

Open Report on behalf of Executive Director for Environment & Economy

Report to:	Economic Scrutiny Committee
Date:	24 May 2016
Subject:	Greater Lincolnshire LEP Rail Study

Summary:

The Greater Lincolnshire Local Enterprise Partnership (GLLEP) has engaged consultants to examine the role that rail plays in the GLLEP area and the economic benefits that improvements might bring. This report provides the Committee with details of the Rail Study. It also updates the Committee on two rail issues of key economic importance, Lincoln-London direct services and the re-letting of the East Midlands Rail Franchise.

Actions Required:

The Economic Scrutiny Committee is asked to note the content of the report and to comment on any issues of concern before a subsequent detailed update on rail issues is given to the Highways and Transport Scrutiny Committee in June.

1. Background

GLLEP Rail Study

1.1 Since its inception, the GLLEP has identified improving transport links as a priority for enabling the local economy to develop. As part of this process it has received several updates on the actions of the three transport authorities to secure investment in the rail network and in rail services. In early 2015, the GLLEP commissioned a detailed study of the economic development potential of rail investment in the area. The local authorities jointly wrote the brief for the study which was carried out by JMP with North East Lincolnshire Council acting as client. The three Local Authorities also commented on and agreed the draft. A copy of the report is attached at Appendix A. The report was considered by the GLLEP Board on 28th January. The minute reads:

- *The LEP Board agreed to accept and endorse the Rail Study as a leveraging/lobbying tool, subject to final comment from local authority colleagues by the end of February.*

1.2 The key conclusion of the work was that:

“The results of our economic modelling indicated substantial benefits to the economy from improvements in rail services. Merely bringing existing services up to a level that Network Rail would define as a ‘good’ standard nationally could bring about a £34m increase in GDP per year. Improving them to the standard of the best equivalent services in the UK could be worth anywhere between £84m and £167m in extra GDP per year. To put this in context our modelling of the current rail service in the area places their value to the economy at around £161m per annum. The economic prize from enhancing the current level of service is therefore substantial.”

1.3 In essence the report reiterates the existing approach of the three Councils within the context of the GLLEP's strategic role. The County Council's priorities are placed within this context and therefore have the endorsement of the GLLEP. This provides important support for the Council in its role campaigning for improved services and infrastructure investment.

1.4 The document emphasises the importance of ensuring that committed schemes are delivered by Network Rail (NR) and the Train Operating Companies. The commitments within the County Council area are shown below.

- Lincoln – London two hourly service (from 2019)
- Lincoln – Newark – Nottingham service enhancements (implemented from May 2015)
- Lincoln – Sheffield journey time reductions as part of new Northern franchise (which will also see vastly improved Sunday services)
- Replacement of Pacer trains and major refurbishment of other rolling stock operated by Northern Rail by 2020

1.5 The report identifies a range of incremental schemes which may be delivered relatively quickly perhaps as part of new franchise agreements. Of relevance to Lincolnshire are:

- All year round and all day Sunday services including on routes that presently have no Sunday service (*subsequently included in new Northern franchise for Lincoln-Sheffield services from 2017*)
- Upgrade Lincoln – Sheffield to “Northern Regional” service (*subsequently Lincoln-Sheffield-Leeds services included in Northern Connect express services within new Northern franchise*)
- Improvements to stations and introduction of a Community Rail Development Fund
- Journey time improvements on the Joint Line taking advantage of line speed improvements

1.6 In addition, the JMP report highlights potential service improvements linked to the new East Midlands Rail Franchise due to start in March 2018 including:

- Development of hourly Lincoln – Birmingham service operated either by Cross Country or East Midlands Trains (EMT). Depending on the commercial case this service may be additional to the existing service
- Clockface half hourly Lincoln – Newark service
- Extension of Newark – Grimsby service to Cleethorpes and introduction of two hourly service, rising to hourly. Also introduce journey time improvements subject to infrastructure improvements
- Two hourly clockface Lincoln – Doncaster service, operating all day, rising to hourly if Robin Hood Airport station opened
- All day hourly service between Sleaford and Lincoln
- Hourly Sleaford – Peterborough service operating all day with potential for peak additional services between Spalding and Peterborough
- Development of an integrated timetable maximising connectivity across Lincolnshire, through interchange at key nodes such as Lincoln and Sleaford

