Manchester City Council Report for Information

Report to: Economy and Regeneration Scrutiny Committee – 5 December

2023

Subject: Rail Update

Report of: Director of City Centre Growth and Infrastructure

Summary

This report provides Members with an update on the current position with a number of rail schemes, including high speed and conventional rail, and the resulting impact on the city.

Recommendations

The Economy and Regeneration Scrutiny Committee is recommended to:

1. Consider and comment upon the information included in this report.

Wards Affected:

All Wards

Environmental Impact

Assessment -the impact of the issues addressed in this report on achieving the zero-carbon target for the city

It is not clear what environmental assessments the Government has undertaken as part of its decision to cancel HS2 Phases 2a and 2b. The environmental benefits of HS2 Phase 2a and 2b, as noted in its Strategic Outline Business Case and Environmental Statement, would no longer be realised with its cancellation. It is also not clear at this stage what environmental impacts the Network North proposals and illustrative schemes, including Northern Powerhouse Rail, would have on the city.

The increased funding through the City Region Sustainable Transport Settlement (CRSTS) and Bus Service Improvement Plan (BSIP) from Government announced in the Network North paper could improve various modes of public transport in Greater Manchester. However, it is not clear if these alternative investments would bring the same or greater benefits to the city and the UK in terms of moving towards more sustainable forms of transport overall.

The cancellation of HS2 Phase 2a and 2b will likely mean it is more difficult and will take longer to improve local rail and freight services. The Network North illustrative schemes also include road improvement schemes which could encourage more travel by private vehicle rather than public transport. Therefore, there is a risk that the alternative proposals in Network North fail to increase modal shift towards more sustainable transport modes, such as rail, and thereby hinder our ability to achieve our zero-carbon targets for the City by 2038.

Some of the transport plans such as The TransPennine Route Upgrade (TRU) have a positive impact on the zero-carbon target for the city, as the electrification of the line would mean fewer emissions compared to their diesel counterparts.

Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

It is not clear how the equality, diversity and inclusion implications of the Network North announcement have been considered by the Government.

The now cancelled HS2 Phase 2a and 2b infrastructure proposals would have benefited protected characteristics groups (PCGs). The

positive impact these schemes would have had on PCGs through better connectivity will be reduced by the cancellation of HS2. It is currently unclear what impact NPR will have on these groups as there are no available assessments of the Network North proposals or NPR on these groups. However, there is the potential for there to be some benefits on PCGs from improved local connectivity and transport infrastructure.

Manchester Strategy outcomes	Summary of how this report aligns to the Our Manchester Strategy/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The cancellation of Phase 2b of HS2 will mean a significant loss of jobs, business opportunities and potential growth in the area, as well as having a significant impact on the government's 'levelling up' agenda. However, some of the alternative proposals, in particular NPR, provide the opportunity to create economic growth and new jobs through better connected northern cities, and better connections from local communities to major employment areas. However, it should be noted that the Government have only committed to building a more limited version of the NPR network than originally envisaged by Transport for the North (TfN). The full TfN Preferred Network would have greater jobs and connectivity benefits for Manchester and Greater Manchester. The full scale of the jobs and opportunity benefits are unclear at this stage due to the lack of clarity and detail on the Network North plans. The Transpennine Route Upgrade (TRU) is also expected to have a positive impact on the economy through enhanced connectivity as a result of more capacity and shorter journey times, which stimulates business growth and attracts investment. These upgrades and improvements would also improve Manchester's position as an economic hub.

A highly skilled city: world class and home grown talent sustaining the city's economic success

The high speed rail network, and the additional investment and regeneration arising from it, would have contributed towards the continuing economic growth of the city, providing additional job and training opportunities, at a range of skill levels, for residents, both during construction and in the longer-term. A Greater Manchester High Speed Rail Skills Strategy had been developed, to maximise the investment, and to best enable residents to access the opportunities created. These benefits will be lost or significantly reduced by the cancellation of HS2 Phase 2a & 2b. Any future work will now likely be a reduced scope of work at Oxford Road station with reduced benefits. NPR is anticipated to benefit the city through faster journey times, enhanced capacity and better connectivity with other Northern cities. It is expected to boost the economy and bring more jobs to the city, however, the details of the benefits NPR are currently unclear.

