

Strategic Transport Forum

21st September 2018

Agenda Item 7: Business Unit Update

Recommendation:

It is recommended that the Forum:

- a) Record its support for the EWR Consortium's response to the Transport and Works Act Order for phase 2 of East West Rail (Section 3)
- b) Note progress with engagement with DfT on the Cross Country Franchise and development of the Major Road Network (Sections 4 and 5)
- c) Support the approach set out with regards to the input into the 2018 Budget (Section 6).

1. Context

- 1.1. England's Economic Heartland Business Unit continues to expand, reflecting the level of commitment and ambition that Government, and local partners, place on the emerging Sub National Transport Body.
- 1.2. The team now has in place a Head of Technical Programme, Naomi Green. Additional project support is being provided by Antony Swift, Caitlin Richards and the continued recruitment for at least two further posts.
- 1.3. Equally, the EEH Work Programme is growing in scale. This paper provides members with an update on further activity underway.

2. 2nd Regional Conference

- 2.1. The 2nd EEH Regional Conference was held on Wednesday 12 September at Silverstone. The event was a major success, with around 270 registered attendees. 25 speakers covered a range of issues; capturing the case for well-planned strategic infrastructure across the Heartland area as well as the need for a strong business voice.
- 2.2. Joining the themes of transport, infrastructure and the business voice together reinforced the role of England's Economic Heartland, in partnership with Local Enterprise Partnerships, as an important driver of economic growth in the Heartland area.
- 2.3. The conference was used as the opportunity to formally announce the signing of two collaboration arrangements in the form of Memorandum of Understandings with the Transport Systems Catapult, and with the 'delivery partners'. The latter attracted further interest from infrastructure companies eager to work with England's Economic Heartland on an on-going basis.
- 2.4. The conference had the benefit of a keynote speech from Robert Jenrick MP – Exchequer Secretary to the Treasury: a key Minister in terms of maintaining the commitment of Government to the corridor and securing the investment that will be required.

Conference Media Coverage

- 2.5. The conference secured good media coverage, including: conference attendance and coverage from New Civil Engineer and Transport Network magazines. BBC Radio Northampton led off on the Northampton-Old Oak Common rail proposal and 'Three Counties' radio focused their coverage on the Expressway announcement and delayed progress with the A428 Black Cat to Caxton Gibbet scheme.
- 2.6. Television coverage focused on the corridor choice announcement for the Expressway section between Oxford and Milton Keynes (BBC Look East West and BBC South Oxford gave coverage). There was some coverage on progress with the East West Rail scheme as well.

3. East West Rail – Update on Position with Transport and Works Act Order

- 3.1. On 27 July 2018, Network Rail applied to the Secretary of State for Transport for a Transport and Works Act Order (TWAo) to construct phase 2 of the East West Rail project between Bicester and Bedford.
- 3.2. If the TWAo is granted, major works will begin as soon as 2019, enabling services between Oxford and Bedford, Oxford and Milton Keynes, and Milton Keynes and Aylesbury, by the early 2020s.
- 3.3. The EWR Consortium responded to the TWAo submission (Annex 1). It is recommended that the Forum record its support for the response.

4. Cross Country Franchise

- 4.1. On 7th June 2018, the Department for Transport launched a consultation on the future of the Cross Country franchise.
- 4.2. The consultation document highlighted the potential for the Cross Country franchise to refine its current routes and serve new markets. Delivery of East West Rail and HS2 are identified as infrastructure projects that will have an impact on the opportunities to serve or connect to new destinations, and run additional trains on the current network.
- 4.3. As a result of the important links with the Heartland, and the opportunity that East West Rail and HS2 provide for a future Cross Country franchise, EEH Business Unit will continue engagement with DfT as the detailed requirements for the new franchise are developed.

5. Development of the Major Road Network

- 5.1. DfT's development of a Major Road Network is in order to enable:
 - A consistent, coherent network, alongside the Strategic Road Network, to allow better co-ordination of road investment;
 - Funding certainty to roads in the network through the use of the National Roads Fund, and raise standards and performance across the road network;
 - Provide clear roles for local and regional partners, including an explicit role for the Sub-national Transport Bodies in terms of developing and maintaining a regional evidence base, with that being used to underpin the identification of the Major Road Network and investment priorities.

- 5.2. The Forum has supported the principle of the Major Road Network as recognition of the critical role that local authority owned roads play in supporting economic activity and the delivery of planned growth.
- 5.3. The Forum, at its meeting in June, put forward two packages of proposals for consideration as 'early entries' to the MRN investment programme.
- 5.4. EEH Business Unit is working with DfT to ensure the Major Road Network will be fit for purpose. The Forum's work programme has already put in place the initial element of the Regional Evidence Base – the 'database'. Work on the other elements of the Regional Evidence Base is in hand and will see the Heartland have its evidence base in place in early 2019. This will put the Heartland in a good position to support proposals for the first 5-year MRN programme to be considered in summer 2019.

