



Tyne and Wear Integrated Transport Authority

Meeting to be held at 10.00 am on Thursday 26 July 2012 in a Committee Room, Civic Centre, Newcastle upon Tyne

Membership: Blackburn, Curran, Green, Hobson, Hodson, Lawson, Lott, Maughan, McElroy, Murison, O'Shea, Smith, Stokel-Walker, Stone, D Wood and P Wood

Contact Officer: Victoria Miller (0191) 211 5118 victoria.miller@newcastle.gov.uk

This agenda is available at www.twita.gov.uk

SUPPLEMENTAL AGENDA

	Page
11. Rail Update	1 - 4

This page is intentionally left blank



FOR INFORMATION

DATE: 26 July 2012
SUBJECT: Rail Update
REPORT OF: Director General, Nexus & Clerk to the Authority

PURPOSE OF REPORT

This report provides an update on rail issues, including the Government's recent announcements regarding the £9bn infrastructure investment, the East Coast Main Line Franchise Consultation and rail devolution proposals.

RECOMMENDATIONS

ITA Members are asked to note the contents of the report.

BACKGROUND DOCUMENTS

East Coast Main Line Consultation document

<http://assets.dft.gov.uk/consultations/dft-2012-24/consultation-icec.pdf>

TWITA Rail Devolution report May 2012

ANEC Response to Rail Decentralisation

NELEP Response to Rail Decentralisation

CONTACT OFFICERS

<i>Roger Gill</i>	<u>roger.gill@nexus.org.uk</u>	0191 2033361
<i>Graham Grant</i>	<u>graham.grant@newcastle.gov.uk</u>	0191 2116011

IMPACT ON OBJECTIVES

To support economic development and regeneration	Positive
To address climate change	Positive
To support safe and sustainable communities	Positive

1	Executive Summary
1.1	This report provides ITA members with an update on rail matters and the impact in the North East. This covers the Inter City East Coast Franchise consultation, the announcement regarding £9bn of investment in rail infrastructure and an update on rail decentralisation.
2	High Level Output Specification (HLOS)
2.1	On 16 July, the Government announced £9bn of investment in the rail network. This will be delivered under the auspices of the High Level Output Specification (HLOS), which sets out information for the Office of Rail Regulation and for the rail industry about what the Government wants to be achieved by railway activities during railway from April 2014 – March 2019.
2.2	<p>Of the £9.4bn announced, £5.2bn was already committed to schemes such as Cross Link, Thameslink and electrification of the Great Western Main Line and in the North West and Yorkshire. The additional £4.2bn includes:</p> <ul style="list-style-type: none"> • Electrification of Midland Mainline • Further targeted electrification alongside this, including the Great Western Main Line from Cardiff to Swansea and the Welsh Valleys; between Micklefield and Selby in Yorkshire and between Walsall and Rugeley in the West Midlands. • Increased rail capacity for commuters, with over £1.1 billion for London, the South East and the other cities. This includes completing the Northern Hub in Manchester which will bring journey time benefits between cities in the North • Further investment on Great Western Main Line • Over £900 million investment in funding for smaller schemes to improve: <ul style="list-style-type: none"> ○ stations, including accessibility so that everyone can use the railways; ○ the current strategic rail freight network; ○ passenger journey times and reliability.
2.3	<p>The North East will see benefits through:</p> <ul style="list-style-type: none"> • Two electric Transpennine services per hour Newcastle – York – Leeds – Manchester Victoria – Liverpool; • Completion of Northern Hub infrastructure, mostly around Manchester plus



	<p>route electrification;</p> <ul style="list-style-type: none"> • Intercity Express Programme – new trains replacing existing rolling stock on the ECML; and • Some ECML improvements at the southern end of the route, which will have indirect benefit for journey times/reliability 										
3	Inter City East Coast Franchise Consultation										
3.1	<p>The Department for Transport is currently consulting on proposals for the re-franchising of the East Coast franchise. The next franchise period will cover from the end of 2013 for up to 12 years to provide sufficient scope for the successful operator to invest in improvements, including better service quality, station upgrades, roll out of smart-ticketing technology, good levels of punctuality and improvements in information to customers and overall passenger experience. The franchisee will be responsible for overseeing the introduction of new InterCity Express trains on the route to provide additional capacity to meet forecast demand. Consultees views are sought as to the possible transfer in of some services currently operated by other franchisees. In the case of the North East this means the Tees, Tyne and Wear group of services currently operated by Northern Rail. It will be helpful to provide a response consistent with that already provided under the Decentralisation consultation – see 4.2 below.</p>										
3.2	<p>TWITA and Nexus will be working with senior transport officers across the North East via ANEC to respond to the questions set out in the consultation, and to reiterate the strategic economic importance of the East Coast Main Line to the North East, for its connections to London and Scotland.</p>										
3.3	<p>Responses to the consultation will inform the DfT’s specification of the InterCity East Coast franchise. The timetable for the refranchising process is set out below:</p> <table border="0"> <tr> <td>Stakeholder consultation period</td> <td>June – September 2012</td> </tr> <tr> <td>Specification finalised</td> <td>October – December 2012</td> </tr> <tr> <td>Prequalification and bilateral discussion with bidders</td> <td>October – December 2012</td> </tr> <tr> <td>Tenders invited; bids prepared & submitted</td> <td>January – April 2013</td> </tr> <tr> <td>Bids evaluated, negotiated, approved and</td> <td>April – August 2013</td> </tr> </table>	Stakeholder consultation period	June – September 2012	Specification finalised	October – December 2012	Prequalification and bilateral discussion with bidders	October – December 2012	Tenders invited; bids prepared & submitted	January – April 2013	Bids evaluated, negotiated, approved and	April – August 2013
Stakeholder consultation period	June – September 2012										
Specification finalised	October – December 2012										
Prequalification and bilateral discussion with bidders	October – December 2012										
Tenders invited; bids prepared & submitted	January – April 2013										
Bids evaluated, negotiated, approved and	April – August 2013										



	franchise awarded
	Franchise start December 2013
3.4	The deadline for responses to the DfT consultation on the InterCity East Coast Franchise is 18 September 2012.
4	Rail Decentralisation
4.1	The deadline for responses to the consultation on rail franchising decentralisation was 28 June 2012. Officers from the ITA and Nexus provided input to inform two responses. One from ANEC and the other from the North East Local Enterprise Partnership. The responses were supportive of the concept of rail devolution.
4.2	Both the ANEC and NELEP response stated that the rail network operated by Northern Rail in the North East is distinct and has relatively few functional connections to the rest of Northern's current operation in Yorkshire and the North West. As such, the geography will inevitably influence the model for rail devolution that is right for the North East. Local Authorities wish to have local accountability for the specification and performance of 'Northern' services in the North East. The responses also emphasised the strategic importance of Transpennine services to the North East and proposed that these continue to be procured by Department for Transport.
4.3	In taking forward what the North East's rail aspirations are, we are working with officers across the North East to set out what we would like to see in a North East specification and we will be discussing this with the DfT in August.
5	Potential impact on objectives
5.1	Successful delivery of the Tyne and Wear Local Sustainable Transport Fund is intended to: <ul style="list-style-type: none">• Support economic development and regeneration through improved journey times and better connectivity; and• Address climate change by increasing the use of rail for journeys between cities.