A progressive and equitable city: making a positive contribution by unlocking the potential of our communities The additional jobs, training, growth, local connectivity and leisure benefits anticipated from high-speed rail will be significantly reduced. A delay to the alternative plans being delivered could widen the economic gap in the meantime. NPR and projects such as the Transpennine Route Upgrade and the integration of the Bee Network would contribute to unlocking more potential for local communities as a result of better local connectivity.

A liveable and low carbon city: a destination of choice to live, visit, work

HS2, and NPR, would have enabled the provision of further improved public transport and freight capacity, through the capacity released on the classic rail network. This will now be lost and the council await further details from government on what impact the alternative plans will have.

Projects such as the Transpennine Route Upgrade are expected to have a positive impact on the city by reducing carbon emissions through electrification, as well as by helping to encouraging more people to travel by train. The integration and expansion of the Bee Network is also expected to reduce the carbon footprint of the city as a result of increase in public transport use.

A connected city: world class infrastructure and connectivity to drive growth

HS2 and NPR were anticipated to bring a step change in rail connectivity both across GM and to the rest of the UK. The loss of HS2 phases 2a and 2b infrastructure, and the reduced size of Euston station, will have a significant impact on connectivity. NPR has the potential to benefit the city through better connectivity with other northern cities, but whilst there is some clarity emerging on the Manchester-Liverpool route, there is currently no details on the rest of the proposed NPR network. The Transpennine Route Upgrade will also bring better connectivity between Manchester, Leeds, and York.

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences - Revenue

None directly from this report.

Financial Consequences - Capital

None directly from this report.

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

 Report to Economic Scrutiny 5 March 2020 - High Speed North (High Speed 2 and Northern Powerhouse Rail) Update

- Integrated Rail Plan for the North and Midlands (November 2021), available at: https://assets.publishing.service.gov.uk/media/62389f1ae90e07799cd3de47/integ-rated-rail-plan-for-the-north-and-midlands-web-version.pdf
- HS2 Crewe to Manchester: update on the strategic outline business case, published by the Department of Transport, available at: https://www.gov.uk/government/publications/hs2-crewe-to-manchester-update-on-the-strategic-outline-business-case
- Report to Economic Scrutiny 10 March 2022 & Executive 16 March 2022 HS2
 Phase 2b Western Leg Environmental Statement Consultation & hybrid Bill
 Petitioning Response
- Report to Economic Scrutiny 21 July 2022 & Executive 22 July 2022 HS2 Update and Petition
- Report to Executive 26 July 2023 HS2 Phase 2b Update & Additional Provision 2 (AP2)
- Network North: Transforming British Transport, presented to Parliament by the Secretary of State for Transport (October 2023), available at: https://www.gov.uk/government/publications/network-north
- Report to Executive 18 October 2023 High Speed Rail 2, Northern Powerhouse Rail and 'Network North' Update
- The Second National Infrastructure Assessment (October 2023), available at: https://nic.org.uk/app/uploads/Final-NIA-2-Full-Document.pdf

1.0 Introduction

- 1.1 Manchester is a pivotal part of both the economy and the rail network of the North. Effective rail connections to and within the city are essential to the continued economic growth of Manchester, the North and the UK as a whole.
- 1.2 Economy & Regeneration Scrutiny Committee members have received a number of previous reports on High Speed Two (HS2) and Northern Powerhouse Rail (NPR) and classic rail. This report provides an update on both of these schemes, and a number of other current or future rail schemes, together with areas of concern about the 'classic' rail network.

