



Transport North East Committee

Monday 20th April 2015, following the conclusion of the Transport North East (Tyne and Wear) Sub-Committee, approximately at 3.30 pm

Members' Pre-meeting will be held following the conclusion of the Transport North East (Tyne and Wear) Sub-Committee, approximately at 3 pm

Meeting to be held in a South Tyneside Council, Town Hall and Civic Offices, Westoe Road, South Shields, Tyne and Wear, NE33 2RL

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Contact Officer: Victoria Miller Tel: 0191 211 5118 E-mail: victoria.miller@newcastle.gov.uk

To All Members

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North East Combined Authority Transport North East Committee

DATE: 20th April 2015
SUBJECT: Transport for the North
REPORT OF: Chief Executive Officer for Transport

EXECUTIVE SUMMARY

The purpose of this report is to provide members with details of the Transport for the North programme and the opportunities it offers to secure improvements to transport networks within the North East Combined Authority area, as well as improving strategic links to the rest of Northern England.

RECOMMENDATIONS

It is recommended that the Committee endorses the continued involvement of the North East Combined Authority in the Transport for the North partnership, in order to advance the case for the North East's transport priorities.

North East Combined Authority

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1. Background Information

- 1.1 Transport for the North builds upon the work initiated by the five core cities of the North (Leeds, Manchester, Liverpool, Newcastle and Sheffield), who commissioned the first One North report to identify the level of transformation in connectivity required to deliver what the Chancellor of the Exchequer has subsequently termed the 'Northern Powerhouse'.
- 1.2 In October 2014, Sir David Higgins' report "Rebalancing Britain: from HS2 towards a national transport strategy", proposed, amongst other measures, a significant acceleration of services between Leeds and Manchester (the so-called "HS3"), which would cut 30 minutes off the Newcastle-Manchester journey time, and the creation of a "Transport for the North" group, bringing together the five large city regions across the north, plus representatives from Hull and the Humber, so they can speak with one voice. The new body would have a more formal and inclusive governance structure, including representation from the Department for Transport, Network Rail, the Highways Agency and the business community.
- 1.3 In last year's Autumn Statement, the Chancellor confirmed that the government, together with Transport for the North, would produce a comprehensive transport strategy for the north, beginning with an interim report in March 2015. A series of workstream studies took place to produce this strategy with NECA representatives involved in each workstream.

2. Development of the strategy

- 2.1 The NECA has been actively involved in developing the report and, as part of the negotiation process, has striven to ensure that the interests of this region are fully reflected and that the Leeds – Manchester corridor does not overly dominate the investment proposals. In addition, there was some understandable concern about the treatment of Newcastle International Airport within the original One North report, whose unique role in the north, distinctive catchment area and opportunities for trans-continental routes were not fully reflected in that document.
- 2.2 As a result of our strong advocacy, the final report recognises the strategic economic significance of Newcastle International Airport, the Port of Tyne, the East Coast Main Line and the A1/A19, all links that play a vital role in connecting our region to national and international markets and that make it easier to share goods, knowledge and talent across the North. The region is now in a stronger position to fully benefit from the improvements to transport infrastructure which are at the heart of the Transport for the North programme.

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3. Proposals

- 3.1 A Northern Transport Strategy report titled “The Northern Powerhouse: One Agenda, One Economy, One North” was published on 20th March 2015.

At the heart of the strategy are improvements to journey times and the quality and frequency of rail connections for the movement of both passengers and goods. Smart ticketing and joined-up customer information will be introduced across the North. Traffic congestion and bottlenecks will be tackled.

- 3.2 The report includes a range of proposals (some of which have been previously announced) that would benefit the North East including:

1. A £2.7billion investment to introduce new 140mph InterCity trains on the East Coast Main Line increasing capacity and speed on one of the country’s principal rail routes. Rail journey times to and from the North East will be dramatically shorter – cutting half an hour off the fastest journey between Newcastle and Leeds and reducing the journey time to Liverpool by an hour
2. New and better trains on all Northern franchise services - replacing outdated Pacer trains to tackle overcrowding and introducing free wifi. There will also be investments in stations and extra services.
3. Consideration of re-opening the Leamside Line through County Durham and Washington to relieve traffic on the East Coast Main Line between Newcastle and Northallerton.
4. An upgrade of the A1 to provide continuous motorway standard between London and Newcastle – an investment which would see the A1 upgraded to modern dual carriage way standard to Ellingham creating 34 miles of Expressway to better connect Northumberland with the rest of the country.
5. Capacity improvements to the A19 to benefit journeys to and from the North-East and Tees Valley, and a commitment to ensuring motorists in the North get relief from the worst traffic jams - including widening the Newcastle Gateshead Western Bypass.
6. As part of the next generation of major road improvements, consideration will be given to schemes which dramatically improve east-west connections – including significantly upgrading the A66 from Scotch Corner to the M6, and exploring options to significantly upgrade the A69 from Newcastle to Carlisle. Further dualling of the A1 to the Scottish border is also included in possible schemes beyond 2020.

