring what interest there might be from other local authorities. They envisage a dual tier of governance, with a small Board of those authorities that are willing and able to assume full responsibility and a wider stakeholder group of other authorities that would be served by a devolved franchise but who do not wish to have formal or financial responsibilities.
 23. Neither the City nor the County Council has the resources of an ITA, neither financial nor staffing, to participate as full members. However, if devolution was to proceed anywhere then there would be a need to protect the interests of any Nottingham services that were operated under a devolved franchise.

RECOMMENDATION

24. Recommendation
 - a) that in their responses on rail franchise devolution both Councils should
 - require that 'inter-Regional services', which category includes Nottingham - Birmingham, Liverpool - Manchester - Sheffield - Nottingham - Norwich , and Nottingham -Sheffield - Leeds, must continue to be specified at a national level, and
 - require an opportunity to participate in the stakeholder groups for any devolved franchises
 - b) that the Committee notes the other contents of this report.

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