2.0 Background

- 2.1 HS2 was the Government's scheme to implement a new high speed north south railway network, from Manchester and Leeds to London via Birmingham and Crewe. 'Phase one' will connect London with Birmingham and the West Midlands. 'Phase 2a' planned to extend the route from the West Midlands to Crewe. 'Phase 2b' planned to connect Crewe to Manchester.
- 2.2 Northern Powerhouse Rail (NPR) is a proposal to provide better connections between the Northern cities, through new high speed and upgraded rail infrastructure, in order to provide a step change in the North's economic growth. A preferred network for NPR was put forward by Transport for the North (TfN) in an outline business case, including new high speed routes between Manchester and Liverpool, Leeds via Bradford, and Sheffield. However, the Integrated Rail Plan (IRP) published by the Government in November 2021, included a revised "core network" for NPR which provided a new high speed line between Warrington and Marsden via Manchester only (making use of the HS2 alignment between High Legh and Piccadilly HS2 station), with upgraded existing lines between Liverpool to Warrington and Marsden to Leeds, and removed the connections to Hull, Bradford, Doncaster, Selby and Sheffield. The IRP also put on pause the HS2 Phase 2b eastern leg to Leeds (which was also due to connect onto Sheffield via NPR). It should be noted that the Council's aspiration is for TfN's preferred network, rather than the IRP core network. An illustration of the differences between the "core network" and "TfN preferred network" for NPR is provided in Appendix 1 of this report.
- 2.3 As previously reported to Economy & Regeneration Scrutiny Committee, the Council is fully supportive of the provision of HS2 and NPR in full, including the provision of new stations at Manchester Piccadilly and Manchester Airport. However, we have consistently retained a clear position on the need to ensure that the schemes are delivered in a manner that fully complements the connectivity, place-making, local employment, and sustainable growth objectives as set out in the Manchester Piccadilly Strategic Regeneration Framework (2018) (SRF) and the Greater Manchester HS2 and NPR Growth Strategy (2017).

2.4 Members will also be aware of performance issues on both the West Coast Mainline (WCML) route to London and on rail services across the region, most notably demonstrated by the disruption caused by the May 2018 rail timetable. This was followed by an amended timetable in December 2022, which reduced services through the congested "Castlefield Corridor" to Manchester (to 12 trains per hour as opposed to the 16 per hour promised by the Northern Hub scheme – please see below). This has had a particular impact on services to Manchester Airport from Cleethorpes and Sheffield as well as removing direct train services to the airport from Newcastle and fast services from Liverpool. Whilst there are some planned and developing improvements to regional rail schemes and facilities, there are still significant areas of concern where adequate solutions are still to be identified.

3.0 High Speed and Mainstream Rail Updates

3.1 HS2, Northern Powerhouse Rail and Network North

- 3.1.1 On 4 October 2023 the Prime Minister announced that HS2 infrastructure would only be built from London Euston to Birmingham, and the planned new infrastructure north of Birmingham, through Crewe and into Manchester would be entirely cancelled. In addition, while the original proposals to terminate at Euston Station in London would be retained, Euston would be a 6-platform, as opposed to 10-platform station and would be delivered by a separate development company which is dependent on securing third party funding. Land already acquired at Euston would be used for regeneration, potentially offering up to 10,000 homes.
- 3.1.2 It was further announced that the money allocated to the cancelled infrastructure sections of HS2 would be spent on other rail, bus and road projects across the country. This was swiftly followed by the publication of Network North: Transforming British Transport (October 2023), which briefly set out the reasons for cancelling HS2 Phase 2a and 2b, and proposed alternative schemes across the country which could use the funding identified for the sections of HS2 which would no longer go ahead. A full list of the schemes was appended to the October Executive report. It was later clarified that many of these schemes were illustrative and would be subject to the submission of an appropriate business case and affordability assessments.
- 3.1.3 The Network North Proposals include £12bn for NPR "as planned" between Liverpool and Manchester. The proposals include the electrification of Hull and Bradford being connected into the NPR network (both of which had been removed from the IRP core network). The proposed funding assumes that this is enough to deliver NPR as planned but does include provision for local leaders to agree whether they wish to suggest other ways to achieve the objectives within that cost envelope.