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7. Recognition that the £1billion private sector investment in Northern ports infrastructure such as Teesport and the Port of Tyne to meet the future needs of the shipping industry must be matched by transport infrastructure improvements. Upgrades to the A1, A19, A69 and A66 all form part of the plan to improve connections to and from Port of Tyne and Teesport.
8. A single unified smart ticketing system across the north that makes travel by rail, bus, metro and tram as simple and convenient as possible. This would include simplified customer information and a consistent approach to fares.
9. A recognition of the strategic importance of Newcastle International Airport which, alongside Manchester, serves a particular function in providing for business and leisure flights to international destinations – including acting as a key connector to Heathrow, Schiphol, Newark and Dubai.
10. Following the recent devolution of Air Passenger Duty, The Government will launch a review into the implications for northern regional airports, like Newcastle, to be published by summer 2015.

4. Next Steps

4.1 Following a governance review to be completed this autumn, it is envisaged that TfN will be established as a representative body for the whole of the north of England with an independent Chair, supplemented by the expertise of all partners. Up to £12.5m will be available to take forward development work on the proposals with a view to producing a Northern Transport Strategy over the next 12-14 months.

4.2 A number of key actions will be carried out during this period including:

- The completion of a multi-modal Freight and Logistics Strategy for the North to be published in 2016;
- An approach to economic appraisal will be developed between TfN and the government to inform decisions about prioritised options for delivery of the programme;
- A Memorandum of Understanding will be drawn up between TfN and Network Rail / HS2 Limited, and there will also be a separate MoU between TfN and Highways England; and
- It is likely that the various areas participating in Transport for the North will be asked to contribute to the programme by bringing forward complementary study work relating to intra-regional connectivity in their own areas.

The North East Combined Authority will continue to be actively involved to ensure that our aspirations are realised and that Government, the Highways

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4.3 Agency and Network Rail deliver on their commitments.

5. Potential Impact on Objectives

5.1 Progress on delivery of the measures included in the Transport for the North programme will assist the Combined Authority in delivering its objective to maximise the area's opportunities and potential.

6. Finance and Other Resources

6.1 There are no specific financial implications arising from this report.

7. Legal

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

8. Other Considerations

8.1 Consultation/Community Engagement

There are no specific consultation/community engagement implications arising from this report.

8.2 Human Rights

There are no specific human rights implications arising from this report.

8.3 Equalities and Diversity

There are no specific equalities and diversity implications arising from this report.

8.4 Risk Management

There are no specific risk management implications arising from this report.

8.5 Crime and Disorder

There are no specific crime and disorder implications arising from this report.

8.6 Environment and Sustainability

Many of the measures identified by the Transport for the North programme will, if implemented, assist the Combined Authority in achieving a more sustainable transport system for the region.

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9. Background Documents

The Northern Powerhouse: One Agenda, One Economy, One North: document published at

<https://www.gov.uk/government/publications/northern-transport-strategy>

10. Links to Plans in the Policy Framework

This report has no direct link to plans in the Policy Framework

11. Contact Officers:

10.1 Mark Wilson, Head of Transport Policy (North East Combined Authority)

mark.wilson@newcastle.gov.uk 0191 211 5679

12. Sign off

- Head of Paid Service ✓
- Monitoring Officer ✓
- Chief Finance Officer ✓

North East Combined Authority Transport North East Committee

DATE: 20th April 2015
SUBJECT: Transport Plan for the North East
REPORT OF: Chief Executive Officer for Transport

EXECUTIVE SUMMARY

This paper sets out proposals for the development of a Transport Vision for the North East in order to deliver the strategic approach suggested by TNEC Members. Appendix 1 outlines in more detail the points to consider.

RECOMMENDATIONS

It is recommended that the Committee considers and discusses the proposals set out in this report for development of the Transport Vision for the North East, leading up to the full Transport Plan document.