1.7 Finally, the report includes a table of longer term "transformational" larger scale infrastructure schemes, including:

- Grade separation of Newark Flat Crossing – increasing East Coast Main Line (ECML) capacity but also removing planning constraints on the Nottingham – Lincoln line
- Significant line speed enhancements on key routes, notably Lincoln – Nottingham, Doncaster – Cleethorpes and Sheffield – Lincoln to reduce journey times
- Line speed increases Nottingham – Grantham – Sleaford – Skegness
- Electrification of Nottingham – Lincoln line
- Development of stations at Littleworth and Robin Hood Doncaster Sheffield Airport

1.8 Of the proposals identified above, the JMP report identifies the following priorities as being considered to deliver the most economic benefits, but also being realistic objectives for delivery:

- Development of a direct service between Lincoln and Birmingham, either by amalgamating the Lincoln – Nottingham and Nottingham – Birmingham service or by introducing a new service
- Frequency enhancements across the EMT Lincolnshire network to fill anomalous gaps in services, and provide a minimum of a two hourly service on routes that do not currently achieve this (Lincoln – Doncaster and Lincoln – Grimsby) and a minimum of an hourly service on other routes (Lincoln – Sleaford – Peterborough, Nottingham – Skegness and Lincoln – Nottingham)
- Linked to the above, introduce regular clockface departures ultimately working towards the development of an integrated timetable to maximise connectivity across the network

- Improve Sunday services by providing year round services on routes that do not presently have Sunday services and enhance Sunday services on other routes
 - Develop the case for a South Humber Bank – London service and for improvements in connectivity from the South Humber bank to other key centres across the north
- 1.9 The report also comments on rail freight issues. The crucial role of rail in moving goods to and from the South Bank ports is examined. In the County area the proposal for a Rail Freight facility near Spalding is noted. The report also comments on the potential for increases in rail freight particularly on the recently upgraded GN/GE Joint Line.

East Midlands Rail Franchise Re-letting

- 1.10 As highlighted above, most rail services in the County are within the East Midlands Franchise (currently operated by East Midlands Trains). The current Department for Transport (DfT) programme indicates that the process of re-letting the East Midlands Franchise will start later this year, with the short-listed rail operators being announced in December 2016. The tender process will be completed in 2017, with the new contract starting in March 2018. The re-letting of the franchise provides an opportunity for the County Council and other stakeholders to lobby both DfT and the prospective operators for improvements to Lincolnshire services. A formal DfT consultation is expected later this summer.
- 1.11 To help to inform its views on the new franchise, the Council asked the public and interested organisations for their suggested improvements. Almost 100 replies were received and the responses have been assessed. The initial findings suggest that the aspirations of the public and stakeholders generally agree with those of the County Council and the findings of the GLLEP consultants above. These views will then be taken into account in the process of lobbying the Department of Transport for the best possible outcome in the new Franchise. Officers will also ensure that all the prospective bidders are aware of the aspirations of the County.

Lincoln-London Direct Services

- 1.12 In respect of proposed Lincoln-London direct services included in the new Virgin Trains East Coast (VTEC) East Coast franchise, it should be noted that the Office of Road and Rail Regulation is due to make a decision on competing access rights on the East Coast Main Line (ECML) imminently. The County Council, together with Karl McCartney MP and other local stakeholders, has been lobbying the regulator to confirm the rights of the Franchisee rather than allowing track access rights to Open Access Operators. If the latter were granted, it is highly likely that VTEC would be unable to deliver some or all of their commitment to provide additional services to various locations along the ECML. If this decision is made by the time of the Committee meeting, a verbal update will be provided. If VTEC's access rights for these services were to be secured, it should also be noted

that the delivery of these services is conditional on new rolling stock being available to provide them.

- 1.12 These issues will form part of a detailed update on rail issues to the Highways and Transport Scrutiny Committee in June. The Economic Scrutiny Committee is being consulted to ensure that its views can be reported to the Highways and Transport Scrutiny Committee in June.

2. Conclusion

The GLLEP Rail Study identifies priority improvements to deliver economic benefits across the area. These are supportive of the County Council's own developing aspirations for DfT's new East Midlands Rail Franchise due to commence in March 2018.

3. Consultation

a) Policy Proofing Actions Required

N/A

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Greater Lincolnshire LEP Rail Study - January 2016

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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