- 3.1.4 Officers are working to understand the details of the Network North announcements related to NPR, but our current understanding is that the route between Manchester and Liverpool would include the section of high-speed line between Manchester Piccadilly and High Legh in Cheshire (via Manchester Airport), which is included in the HS2 Phase 2b Bill. From High Legh, it is expected that the route would continue onto Warrington and Liverpool as proposed in the IRP.
- 3.1.5 The HS2 Crewe-Manchester Bill was included in the list of Bills published on 8 November 2023, to be introduced into the current session of Parliament. This gives the option for the bill to be repurposed to enable the powers to construct the Manchester Piccadilly to High Legh section of the NPR route, which would avoid the need to start the entire bill process again, which could have potentially caused a delay of up to 10 years. However, there are currently no details as to the certainty, arrangements or timescale for moving the bill forward. We believe that it is essential that the bill is continued without delay to provide certainty for the section of line required by the NPR route between Manchester and Liverpool to be built. We urge the Secretary of State to repurpose the hybrid Bill to allow it to continue its parliamentary journey as soon as possible. The specific items needed from the Bill to enable the right rail infrastructure for Manchester is still being determined. Therefore, it is not possible to say at this time which components of the bill would be needed to secure our objectives for the Manchester to Liverpool NPR link. The bill would also need to be re-introduced into the session of Parliament, following next year's general election.
- 3.1.6 Alongside the Liverpool-Manchester route, the list of rail investments in the North proposed by Network North is as follows:
 - £2 billion to bring Hull into Northern Powerhouse Rail, electrifying and improving the line speed between Hull to Leeds and Hull to Sheffield which is quoted to reduce journey times from Hull to Manchester by 23 minutes.
 - Upgrading and electrifying of lines between Sheffield and Leeds to triple capacity.
 - Electrifying the Hope Valley line between Sheffield and Manchester, which is quoted to reduce journey times by 9 minutes and doubling capacity.
 - Bringing Bradford into Northern Powerhouse Rail by investing £3 billion, doubling capacity and halving journey times from Bradford to Manchester to 30 minutes.
 - £1 billion North Wales Main Line investment which will bring parts of North Wales within an hour of Manchester.
- 3.1.7 Whilst the opportunities presented for the delivery of NPR are welcome, MCC have a number of significant concerns with the cancellation of HS2 Phase 2 and many of the Network North proposals. These were set out in detail in the report to Executive on 18 October and the main impacts are summarised below.

- 3.1.8 **Economic impacts:** The full HS2 and NPR schemes would have made essential contributions to the Government's agenda of 'Levelling Up'. The benefits of HS2 have been consistently set out in the Department for Transport and HS2 Ltd.'s Strategic Case for HS2.
- 3.1.9 GM's analysis of the potential of growth strategies linked to HS2 and NPR across the four largest Northern city regions showed they could increase employment across these city regions by 30% and improve average connectivity of northern businesses by 60% enough to increase average wages across the North by 12.5%. It also estimated that the delivery of the HS2 and NPR programmes in full could generate a net additional GVA impact for GM of more than £9.0bn p.a. and £24.5bn p.a. for the North as a whole by 2051 (2017 prices) the latter reflecting a forecast net increase in employment across the North of more than 150,000 jobs.
- 3.1.10 Integrating HS2 and NPR stations at Manchester Piccadilly and Manchester Airport provided a major opportunity to maximise significant growth and regeneration opportunities at these strategic locations, delivering 96,000 jobs and 16,800 homes, as well as world-class transport facilities. Additionally, the Department for Transport (DfT) January 2022 Update on the Strategic Outline Business Case (SOBC) for HS2 Phase 2b identified figures for Land Value Uplift at Manchester Piccadilly and at Manchester Airport of circa £3.3bn and £1.2bn respectively in the period to 2051 as a result of the completion of Phase 2b.
- 3.1.11 There is now a considerable risk that in the intervening period before the alternatives to HS2 are delivered the economic gap widens and therefore achieving levelling up becomes more challenging and more remote and is likely to cost more to achieve.
- 3.1.12 The National Infrastructure Commission (NIC)'s report, published in October 2023 set out the importance of effective rail infrastructure between the UK's cities and further emphasises the importance of effective rail transport between cities in closing the economic disparities between London and the regional cities. It highlights that the decision to cancel HS2 from Birmingham to Manchester "leaves a major gap in the UK's rail strategy around which a number of cities have based their economic growth". The report concludes that a new comprehensive, long-term and fully costed plan is needed, which sets out the rail improvements to address the capacity and connectivity challenges facing city regions in the North and Midlands.

- 3.1.13 Impact on the West Coast Main Line & existing London-Manchester services: The Prime Minster confirmed that HS2 trains would still run to Manchester, using the existing WCML north of Birmingham. This means HS2 trains travelling between Birmingham and Manchester at much slower top speeds, while also having to mix with other train services on the already heavily congested WCML. In addition, the 200m HS2 trains which can carry 550 passengers would have less capacity than the best existing services today (607 passengers per train). The proposed 400m HS2 service had capacity to carry 1100 passengers. However, Manchester Piccadilly Station cannot accommodate the planned 400m HS2 trains due to the length of the station.
- 3.1.14 There is also no information on service frequency or on any potential disruption on the WCML which may result from works required to enable HS2 trains to run north of Birmingham. There is also concern over the level of capacity that can be accommodated from the reduced number of platforms at Euston (6 rather than 10) and whether this will be sufficient to run services.
- 3.1.15 Local regeneration and growth plans: The cancellation of HS2 Phase 2 undermines existing local growth strategies, transport plans and development / regeneration masterplans and frameworks across the north, including the Strategic Regeneration Frameworks (SRFs) around Manchester Piccadilly, East Manchester and Manchester Airport/Wythenshawe, which have been based on the full implementation of the HS2 and NPR schemes. This would mean a delay to, or failure to deliver in full, the growth, jobs, homes, skills, environmental and connectivity benefits included within these strategies. However, the Council remains totally committed to driving forward and supporting continued regeneration efforts, and securing investment in areas surrounding Piccadilly, East Manchester and Manchester Airport.