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1. Background Information

- 1.1 The North East Combined Authority has been in place for just over a year. Significant progress has been made regarding transport – for example the Quality Contracts Scheme proposals for bus service delivery and the plans for a North East ‘Business Unit’ to provide greater local accountability over future local rail services in the region.
- 1.2 However, the transport plans currently in place predate the Combined Authority. At the Rail Seminar on 13th January, Leaders therefore agreed there was a need for a multi-modal, people-focussed ‘Vision for Transport’. This will cover the entire Combined Authority, encompassing both rural and urban areas. The objective will be to support economic growth and deliver an environmentally-sustainable transport network that improves opportunities for residents of the area, reduces inequalities and contributes to our public health agenda.
- 1.3 The development of an inclusive and accessible ‘Vision for Transport’ as a basis for public consultation provides the opportunity to
 - i. stimulate debate about how our transport network can best support the region’s aspirations
 - ii. demonstrate the commitment of the Combined Authority to enhancing the lives of its residents by delivering a transport system that is integrated, accessible and truly sustainable at every stage of the journey from front door to destination.
- 1.4 The appointment of the Combined Authority’s first Managing Director for Transport Operations provides a unique opportunity to look at better integration between strategy and delivery. There is also scope to look at the future of the Metro system, including potential extensions and how it integrates with our wider regional rail and bus network.
- 1.5 The Transport Vision will pave the way for a new Transport Plan for the North East, a comprehensive, statutory document that informs future bidding for resources.
- 1.6 Based on the above, officers have developed suggestions and proposals for the structure and production of the Transport Vision and the ensuing Transport Plan as detailed below.

2. The Transport Vision and Plan for the North East

2.1 The Transport Vision

The Vision will provide the strategic context under which the full Transport Plan will be developed - it will give an overarching view of the Combined Authority area, how it relates to the rest of the UK and outline the NECA’s ambition for its transport network in the short, medium and longer term.

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2.2 The Transport Plan

As well as providing a mechanism for delivery of the Transport Vision, the new Transport Plan will fill an important gap: there is currently no document showing how, in transport terms, the North East Combined Authority works as a unified whole and relates to its immediate environs and the wider world. Appendix 1 to this Report shows the points to consider for the Plan

2.3 Targets and monitoring

It is proposed to set out a series of targets in the final Plan, including those that relate to the overall aim of the Strategic Economic Plan, with each being a means to an end (e.g. “More and Better Jobs”) not an end in itself.

Transport can contribute to achieving the aim of “More and Better Jobs” and also to sustainability, environmental and equalities goals by:

- Helping to reduce the gap between economic growth in the North East and the rest of the UK
- Improving Accessibility and Connectivity – how people (especially from areas of multiple deprivation and low attainment) can reach employment sites and other key services and facilities, particularly without having to rely on a car
- Reducing congestion – not only achieving environmental and health goals but also making the journey to work easier and quicker, so that the North East is an attractive area for business to locate
- Improving Air Quality and the environment by encouraging greater use of sustainable transport modes
- Promoting active healthy travel by greater use of walking and cycling – contributing to the region’s public health objectives
- Improving safety and security – tackling both road safety and crime/fear of crime on public transport

It is therefore suggested that key performance targets in the document be focussed on the above.

2.4 Key projects

The transport schemes currently set out in the Strategic Economic Plan form a good starting point for inclusion. However, the Transport Plan provides the opportunity to identify additional strategic transport schemes to be determined.

2.5 How to take this forward

The Transport Vision for the North East, together with the resultant Transport Plan, needs to be a compelling vision for an integrated transport system. It is therefore vital that it has support from all stakeholders.

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The suggested two-stage process is therefore as follows:

1. A Transport Vision in the form of a high-quality brochure setting out what we are aiming to achieve and why. There would be a wide-ranging public consultation on this;
2. A comprehensive, detailed Transport Plan outlining how we will deliver the aspirations of the Transport Vision. This Plan will meet statutory obligations and incorporate feedback from the initial consultation on the Vision. There would be a further, formal, consultation on the Plan document.

2.6 Timescale

July 2015:	produce Transport Vision for public consultation
September 2015 :	consultation ends, analyse feedback
November 2015:	initial consultation with major stakeholders on content of comprehensive Transport Plan document
December 2015 :	formal consultation on Transport Plan document
April 2016:	produce final version of the Transport Plan for the North East

3. **Next Steps**

- 3.1 Regular updates will be provided to TNEC, enabling Members to define the Transport Vision and inform the resultant Transport Plan, with a view to producing a draft for consideration by the North East Leadership Board.

4. **Potential Impact on Objectives**

- 4.1 Progress on delivery of the Transport Vision for the North East and the ensuing Transport Plan will assist the Combined Authority in delivering its objective to maximise the area's opportunities and potential.

5. **Finance and Other Resources**

- 5.1 The financial cost of developing the Transport Vision for the North East and the ensuing Transport Plan will be approximately £180,000, which is available within the North East Combined Authority transport budget for 2015-16, provided the proposed funding for this budget is confirmed.

6. **Legal**

- 6.1 There are no legal implications arising directly from this report.

