



8<sup>th</sup> October 2015

**Agenda Item: 10**

## **REPORT OF SERVICE DIRECTOR, HIGHWAYS**

### **MIDLAND MAIN LINE**

#### **Purpose of the Report**

To report recent developments regarding enhancements to the Midland Main Line

#### **Information and Advice**

##### **Midland Main Line**

##### Background

1. As has been reported previously, the first phase of works to increase line speeds on the Midland Main Line has been completed, and as from the December 2013 timetable journey times from Nottingham to London were cut
  - from 1 hour 38 minutes to 1 hour 31 minutes for the morning peak express train (departing Nottingham 07.55); and
  - from 1 hour 45 minutes to 1 hour 42 minutes for the fast train every hour for the rest of the day.
2. The scheme was significant because these were the first journey time reductions on the Midland Main Line for 30 years, and the lack of improvement prior to December 2013 had meant that Nottingham had the slowest InterCity speeds to London of any core city.
3. These journey time reductions were achieved mainly by upgrading and improving the track over large sections of the Midland Main Line and included raising the speed limit to 125mph (from a mixture of 100mph and 110mph) over approximately 50 miles. These works were undertaken between 2010 and 2013 at a cost of around £70 million.
4. The new quicker journey times also took advantage of the improved, faster layout that was installed at Nottingham station in summer 2013, the funding for which (£11.6 million) was secured by Nottinghamshire County Council.
5. The Council has an objective of reducing the Nottingham to London express journey time to 90 minutes every hour throughout the day i.e. 12 minutes quicker than the current standard time (and 15 minutes quicker than it was until the phase 1 works were

completed in 2013). As members will recall from previous reports, the Council has done a lot of work over the past three years with Network Rail, East Midlands Trains and East Midlands Councils to secure funding for a second phase of line-speed works to achieve that objective. That work has been successful in securing £200 million for works 2014-2019 between Wigston and Syston; and at Derby (which will also substantially benefit trains between Nottingham, Beeston and Birmingham), which, following campaigning led by Nottinghamshire and East Midlands Councils, the Government had allocated in 2012 through its 'High Level Output Specification'.

6. In addition Network Rail had allocated around a further £200 million to the Midland Main Line from its general 2014-2019 funds, in particular for track improvements between Bedford and Kettering and north of Derby.
7. One element of the phase 2 works, through Market Harborough, is only partly funded. £24 million has been allocated by Network Rail and a further £13 million through the Local Growth Fund (via the 3 MML LEPs – D2N2, Leicester & Leicestershire, and Sheffield City Region), but the total cost of these works at Market Harborough is £46 million, leaving a gap of £9 million which is currently unfunded. It is hoped that the LEPs will shortly submit a bid for this outstanding £9 million, and the very strong indications are that the government would respond positively to such a bid.
8. No consideration has yet been given by the rail industry to the works required to raise speeds between Trent junction and Nottingham, which are currently 80 mph. The Council is pressing for the speed limit to be raised to at least 110 mph, and preferably 125 mph, and for this to be included in the phase 2 works.
9. All these schemes (as described in paragraphs 5-7) would increase capacity and raise speeds so as to allow
  - more trains to be run and
  - a reduction of journey timeswhich would both encourage and cater for steady growth in the number of passengers travelling. Specifically for Nottingham, the works in paragraphs 5-8 would allow (subject to DFT approving the appropriate service pattern) a reduction in the standard Nottingham - London journey time to 90 minutes (i.e. for a 'fast' train in each direction every hour throughout the day).
10. In addition in its 2012 'High Level Output Specification' the Government approved electrification of the Midland Main Line, which, although it will not speed services up, will bring a number of other benefits in particular
  - making the line cheaper to operate,
  - lower carbon emissions (depending on how much of the electricity is generated by renewable and low carbon sources),
  - lower emissions of pollutants (particularly NOx, particulates and PAHs),
  - being much quieter, and
  - making it easier to obtain new rolling stock.
11. This first phase of the Midland Main Line line-speed scheme was exceptional in all key respects, and for a scheme of its scale and nature the Midland Main Line scheme was incredibly low-cost, at just £70 million. The previous inter-city route upgrade was on the West Coast Main Line, where the cost was around £10,000 million (i.e. £10 billion), albeit

for a scheme about three times the scale of the Midland Main Line scheme. Both throughout the works and since, the Midland Main Line has been far more reliable than any other InterCity route in Britain, with over 93% of trains arriving on time.

12. In recognition of the excellent implementation of this first phase of the Midland Main Line scheme, it was agreed by the Transport and Highways Committee in December 2014 that the Council should put it forward for the 2015 National Rail Awards as the 'Rail Project of the Year'. Unfortunately the submission was not successful - something which seems very surprising in view of the general problems which have subsequently arisen with Network Rail's enhancement programme as a whole (see paragraphs 13-15 below).