3.2 Northern Hub Update

- 3.2.1 Manchester's rail ambitions have long been a central part of the plans for a prime northern economic powerhouse. The Northern Hub project, in particular "work package C" was previously at the heart of transforming Manchester's core rail infrastructure and regional rail services.
- 3.2.2 Work package C encompassed pivotal upgrades:
 - The modernisation of Manchester Oxford Road Station and 4 large modern platforms.
 - The incorporation of additional platforms 15 and 16 at Manchester Piccadilly.

- 3.2.3 The cancellation of Work Package C's Transport and Works Act Order (TWAO) stemmed from a review which found that the interventions focused too narrowly on the Castlefield Corridor. Broader network issues, like congestion at key junctions including Salford and Manchester Victoria & Piccadilly, were overlooked, necessitating a more comprehensive approach. This led to a re-evaluation of the work required at Manchester Oxford Road and Manchester Piccadilly, resulting in the withdrawal of the TWAO as it did not match these broader needs and could not be amended.
- 3.2.4 The full implications of the cancellation of the TWAO now needs thorough reexamination in-light of the capacity lost by the cancellation of the HS2 scheme in Manchester. However, several immediate concerns arise:
 - Lost economic momentum: Work package C was not just about capacity; it represented a broader commitment to modernising Manchester's rail infrastructure, aligning with urban development, and bolstering economic growth.
 - Over-reliance on national projects: The cancellation of HS2 Phase 2
 means that the capacity increments from HS2 and NPR can no longer be
 assumed. Any further delays, changes, or cancellations to NPR could have
 further onerous effects on Manchester's rail system.
 - Local infrastructure strain: The Castlefield Corridor acts as a significant bottleneck, underlined by the reduction from a projected 16 trains per hour as proposed by Northern Hub to the current 12. Without the enhancements planned under package C, this corridor remains susceptible to further congestion and disruption. This stretch of line is still officially congested as stated in the recently published Network Rail Network Statement published on 1st November 2023.
 - Potential deterrent on business and commuters: Perceived limitations and disruptions in Manchester's rail system may deter potential investors, businesses, and daily commuters, impacting the city's economic vibrancy.
- 3.2.5 The culmination of challenges stemming from the timetable failures, service reductions, coupled with the unavailability of funds and powers for work package C (following the eventual withdrawal of the TWAO) has deepened Manchester's rail infrastructure challenges and meant a considerable slowdown in the transformation of Manchester's, and the North's, railway service overall. This poses a tangible risk, especially if Manchester does not benefit from major national rail initiatives.
- 3.2.6 The Northern Hub programme of work has now closed and will no longer be carrying out infrastructure projects around the city. Major projects for delivery will now be delivered as part of the Manchester & North West Transformation Programme.
- 3.3 Manchester & North West Transformation Programme (MNTP), Manchester Recovery Task Force (MRTF)