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7. Other Considerations

7.1 Consultation/Community Engagement

There will be full public consultation and engagement as set out in 2.5 and 2.6 above

7.2 Human Rights

There are no specific human rights implications arising from this report.

7.3 Equalities and Diversity

An Equalities Impact Assessment will form part of the process of producing the Transport Plan for the North East.

7.4 Risk Management

There are no specific risk management implications arising from this report.

7.5 Crime and Disorder

There are no specific crime and disorder implications arising from this report.

7.6 Environment and Sustainability

A Strategic Environmental Assessment will form part of the process of producing the Transport Plan for the North East. It is envisaged that many of the measures identified by the Transport Vision will, if implemented, assist the Combined Authority in achieving a more sustainable transport system for the region.

8. Background Documents

None

9. Links to Plans in the Policy Framework

This report has no direct link to plans in the Policy Framework

10. Contact Officers:

10.1 Mark Wilson, Head of Transport Policy (North East Combined Authority)

mark.wilson@newcastle.gov.uk 0191 211 5679

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11. Sign off

- Head of Paid Service ✓
- Monitoring Officer ✓
- Chief Finance Officer ✓

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Appendix 1: Transport Plan for the North East Combined Authority – points to consider

Aims

- a) To make a difference for the people and the economy of the North East
- b) To develop a transport network that improves opportunities for residents of the area, reduces inequalities and contributes to our public health agenda
- c) To set out transport's contribution to the SEP vision of "More and Better Jobs" i.e. economic growth and the transport goals highlighted in the SEP Transport and Digital Connectivity Implementation Plan
- d) To give a clear and ambitious long-term (15-20 year) Transport Vision.
- e) To provide strategic focus on regional and national connectivity
- f) To identify strategic transport assets and how these can be developed to promote growth
- g) To show that investment in the NECA area is worthwhile and will deliver not only good value for money but better than other areas
- h) To demonstrate commitment to sustainability and environmental concerns, within the overall aim of growth
- i) To fulfil the statutory duty to prepare and update a Local Transport Plan for the NECA Area

Structure

1. Introduction

- NECA's aims
- Links to the SEP vision of "More and Better Jobs"
- Regional perspective
- The needs of transport users and other stakeholders
- Environmental and sustainability issues
- Set out investment priorities
- Consultation feedback

2. How the Plan fits in

- The aims, duties and powers of the North East Combined Authority
- The Strategic Economic Plan for the North East
- The aims and objectives of the seven Councils that make up the NECA
- Ongoing developments – Rail North, Transport for the North, Bus Strategy
- Other relevant plans, programmes and documents

3. The Evidence

- Our area
 - Population characteristics

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- Economy and employment
 - Location of major destinations
 - Major new planned developments
 - User/stakeholder views as we know them
 - Potential other future trends affecting the Plan
- Diversity of the area - different needs of rural/urban areas
 - Interface with our neighbours: Tees Valley, Scotland, Cumbria, rest of UK, global economy
 - Trends reducing the need to travel : impact of home working, shopping etc
 - Results of doing nothing? Why should we not “do nothing”?

4. The Infrastructure

- Key items of strategic infrastructure in the CA area, such as:
 - Highways – A1, A19, A66, A69
 - Rail – ECML, Tyne Valley Line, Durham Coast Line, reopening disused lines
 - Ports – Tyne, Blyth, Sunderland, Berwick, Seaham
 - Air – Newcastle Airport
- What do each of them do? What do we want them to do? How do we get them to do what we want?
- Nearby infrastructure e.g. Port of Tees

5. Environment, Health and Equalities

- Air Quality Management
- Health
- Mode shift
- Equalities issues
- Minimise environmental impact of existing network/future developments
- How to tackle all these in a way that promotes economic growth

6. What we want - quicker, safer, accessible and affordable for both passengers and freight

Quicker

- Punctuality, reliability, resilience, capacity (including for the future)

Safer

- Safety targets
- Concerns of passenger groups

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- Security for freight

Accessible

- Accessibility by and of different modes and connectivity between them
- Accessibility for different passenger groups
- How modal shift away from car use is intended to be achieved
- Use of technology
- Reduction in the need for travel

Affordable

- Costs of different modes and strategy regarding these
- Concessions to specific passenger groups

7. Influencing what happens

- Transport's role in shaping society
- How transport can work to improve accessibility, use and attractiveness of new developments
- How this will deliver economic growth and improved well-being

8. When it will happen

- Identify what improvements are needed and Strategic Delivery Plan for these including Feasibility Studies
- Reference to Delivery Plan
- How funding is aligned to the objectives of the wider strategy

9. Key Strategic Projects

- Identification of key strategic projects
- What each of them will achieve – benefits and costs
- Timescales

10. Costs and funding

- Costings for major projects
- Internal and external funding
- What is available - Bidding opportunities, what will our approach be, what we can bring to the table

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11. Performance and monitoring

- Performance indicators
- Programme management of projects

12. Conclusion – what next?

- Next steps?
- Updates/refresh?