6. Budget Asks

- 6.1. There remains a need throughout the autumn to continue to press the case with Government for additional investment and continued commitment to delivery of agreed investment priorities.
- 6.2. England's Economic Heartland Strategic Alliance Leaders' Group have set out the immediate priorities in the form of five 'asks' of this year's Budget – delivery of which would help provide the basis on which to make a more detailed submission to the 2019 Spending Review.

The five 'asks' are focused on:

- a) A commitment by Government to work with England's Economic Heartland to put in place a geographically specific National Policy Statement for strategic infrastructure – the Programme Director will provide a verbal update on discussions with Government officials that have taken place subsequent to the previous Leaders' meeting.
- b) Establishing a 'major scheme development fund', one that will provide local transport authorities with access to revenue funding with which it is possible to develop Business Cases in support of proposals that need to be included within the investment pipeline
- c) An 'indicative funding envelope' for the region, so that there can be an honest conversation about the investment choices that the public sector has to make.

Two related benefits of this are, firstly it provides the basis for shaping the Heartland's input into the 2019 Spending Review – partners will be able to have a discussion with Government about the pace of growth possible with the level of funding available. Secondly – in combination with a geographically specific National Policy Statement – it enables the partners to have a different conversation with institutional investors regarding long-term investment in the Heartland's infrastructure and services.

- d) Seeking greater commitment by the Government to work with the EEH Business Unit to co-commission strategic studies and initiatives to the benefit of the Heartland

- e) Reinforcing the urgency of moving forward on a number of specific projects: whilst some of these may already be 'commitments' it is essential that the Forum use this year's Budget to continue to press the importance of delivery – 6 key projects are identified:
- A428 Black Cat to Caxton Gibbet
 - Cambridge South Station
 - East-West Rail (Western Section) – digital connectivity
 - East – West Rail – London Road Crossing, Bicester
 - North – South Connectivity
 - A1(M) Corridor
- 6.3. The focus in the run up to the Budget is on pressing the case for these particular projects as examples of where there is a need to pursue funding and delivery with the same level of Ministerial commitment that has been evident with the East-West Rail (Western Section) more generally.
- 6.4. The work programme for the Forum – including the work on the overarching Transport Strategy – over the remainder of this financial year will form the basis of a substantive submission to the 2019 Spending Review.

Naomi Green
Head of Technical Programme
September 2018

Annex 1 – East West Rail Consortium response to the TWAO submission

Dear Secretary of State

LETTER OF SUPPORT FOR THE DELIVERY OF EAST WEST RAIL PHASE 2

The East West Rail Consortium (which represents all local authorities within the footprint of East West Rail and beyond) wishes to record its strong support and commitment to the successful delivery of Phase 2 of this critically important national strategic project.

The East West Rail Strategic Board, which I chair, met on 11th September. The Consortium confirmed its support for the proposal set out in the Transport and Works Act submission subject to the conditions outlined below being met.

East West Rail Phase 2 is part of the overarching East West Rail project, which the National Infrastructure Commission identified as being a key element of the ‘multi-modal spine’ across the Oxford – Milton Keynes – Cambridge corridor. The Government has accepted the strategic need for the scheme in its initial response to the National Infrastructure Commission’s report: in addition, England’s Economic Heartland Strategic Transport Forum – the emerging Sub-National Transport Body for the corridor – has also identified East West Rail as being of strategic importance

Whilst individual Consortium members may make representations on matters of local detail separately where this is necessary, the East West Rail Consortium is strongly supportive of the overall strategic case underpinning East West Rail Phase 2 and the principle of the proposal submitted under the Transport and Works Act. In this context, it is important to recognise that the Consortium sees the delivery of the complete and agreed Phase 2 project as crucial, so this support is conditional upon:

- Continued recognition of the improvements proposed for the section of the route between Bletchley and Bedford as being integral elements of the works for East West Rail Phase 2
- Commitment to the inclusion of the Bletchley Station Eastern Entrance within the works for East West Rail Phase 2
- Continued commitment to deliver improvements to the Claydon Junction to Aylesbury section of the route as an integral element of East West Rail Phase 2
- Commitment to ensure that train services operating over East West Rail Phase 2 support the Consortium’s strategic objective of developing, on the opening of HS2,

through services on the Northampton – Milton Keynes – Bletchley – Aylesbury – High Wycombe – Old Oak Common axis

- Commitment to ensure that train services operating over East West Rail Phase 2 support the Consortium's strategic objective of services continuing through Oxford Station and onto Didcot Parkway.
- Commitment to ensuring that the infrastructure delivered under Phase 2 is capable of further investment in support of additional freight

As you may be aware, East West Rail was originally inspired by local authorities in Suffolk and Norfolk in recognition of the need for improved strategic rail links westwards. The Consortium was established in 1995 as a collaborative partnership with the explicit objective of re-establishing strategic rail links of national significance in order to support the delivery of economic growth within our region for the benefit of local communities and the wider national economy.