### Government announcement

13. On 25<sup>th</sup> June the government announced some very big changes to Network Rail's programme of enhancements. A total of £11.4 billion had been allocated for all enhancements to the rail network in England and Wales between 2014 and 2019, including the Midland Main Line track and infrastructure schemes (referred to in paragraphs 5-7 above) and the MML electrification. However, the costs had escalated significantly on many of these enhancement schemes, which meant that they could not now all be done for the sum (£11.4 billion) that had been allocated. The government therefore announced that

- the chairman of Network Rail was being sacked and replaced by Peter Hendy (who was previously Commissioner for Transport in London);
- 2 electrification schemes were 'paused' - these being on the Midland Main Line and the Trans-Pennine North line (Manchester to Leeds), but the Great Western Main Line electrification was allowed to continue; and
- Peter Hendy was asked to review all other enhancement projects and report back to the Secretary of State in the autumn with an updated programme based on updated costings.

14. The cost escalation has been most severe on the electrification schemes, being hundreds of millions of pounds in each case:-

- £700 million on the Great Western Main Line (from £1bn to £1.7bn), and
- £450 million the Midland Main Line (from £850m to £1.3bn)

(a precise sum has not been made public regarding the Trans-Pennine electrification).

This is no doubt why electrification works have been paused, although it is surprising that the scheme with the greatest cost escalation (i.e. the Great Western Main Line) is the scheme that has been authorised to continue unaltered. This is compounded by the fact that the Midland Main Line has the best business case for electrification (i.e. superior to the business case for electrification of the Great Western Main Line).

15. There has also been cost escalation, albeit on a lesser scale, on some but not all of the many other enhancement schemes had been planned across the rail network in the 2014-2019 period. The Hendy review is expected to try to identify ways to bring the costs down so as to make as many enhancement schemes as possible affordable. However it is expected that there will still be an increase in the total anticipated cost of the schemes as a whole, and it is therefore expected that Hendy will identify some schemes to be deferred and/or curtailed.

16. This means that, in addition to the pausing of the electrification, there is now uncertainty as to which, if any, enhancement schemes will be undertaken to the track and infrastructure of the Midland Main Line. This uncertainty applies to all enhancement schemes which had been being planned for the Midland Main Line, including even those which had previously been designated as fully approved & mandated to proceed.
17. It should be noted that it is these track and infrastructure works (i.e. not electrification) which produce the significant passenger benefits, and it is therefore absolutely crucial that they all proceed in full, and are not subject to any cuts by the Hendy review. Indeed given that the electrification pause has stopped (until an unknown date) 70% of the planned investment on the Midland Main Line it would be completely unacceptable if the remaining 30% of planned investment (on the track and related infrastructure) was also to be cut.

#### Response to the government announcement

18. At the July Council meeting it was agreed that the leaders of all four political groups on the Council would write jointly to the Secretary of State for Transport.
19. On Wednesday 16<sup>th</sup> of September a Westminster Hall debate was held in Parliament about the Midland Main Line. There was a general consensus amongst both Conservative and Labour MPs who spoke in that debate with three particular points occurring in many speeches
- that it seemed unfair that it was the Midland Main Line electrification which had been paused when the greatest cost overrun had been on the Great Western Main Line electrification;
  - that there was support for electrification of the Midland Main Line at the earliest possible date, and that a date should be announced on which electrification works would resume; and
  - that in the meantime (i.e. whilst the electrification works were paused) all other required enhancements to the track and infrastructure should proceed without any cuts, deferment or delay.

This debate was attended by the Rail Minister, Clare Perry MP, who made the concluding speech on behalf of the government in which she made a number of encouraging general statements about government support for the track and infrastructure works to continue, albeit that she did not confirm whether or not funding for them continues to be in place.

The Hansard transcript of the debate is available on request.

20. Also on Wednesday 16<sup>th</sup> September, East Midlands Councils organised a separate event in the House of Commons to press the case for both the electrification of the Midland Main Line and the track and related infrastructure works. This meeting was well attended by Councils (including Nottinghamshire, by Cllr Calvert) and business bodies from right across the East Midlands. It was hosted by Lillian Greenwood MP (Nottingham South), the shadow Secretary of State for Transport; with one of the key speakers Amanda Solloway MP (Derby North); and was attended by a number of other MPs.
21. On behalf of all of the Midland Main Line stakeholders, a small delegation comprising 3 Council leaders (Derby City, Leicestershire and Sheffield City), a LEP (D2N2), and a

Chamber of Commerce (possibly Northamptonshire) are meeting on 4 November with the Secretary of State for Transport, Patrick McLoughlin MP, and Peter Hendy to press the case for the Midland Main Line.

## **Statutory and Policy Implications**

22. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **RECOMMENDATION/S**

It is recommended that:

- 1) Committee notes the report.
- 2) The Council continues to press both Government and Network Rail for a date to be announced when Midland mainline electrification works will start ; and that in the meantime (i.e. whilst the electrification works are paused) all of the required enhancements to the track and infrastructure on the Midland Main Line should proceed without any cuts, deferment or delay.
- 3) The Council encourages the County's MPs, district councils, and business bodies to similarly press the Government about these issues.

**Neil Hodgson**  
**Service Director, Highways**

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## **Constitutional Comments**

23. The recommendations in the report fall within the terms of reference of the Transport and Highways Committee

## **Financial Comments (GB 03/12/14)**

24. There are no direct financial implications arising from this report.

## **Background Papers**

None

## **Electoral Division(s) and Member(s) Affected**

All