13. Supporting documents

- Strategic Environmental Assessment
- Health Impact Assessment
- Equality Impact Assessment
- Habitat Regulation Assessment
- Rural proofing report

North East Combined Authority Transport North East Committee

DATE: 20th April 2015

SUBJECT: Office for Low Emission Vehicles Go Ultra Low City Scheme Funding Opportunity

REPORT OF: Chief Executive Officer for Transport

EXECUTIVE SUMMARY

The purpose of this report is to provide members with details of the Go Ultra Low City Scheme (and associated Go Ultra schemes), including expected timeframes and the approach that the North East Combined Authority is taking in the preparation of bids.

RECOMMENDATIONS

It is recommended that the Committee approves the Combined Authority's proposals to submit a bid for Go Ultra Low City Scheme funding.

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1. Background Information

- 1.1 Through the Plugged in Places project there are now at least 1,163 electric vehicle charge points in the North East of England, and it is also home to Sunderland's Nissan car plant, which is the largest in the UK, and one of only four Nissan electric vehicle manufacturing sites worldwide. The North East of England is now a major hub for vehicle, battery, and energy research and development, as well as a UK centre for manufacturing and training facilities throughout the electric vehicle supply chain. This region has proven itself as a pioneer for the introduction of electric vehicles and the opportunity to secure resources through the Go Ultra Low City Scheme will help it become a major location for low carbon, sustainable, and private sector led jobs and growth.
- 1.2 The Office for Low Emission Vehicles (OLEV) Go Ultra Low City Scheme is a £35m capital based funding opportunity open to local authorities in the United Kingdom (including Combined Authorities). It is solely car based and the main objectives are to significantly increase the level of Ultra Low Emission Vehicle (ULEV) uptake and achieve exemplar status across a local area, demonstrating internationally outstanding examples for the adoption of ULEVs.
- 1.3 There is no match funding required but bids which can refer to other sources of funding, including revenue funding, are encouraged. Bidders need to show that state aid issues are not relevant or that they are willing to go through the required processes. OLEV are looking to provide funding to support the activities of between two and four of the bids submitted.
- 1.4 OLEV has recently released final guidance for a Low Emission Bus (£30m) scheme and is shortly due to issue final guidance for its Low Emission Taxis (£20m) scheme. It is anticipated that any bids submitted in respect of these two opportunities will be linked to the Go Ultra Low City Scheme proposals.

2. What has happened so far

- 2.1 OLEV released guidance for the Go Ultra Low City Scheme opportunity in December 2014 and asked for expressions of interest. The North East Combined Authority submitted an expression of interest on 24th December 2014, which included twenty two letters of support including responses from the North East LEP, Nexus, Zero Carbon Futures (who develop new technology for low carbon vehicles), local universities and colleges, Nissan, Renault, Siemens, the Gentoo Group (Sunderland's largest social housing provider), organisations involved with innovation, electricity provision and

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electric vehicle recharging, and Phoenix Taxis (the first UK company to use 100% electric taxis).

2.2 OLEV and the Department for Transport (DfT) hosted a workshop in London on 28 January, where they provided presentations and advice on the initiative and responded to queries made. The North East Combined Authority was represented at the meeting.

2.3 Subsequently the North East Combined Authority made a high level screening phase submission for this opportunity on 20th February 2015 and was one of twelve authorities who have been shortlisted to make final submissions. The DfT and OLEV will be providing further details on requirements for this in the near future.

3. Measures

3.1 Measures included in our proposals include free, preferential or discounted parking for ULEVs; publicly accessible charge points; Electric Vehicle car clubs; communications and PR initiatives; research and development; trials of future technology; partnerships with the private sector (such as for workplace charge points and match funding); investment in training/skills; and events to share learning with other local authorities.

4. Proposals

4.1 The North East Combined Authority will aim to meet the primary and secondary objectives which OLEV and DfT will use to assess final bid proposals. The deadline for the final application submission is 31st August 2015. Examples of initiatives included in the draft screening phase document are:

ULEV Uptake and Exemplar Status (primary objectives considered to be interlinked) – Incentivising ULEV cars and taxis, such as through procurement changes, ULEV car clubs, collaborations with housing developers to provide home based ULEV recharging, reviewing parking policies, car parks, and existing charge point facilities, having the UK's first ULEV (Rapid) Filling Station, targeted awareness campaigns, and use of existing communications channels.