- 3.3.1 The Manchester Recovery Task Force (MRTF) and the Manchester and North West Transformational Programme (MNTP) were created by Network Rail and the Department for Transport (DfT) in order to rectify the capacity and performance challenges in and around Manchester as set out above, in particular the Castlefield Corridor and the disruption caused by the May 2018 timetable. However, the Council has been concerned about the limited engagement on these initiatives.
- 3.3.2 A particular area of concern is the current approach to Manchester Oxford Road Stations proposed improvements. Network Rail are in the process of developing interventions for intended delivery between 2026 and 2030, aimed at simplifying the layout to improve train service performance and reliability. It is still unclear if the proposals to date will provide sufficient capacity to accommodate future demand, including the ability to enable the 16 trains per hour through the Castlefield Corridor, as proposed by Northern Hubs work package C.
- 3.3.3 While it is recognised that there has been some engagement with the Council on these initiatives, we are seeking a more collaborative and inclusive approach, to ensure that they not only address the immediate concerns about rail provision and access, but also result in the right rail infrastructure for Manchester's sustained future growth.
- 3.3.4 MRTF was intended to bring together stakeholders from the rail industry, including Network Rail, train operating companies, Department for Transport (DfT), and Transport for the North (TfN) to address rail services performance issues and devise strategies to improve performance in the region.
- 3.3.5 The Task Force is looking at potential infrastructure improvements, timetable revisions, and other solutions to tackle the challenges faced by the rail network in the area. and have developed a series of Configuration States designed to deliver infrastructure interventions in packages with associated train service improvements introduced in stages, linked to other key programmes in the North of England.
- 3.3.6 Following consultation in 2021, based on work by the MRTF, Network Rail and the train operating companies implemented the December 2022 rail service timetable. The timetable simplified services to reduce conflicts, improving performance and reliability. However, this has meant reduced rail services and connectivity. Of particular concern is the loss of the direct rail connection from Sheffield and Stockport to Manchester Airport. The Council responded to the consultation, raising this and other issues.
- 3.3.7 Notwithstanding industrial relation issues, performance broadly improved after the implementation of the December 2022 reduced timetable. However, more recently there is a concerning trend of decreased performance across Manchester even with the reduction of services.

- 3.3.8 Government and DfT recognise the opportunity that exists in Manchester but note its Victorian rail infrastructure that it operates on. The rail minister announced a £72m investment in May that improves connections to Spinningfields area of the city by providing an extra platform at Salford Central (the closet station to the area) improvements to railway track near Manchester Victoria station along with improved access and improvements to Oxford Road and Manchester Airport station.
- 3.3.9 The Network North announcement did not include the allocation of funding to any infrastructure schemes identified by the MRTF.

3.4 The Transpennine Route Upgrade (TRU)

- 3.4.1 The Transpennine Route Upgrade (TRU), crucial for enhancing Manchester's railway connectivity, is set for completion by 2033 within an £11.5 billion budget. This comprehensive project involves electrifying the 76-mile route from Manchester to York, adding new tracks, and upgrading signalling and stations. Significantly, it is intended to increase capacity, enabling up to six fast services per hour between Leeds and Manchester, alongside up to two stopping services for local connectivity and providing for 15 freight train paths per day. Journey times will be notably reduced, with travel from York to Manchester in 66 minutes from 83 minutes and Leeds to Manchester in 42 minutes from 55 minutes.
- 3.4.2 This initiative, integral to NPR, will not only boost Manchester's economic and environmental profile but also mark a major improvement in the region's railway infrastructure. To complete this project, there will be several periods where sections of the railway line between Manchester and Leeds will be closed or diverted, including a full closure of Huddersfield station, which will cause major passenger disruption. This is a key route and how the disruption will be managed has been rigorously planned with investment going into the diversionary route from Manchester to Leeds via Rochdale to minimise the disruption to passengers.

3.5 Manchester & Salford Central Stations Prospectus

- 3.5.1 Network Rail, working with Manchester City Council, Salford City Council and Transport for Greater Manchester, are leading on the development of a prospectus designed to enhance the function and surrounding environment of the stations in Manchester city centre and central Salford, building on the regeneration plans and opportunities in the areas around the stations.
- 3.5.2 The Council's involvement is particularly focused on ensuring that the proposed redevelopment priorities and plans, are not only built to the highest standards, but also tie into the surrounding areas, and have a keen emphasis on place-making, accessibility, sustainability and future-proofing.

- 3.5.3 The prospectus has the potential to enhance Manchester's transport infrastructure but also contribute to the environment and ongoing regeneration of the city centre. To be successful, it will need a fully collaborative approach between Network Rail, Manchester and Salford Councils, TfGM and the Train Operating Companies.
- 3.5.4 Network Rail are currently undertaking work on a project to remodel Oxford Road Station to address some of the capacity and crowding issues and are liaising with the Council on this. They are also in the initial stages of looking at potential options to improve Manchester Piccadilly and the surrounding connections. Whilst this is a positive, the Council has reservations about what these schemes will look like and what the benefits will be, such as the number of trains through the Castlefield corridor and how access will be improved to both major stations that links with development and provides the accessibility that a modern city needs.