Thus, we are delighted that Phase 1 of EWR was opened for train operations in 2016 and is proving to enjoy considerable success with patronage of the train services exceeding the numbers that were originally forecast. We see this as a blueprint for what successful rail investment looks like and it is already starting to support the delivery of planned Local Plan growth and influence where it is best located. We now look forward to the opening of train services on Phase 2, which has the potential to support planned growth in new jobs and housing across the corridor.

We are fully supportive of the East West Rail Company's plans for the re-opening the central section; the final link through to Cambridge. To complete the picture, the Consortium is also developing a strategic proposition in support of plans to enhance and promote greater rail connectivity between Cambridge, Norwich and Ipswich. This all demonstrates the value of East West Rail as being greater than the sum of its parts.

East West Rail will improve not only local connectivity but will also open up UK-wide travel possibilities with over sixty major centres within one change of train. The delivery of economic growth and housing is dependent upon improved connectivity as set out in the NIC report and that means improved connectivity not just east-west but also north-south. East West Rail Phase 2 will be the catalyst from bringing forth proposals along the Northampton – Milton Keynes – Bletchley – Aylesbury – High Wycombe – Old Oak Common axis. It will also open up opportunities to enable settlements all along the corridor to realise their potential. Finally, it is also leading to options for improved connectivity westward to Swindon and Bristol being actively explored.

Local Plans across the Western section area are already in place in expectation of Phase 2 of East West Rail being delivered, so this is a real opportunity to demonstrate how rail infrastructure investment can drive sustainable growth; with significant proposals coming through in the following areas:

- Oxford City Council
- Cherwell District Council
- Aylesbury Vale District Council
- Milton Keynes Council
- Central Bedfordshire Council
- Bedford Borough Council

East West Rail provides an attractive, viable alternative to the car through the restoration of the mothballed section of the railway, enabling fast and frequent scheduled rail services which by improving connectivity, will support the delivery of planned growth. It will encourage people to switch from car to rail which is consistent with the need to deliver growth with reduced environmental impact. Such an outcome underpinned the work of the NIC – for whom realising the economic potential of the corridor in ways that enable a ‘net betterment’ to the corridor as a whole was a key consideration

A further advantage of the proposal is the approach to the design of the track infrastructure which retains the ability to accommodate rail freight. We support the approach within the proposal of East West Rail Phase 2 (of protecting existing freight requirements) but as referenced above, our support is conditional upon a commitment to Phase 2 infrastructure being capable of supporting additional rail freight. In addition to encouraging people out of their cars and onto trains, this will enable HGV container traffic to transfer to rail, reducing pressure on the strategic highway network.

Finally, this project continues to enjoy consistent strong support from local authorities and local communities, which has been the case throughout its development. This is illustrated by the considerable resource and Work in Kind commitments that Consortium members have put into the project to help it progress and reduce risks to the project.

On behalf of the EWR Consortium, I therefore look forward to a swift conclusion to the Transport and Works Act Order application that will enable delivery of EWR Phase 2 at the very earliest opportunity.

Yours faithfully



Cllr Mark Shaw

Chairman of EWR Consortium Strategic Board
Cabinet member for Transport Buckinghamshire CC

Members of the Consortium Strategic Board include:

- Cherwell District Council
- Oxfordshire County Council
- Northampton Borough Council
- Aylesbury Vale District Council
- Wycombe District Council
- Buckinghamshire County Council
- Milton Keynes Council
- Bedford Borough Council
- Central Bedfordshire Council
- Luton Borough Council
- South Cambridgeshire District Council
- Cambridgeshire County Council
- Stevenage Borough Council
- North Hertfordshire District Council
- Hertfordshire County Council
- Norwich City Council
- Norfolk County Council
- Suffolk Coastal District Council and Waveney District Council (East Suffolk Council)
- Forest Heath District Council and St Edmundsbury Borough Council (West Suffolk Councils)
- Suffolk County Council
- Ipswich Borough Council