Innovation (secondary objective) – Using smart traffic signals infrastructure to increase traffic movement and flow, investigating the provision of real time information to direct ULEV users to a usable charge point, and technological

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solutions to support ULEV parking enforcement.

Air Quality (secondary objective) – enhancing monitoring of air pollution, and future predictions, including future ULEV uptake and health impact.

Linking with other schemes (secondary objective) – The scheme will link to the OLEV Low Emission Bus Scheme (£30m) and Taxi Scheme (£20m), which, it is anticipated, will also be the subject of funding applications from the Combined Authority. It will also seek to meet North East Strategic Economic Plan commitments to improve transport connectivity and reduce carbon emitted by vehicles, and link to relevant programmes such as the respective City Deals and Combined Authority Major Traffic Schemes.

Monitoring (secondary objective) – Reports will be produced on targeted activity such as NECA ULEV sales figures, reporting on air quality impact from ULEV adoption across fleets, ULEV charging data and changes in public perception.

5. Next Steps

5.1 The next steps are as follows:

31st August – Deadline for final application submissions.

Before the end of 2015 – Government to carry out final assessment of bids and advise on the winning bids, based on recommendations from OLEV officers.

There will then be discussions between the OLEV / DfT and the winning applicants so that a Memorandum of Understanding between the relevant parties can be agreed.

Committee members are asked to note that they will be kept updated on this funding opportunity and there will be opportunities for further discussion before a final application is made on 31st August.

6. Potential Impact on Objectives

6.1 Should the bid submitted be successful and receive support from OLEV and the DfT, this will assist the Combined Authority in delivering its objective to maximise the area's opportunities and potential regarding the use of low carbon vehicles (including electric vehicles).

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7. Finance and Other Resources

- 7.1 There are no specific financial implications arising from this report. The financial and other resource implications of a bid will be fully assessed and agreed with Finance officers and the Committee before submission of the final application

8. Legal

- 8.1 There are no legal implications arising directly from this report.

9. Other Considerations

9.1 Consultation/Community Engagement

There are no specific consultation/community engagement implications arising from this report.

9.2 Human Rights

There are no specific human rights implications arising from this report.

9.3 Equalities and Diversity

There are no specific equalities and diversity implications arising from this report.

9.4 Risk Management

There are no specific risk management implications arising from this report.

9.5 Crime and Disorder

There are no specific crime and disorder implications arising from this report.

9.6 Environment and Sustainability

Success in securing funding for the proposals outlined in this paper will assist the Combined Authority in achieving a more sustainable transport system for the region.

10. Background Documents

Guidance advice from the Office for Low Emission Vehicles on the Go Ultra Low City Scheme can be found at:

<https://www.gov.uk/government/publications/go-ultra-low-city-scheme-guidelines-for-bidders>

11. Links to Plans in the Policy Framework

This report has no direct link to plans in the Policy Framework

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12. Contact Officers:

12.1 Mark Wilson, Head of Transport Policy (North East Combined Authority)
mark.wilson@newcastle.gov.uk 0191 211 5679

13. Sign off

- Head of Paid Service ✓
- Monitoring Officer ✓
- Chief Finance Officer ✓

North East Combined Authority Transport North East Committee

DATE: 20th April 2015
SUBJECT: Rail Update
REPORT OF: Chief Executive Officer for Transport

EXECUTIVE SUMMARY

The purpose of this report is to update members on new announcements and other developments affecting the rail network within the North East Combined Authority area, as well as rail links from the region to other areas of the United Kingdom.

RECOMMENDATIONS

It is recommended that the Committee notes the content of this report.

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1. Background Information

- 1.1 As was discussed at the Rail Seminar on 13th January, there are a range of rail initiatives, funding and franchise announcements under way, at both a regional and national level. This report is intended to update Members on these developments.
- 1.2 The report does not cover the rail elements of the Transport for the North programme, as this is the subject of a separate agenda item.

2. Rail North and the Northern and TransPennine Express franchises

- 2.1 The Invitations to Tender (ITT) for the Northern and TransPennine Express franchises were published on Friday 27th February 2015. The specifications represent a transformational improvement to rail services across the North of England. Pertinent points for the NECA area arising from the ITTs include:
- Removal of all 'Pacer' trains and the introduction of 120 newly-built carriages which are capable of operating on non-electrified routes by 2020;
 - A requirement in the Northern franchise for a North East management unit providing the opportunity for improved partnership working with any successful franchisee
 - Wifi provision on all trains by 2020;
 - A new distinct Northern Regional Passenger Service within the Franchise, to cover long distance, fast or semi-fast services reflecting the needs of passengers travelling longer distances;
 - Northern stations must receive a minimum of £30 million of investment;
 - Northern bidders must be proactive in supporting and driving forward the development and implementation of proposed new stations and line re-opening projects;
 - Better services including:
 - New Sunday services between Metrocentre and Morpeth from December 2017;
 - Half-hourly services between Newcastle and Carlisle from December 2017;
 - Hourly Sunday services between Newcastle and Middlesbrough via Sunderland.
 - Regular hourly services between Bishop Auckland and Darlington by December 2019.
- 2.2 The improvements delivered by the specifications above are a direct result of partnership working between Rail North and the Department for Transport (DfT), with Rail North successfully advocating a focus on growth,