3.6 Current Train Service Issues & Opportunities

3.6.1 <u>Integrated Ticketing</u>

3.6.2 Greater Manchester is set to introduce a 'tap-in, tap-out' contactless payment system, streamlining fares and ensuring seamless travel across various transport modes. Set to pilot in 2025, this initiative targets routes including Stalybridge to Victoria and Glossop to Piccadilly. The project, a collaboration between Transport for Greater Manchester (TfGM) and the Great British Railways Transition Team (GBRTT), builds upon the recent launch of the Bee Network. It aims for better transport integration, including trains, Metrolink, buses, and active travel modes, enhancing connectivity and passenger transitions between services. There are ambitions to fully incorporate local rail into the Bee Network by 2030.

3.6.3 Ticket Office Closures Consultation

- 3.6.4 In July 2023, the government launched a 21-day consultation on plans by train operating companies to close a number of ticket offices around the country. The proposals included closing 50 ticket offices in Greater Manchester, including Manchester Piccadilly, and reduced operational hours at Manchester Victoria and Manchester Oxford Road. The rationale was to make the railway sustainable in the long term and cut operational costs following significant government support during the COVID 19 pandemic. The Rail Delivery Group indicated that the way customers buy tickets have changed, with only 12% of tickets sold at ticket offices last year.
- 3.6.5 Passenger watchdogs (Transport Focus and London TravelWatch) received around 750,000 responses to the consultation, of which 99% were objections. The Council submitted a response, strongly objecting to the closures, on grounds of accessibility, equality safety and reduced passenger confidence. As a result of the outcome of the public consultation, the government asked the train operators to withdraw the proposals.

3.6.6 <u>Transpennine Express</u>

- 3.6.7 Following performance issues, the government assumed control of TransPennine Express (TPE) from its private operator, First Group, five months ago. Throughout the summer, an in-depth review was conducted to discern the root causes for the numerous delayed and cancelled services. An issue related to driver overtime has been addressed, which has brought cancellations down to around 5% of operational services.
- 3.6.8 However, passengers have now seen a cut in off-peak Leeds-Manchester train services, from four to three per hour (300 services a day instead of 320). This is a significant deviation from the six trains per hour that were previously promised before the pandemic. TPE has indicated that services will be impacted over this Christmas period and up to the end of 2024.

3.6.9 Avanti West Coast

- 3.6.10 Avanti West Coast has announced a reduction in its services between Manchester and London for the period of 9-31 December, due to driver shortages, with the justification of providing a more reliable service during this period.
- 3.6.11 This follows Avanti recently being awarded a long-term contract to 2032 after having cut cancellations of services to as low as 1.1% in July 2023, down from 13% in January 2023.
- 3.6.12 For Manchester commuters, this service reduction will mean fewer available trains in the Christmas lead-in period, potentially leading to overcrowded carriages during peak travel times. Furthermore, it could result in less flexibility in travel times and potential disruptions or delays, especially if unplanned issues arise.
- 3.6.13 Avanti is working on a long-term plan to rectify this issue by increasing the amount of train drivers that are available through it training programme, which is still recovering from the impacts of COVID.

3.6.14 Northern Rail

3.6.15 Northern's business plan is committed to positively impacting the North, focusing on projects like improving accessibility, station development, train fleet upgrades, and engineering transformations. In Manchester, service levels will remain largely unchanged post-December 2023. Despite being under government control since 2020 and showing performance improvements, Northern faces challenges in reliability and resilience, attributed to staff sickness, skills shortages, and operational issues, particularly on Sundays. Annual average cancellation rates for 2023/24 are 4.4%, a slight increase from 4.2% for the previous 2022/23 annual period.

3.6.16 Efforts are being made to enhance staff support and training, although recent reports suggest that Northern still trails other national operators in punctuality and cancellations, underscoring the need for further improvements.

3.6.17 Anticipated December 2023 Industrial Action

3.6.18 The railway Union, Aslef, announced their intention to commence industrial action in December 2023 by striking between 2nd and 8th December 2023 on a "rolling programme" and refusing overtime from 1st December to 9th December 2023. Industrial action over the Christmas period will particularly impact the hospitality industry and retail in the city during a time when many businesses look to maximise their revenues.