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underpinned by the North of England Long Term Rail Strategy.

- 2.3 Whilst bidders must, as a minimum, meet these requirements, it is hoped that the final bids will be even more aspirational. Officers from the North East Rail Officers Working Group, representing both the NECA area and the Tees Valley, have already met with each of the shortlisted bidders. Now that the ITT has been published and central government requirements for the franchises are clearer, officers will meet again with the prospective bidders in order to ensure that our aspirations for further improvements in the north east are met.
- 2.4 The shortlisted bidders comprise Abellio Northern Limited, Arriva Rail North Limited and Govia Northern Limited (Northern Rail franchise) and First Group, Keolis Go-Ahead and Stagecoach (TransPennine Express franchise). Bidders for TransPennine Express must submit their proposals by 28th May 2015, whilst Northern bidders must submit theirs by 26th June 2015.
- 2.5 In parallel, the Rail North's formal governance structure is now in place, with the first Board meeting of Rail North Ltd taking place on 19th March 2015. The North East Combined Authority continues to be represented in this structure by Councillor Nick Forbes in his capacity as Chair of this Committee.
- 2.6 At the Board meeting on 19th March, the Directors agreed that Rail North Ltd should enter into a formal Partnership Agreement with the DfT, which will govern how the new franchises will be managed once they are let. For the first time, this activity will be undertaken through a joint management structure, located in Leeds rather than London. Mechanisms for further devolution of responsibility to Rail North over time are contained within the Agreement.
- 2.7 To facilitate the North East Business Unit concept, officers ensured that mechanisms are contained within the Agreement that allow for the delegation of management responsibilities. Nexus officers will work to define these responsibilities during the next few months.

3. North East Rail Management Arrangements

- 3.1 It is proposed that those Local Transport Authorities within the North East rail geography – namely the NECA, the five Tees Valley authorities, North Yorkshire and Cumbria County Councils - formally collaborate to deliver greater local accountability over local rail services. It is intended that this structure would complement the management unit to be created within the new Northern franchise (see 2.1 above).
- 3.2 Together, this 'Business Unit' of authorities would act within the Rail North

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Partnership described in 2.6 above, to undertake delegated management responsibilities and liaise with the Franchisee to deliver local outputs.

- 3.3 Officers will develop these proposals over coming weeks, and draft a Collaboration Agreement to define how the Business Unit will function. These proposals will be brought before this Committee for approval in due course.

4. New Franchisee for the East Coast Main Line

- 4.1 Inter-City Railways, the Stagecoach/Virgin consortium operating the East Coast Main Line, began operation on 1st March 2015. The franchisee has outlined ambitious plans to grow traffic on the route involving investment of £140m to deliver a range of improvements that include more trains from Newcastle to London, and (subject to Office of Rail Regulation approval) new direct links to Sunderland. The franchisee expects the new North East-produced IEP train fleet to enter into service late in 2019.
- 4.2 Officers will continue to liaise with the franchisee to ensure delivery of the promised improvements for the North East.

5. Proposed Open Access Operations on the East Coast Main Line

- 5.1 Two Open Access operators have applied for rights to run services on the East Coast Main Line. Alliance Rail Holdings are seeking to run hourly services between Edinburgh and London from 2016, calling at Newcastle, under the name of Great North Eastern Railway Co Ltd. First Group, one of the unsuccessful bidders for the ECML franchise, are seeking approval to run several trains a day between London King's Cross and Edinburgh from 2018, via intermediate stations at Stevenage, Newcastle and Morpeth.
- 5.2 Both companies have submitted formal track access rights applications to the Office of Rail Regulation. The ORR are assessing how best to utilise the limited capacity on the route, which will also take into account the new Virgin Trains East Coast timetables, planned to be delivered over the next four years. A decision on which access rights will be granted is expected in May.
- 5.3 These proposals demonstrate the strong market for travel between the North East, London and Scotland. However, they also expose the limited capacity of the route, particularly north of Northallerton, and the difficult choices which may be necessary should further capacity investment not be secured.

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6. East Coast Main Line Authorities Consortium

- 6.1 A previous report to this Committee (on 9th October 2014) gave details of the Consortium of East Coast Main Line Authorities (ECMA) and their newly-published Prospectus for Investment in the East Coast Main Line.
- 6.2 The Consortium is now undergoing a restructure to formalise its membership structure and funding. A new set of governance documents were presented to the Member-level Consortium Meeting on Monday 23rd March and it is envisaged that future officer-level membership and participation will be at NECA level rather than from constituent Authorities. The NECA has offered £11,250 towards the operating costs of the Consortium in 2015/16, which is considered a reasonable sum that appropriately reflects the NECA's stake in ECMA.
- 6.3 Following publication of the Prospectus for Investment in the East Coast Main Line referred to above and the award of the new franchise, the focus of the Consortium has changed to continuing to press Government to ensure the sought-after investment is secured, which entails working with all concerned, including the new franchise holder, Virgin Trains East Coast, to secure this goal.

7. North of England Electrification Task Force

- 7.1 The North of England Rail Electrification Task Force, chaired by Andrew Jones MP, has published its report to the Secretary of State, which determines how further electrification of the rail network could deliver greater economic growth in the North of England.
- 7.2 The Secretary of State for Transport announced the creation of an independent Task Force in December 2013. At the heart of the Task Force's considerations was economic growth and connectivity as part of the emerging 'Northern Powerhouse' concept.
- 7.3 32 routes across the North of England were examined using detailed prioritisation criteria, and consequently grouped into 3 distinct tiers.
- 7.4 The first tier contains 12 routes, including the Northallerton-Middlesbrough rail line, which have been identified as priorities for investment which will deliver the greatest economic growth. This report will provide evidence to influence Network Rail's Long Term Planning Process, which will feed into the High Level Output statement for the next round of investment, commencing in 2019.
- 7.5 Three routes in the North East Combined Authority area; the Durham Coast Line, the Bishop Auckland Line and the Tyne Valley Line have been

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prioritised in Tiers 2 and 3 and are recommended to be electrified at a later date as part of a rolling programme.

8. Ashington, Blyth and Tyne line

- 8.1 One of the key pledges in Northumberland County Council's budget for 2015/16 was a commitment to invest the required funds to progress the Ashington, Blyth and Tyne scheme to GRIP 3¹ stage at which point the preferred option for station location and service frequency will emerge. Negotiations are continuing with Network Rail to finalise the optimum procurement route.
- 8.2 The Department for Transport's 'Invitations to Tender' document for the next Northern Rail franchise sets out their expectations for companies bidding to run train services across the north of England for the next 8-10 years from April 2016. One of the requirements is that bidders 'must be proactive in supporting and driving forward the development and implementation of proposed new station and line re-opening projects' and refers specifically to a requirement to support the reinstatement of passenger services between Ashington and Newcastle. The winning bidder for the franchise will work with the County Council to ensure the project, which is due for completion in 2019, goes ahead.

9. Next Steps

- 9.1 NECA officers will continue to make the case to central government for more investment in the region's rail network as well as working with the rail industry to secure improved services.

10. Potential Impact on Objectives

- 10.1 Securing improved rail services to, from and within the region as well as increased investment in the network will assist the Combined Authority in delivering its objective to maximise the area's opportunities and potential.

11. Finance and Other Resources

- 11.1 There are no direct financial implications arising from this report. The contribution to the Consortium of East Coast Main Line Authorities will be

¹ GRIP = Governance for Railway Investment Projects

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met from the Regional Transport Team budget previously agreed.

12. Legal

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

13. Other Considerations

13.1 Consultation/Community Engagement

There are no specific consultation/community engagement implications arising from this report.

13.2 Human Rights

There are no specific human rights implications arising from this report.

13.3 Equalities and Diversity

There are no specific equalities and diversity implications arising from this report.

13.4 Risk Management

There are no specific risk management implications arising from this report.

13.5 Crime and Disorder

There are no specific crime and disorder implications arising from this report.

13.6 Environment and Sustainability

Success in improving the region's rail network and encouraging modal shift from car or air to rail will assist the Combined Authority in achieving a more sustainable transport system for the region.

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14. Background Documents

14.1 None.

15. Links to Plans in the Policy Framework

15.1 This report has no direct link to plans in the Policy Framework

16. Contact Officers:

16.1 Mark Wilson, Head of Transport Policy (North East Combined Authority)
mark.wilson@newcastle.gov.uk 0191 211 5679

17. Sign off

- 17.1
- Head of Paid Service ✓
 - Monitoring Officer ✓
 - Chief Finance Officer ✓