3.7 GM Rail Board Update

3.7.1 As part of the Trailblazer devolution deal, GMCA created a GM Rail Board, bringing together all relevant senior rail stakeholders, with a remit to take a strategic view of the railway in the region, and oversee implementation of the Devolution agreements. The Board meets once every 6-months. The first meeting was held in August 2023 and the Council was represented by the Strategic Director, Growth & Development.

3.8 Priorities for Manchester

- 3.8.1 The following areas are proposed as priorities for Manchester and GM over the coming period.
- 3.8.2 Clarity on the proposals in Network North: Officers will continue to scrutinise the *Network North* proposals as more detail becomes available and will seek further clarity and a structured engagement process with the DfT. There is a need for schemes to enhance rail capacity between Manchester and Birmingham to make up for that lost by the cancellation of HS2.
- 3.8.3 **Determine the future of NPR:** It is essential that the infrastructure needed for NPR is protected in the HS2 Crewe-Manchester hybrid Bill and remains safeguarded. Further work will be undertaken on the options to best deliver the route between Manchester and Liverpool announced in Network North. A process of structured engagement needs to be established urgently with DfT, TfN and Network Rail on both this line and the remainder of the NPR network, to ensure the Council is properly represented as plans are developed.
- 3.8.4 **Strategic Planning:** The Council will seek to produce a Strategic Plan on rail, other public transport and wider infrastructure (as appropriate), working with relevant local partners and key stakeholders, to be brought back to the Council's Executive for further consideration.

- 3.8.5 Revisit the Decision on Work Package C: Considering the strategic importance of Manchester's rail network and the recent cancellation of HS2 Phase 2, coupled with the uncertainty surrounding NPR timelines, a thorough reassessment of the proposed infrastructure at Oxford Road and Piccadilly Stations is essential. This reassessment will ensure that the planning and development of these stations are aligned with current needs and future expectations, adapting to the evolving context of regional and national rail developments. The Council are being engaged on these issues by Network Rail and TfN, and it should be noted that TfN are produced statutory advice to government on this issue in due course.
- 3.8.6 **Greater Collaboration:** Work to ensure that the MNTP and MTF are made more inclusive. It is crucial that the Council and other key stakeholders have an active say in these initiatives as The Council has no formal recognition on the MRTF or NPR sponsor boards or access to papers.
- 3.8.7 **Holistic Vision:** Future planning for the MNTP should involve a well-rounded, forward-looking vision, especially concerning the Castlefield Corridor.
- 3.8.8 **Enhanced Focus on Passenger Experience:** Given the service disruptions, particularly on TransPennine Express and Avanti West Coast routes, there should be concerted efforts to minimise inconveniences for passengers. This includes keeping them informed and improving overall service reliability.
- 3.8.9 **Rapid Implementation of the 'Tap-In, Tap-Out' System:** The introduction of this system should be expedited, to improve efficiency and enhance the whole passenger experience.
- 3.8.10 **Environmental Considerations:** As Manchester advances its rail infrastructure, there should be a renewed emphasis on sustainability. Projects like the electrification of the Transpennine Route are steps in the right direction.

3.9 Conclusions

3.9.1 As a major economic centre for the North, Manchester requires a robust rail infrastructure to enable and further strengthen continued economic growth. There is currently significant concern that there are insufficient plans in place to address the current and future challenges on the rail network to Manchester, exemplified by the cancellation of the HS2 Phase 2 infrastructure. The delay or cancellation of essential local upgrades such as the Northern Hub's work package C, along with the removal of HS2 Phase 2b and uncertainties over the timescale of NPR, could have significant impact on the city's economic trajectory.

- 3.9.2 Plans are being developed by Network Rail and DfT to address current and future challenges on the rail network in Manchester. As well as NPR, several initiatives, such as the MRTF, the MNTP, and the TransPennine Route Upgrade, are positive. The £72m provided in May by Government and DfT is welcome to start the initial preparation work for fixing Manchester's Rail Network.
- 3.9.3 There is a need for greater collaboration and stakeholder inclusion, and concerns remain as to whether the proposed and developing measures will be sufficient to resolve all of the issues. Current rail service updates reflect both advancements, like the impending 'tap-in, tap-out' system, and challenges, notably the service reductions by major rail operators.

4.0 Recommendations

4.1 The recommendations are at the front of this report.