

**Open Report on behalf of Richard Wills,
Executive Director for Environment and Economy**

Report to:	Highways & Transport Scrutiny Committee
Date:	12 March 2018
Subject:	Network Rail East Coast Mainline Route Study Consultation

Summary:

Network Rail (NR) is responsible for maintaining and developing the UK rail network. It is required to produce a strategic plan for the the network in the form of route studies. The East Coast Mainline (ECML) runs between Scotland and London Kings Cross. The ECML draft Route Study is now available for consultation. This report outlines the background to the Route Study, describes the issues that affect Lincolnshire and suggests a proposed response.

The report also briefly advises Scrutiny Committee of recent developments concerning the current East Coast rail service franchise.

Actions Required:

Members of the Highways and Transport Scrutiny Committee are invited to:

- 1) Consider the issues raised in the report and comment on the proposed response of the Council to the consultation, and
- 2) Review the position in respect of the existing East Coast rail franchise.

1. Background

East Coast Main Line Route Study Consultation

- 1.1 The East Coast Mainline (ECML) runs north to south between Scotland and London. It skirts the western edge of Lincolnshire and whilst Grantham is the only station on the line, stations at Peterborough, Newark, Retford and Doncaster are also used by Lincolnshire residents and businesses to access the ECML. Network Rail (NR) is responsible for maintaining and developing the rail network. It is required to produce strategic plans for the development of the network identifying the level of future service demand and the infrastructure investment needed to meet it. The draft Route Study for the ECML encompasses the whole of the route in England. It also covers areas which are not directly on the ECML but are served by it, such as the Lincoln to Newark North Gate line, as well as the GNGE Joint Line through Lincolnshire

which has seen major investment to enable it to carry freight traffic from the ECML.

- 1.2 Stakeholders along the route have been consulted throughout the development of the Route Study. The County Council and the LEP have been fully engaged in this process and the needs of the County are reflected in the content of the report, with mention, for example, of the 100,000 dwellings proposed in various Local Plans covering the Greater Lincolnshire LEP area.
- 1.3 The rail industry manages its infrastructure spending in a process that is laid down in statute and is overseen by the Office of Road and Rail Regulation (ORRR). This process requires the Secretary of State (SoS) for Transport to specify the funds available for a given control period (CP). The industry is currently in CP5 covering 2015-19. CP6 is expected to run from 2019 to 2024. NR has been unable deliver its commitments in CP5 and has experienced significant cost overruns. The SoS and the industry have commissioned a number of reviews of how this has occurred and the draft Route Study reflects the findings of these reviews.
- 1.4 The draft Study is a long term strategic document so it considers developments beyond CP6. The existing schemes that have not been delivered in CP5 will be delivered in CP6. Hence the options for developments in the future will be developed in this context.
- 1.5 The draft Study also considers the longer term position once High Speed Two (HS2) has been fully completed in the 2030s. HS2 will release on the ECML. Among the options highlighted for the possible use of this released capacity are additional Lincoln-London direct services and improved ECML connections at Grantham and Newark.
- 1.6 In addition, the draft Study specifically identifies Lincoln and Grantham stations as potentially needed enhancements in the longer term:
 - An increase in service levels between London and Lincoln would require improvements with options including reinstating and upgrading out of use platform or making better use of sidings.
 - Increases in north-south ECML services (beyond the 8 per hour planned) or in east –west traffic along the Nottingham-Skegness line would increase conflicts and require some platform improvements and other interventions at the station
- 1.7 The delivery challenge faced by NR and the ongoing financial pressures on the industry are reflected in the way the draft Study identifies the need to broaden the discussions on the benefits provided by rail services. The draft Study has a strong focus on the economic development opportunities provided by improved rail services. The engagement of a broader range of stakeholders in identifying economic development priorities reflects this context. The ongoing devolution process which has seen the development of Subnational Transport Bodies, Combined Authorities and the Local Economic Partnerships

as new stakeholders has driven a reconsideration of how priorities are identified and funded.

- 1.8 The key issue in this respect is that the Study presents the options for future investment as a number of "choices for funders" identifying in broad terms the costs and benefits of schemes and packages. The document makes clear that core rail industry funding will not be sufficient to provide all the aspirations of the stakeholders. It is envisaged that other stakeholders will therefore play a role in both identifying priorities and funding them.
- 1.9 A key example of this is the Newark Flat Crossing. This is the point at which the Lincoln-Nottingham Line crosses the ECML at-grade, a situation described in the report as "rare" and "*an outdate piece of infrastructure*". Any increase in east-west service is limited by the at-grade crossing. The draft Study identifies the potential benefits of removing the crossing as:
- *Lincoln would not be 'locked in' for rail growth: passenger and freight service levels to the midlands could increase. Journey times could also be reduced*
 - *Long distance train operators could travel faster through the section, reducing journey times.*
 - *An adjacent level crossing could be closed, further reducing safety risk and delay for road traffic.*
 - *Network Rail would save money on maintaining a bespoke asset, and reduce risk to the service it provides.*

- 1.10 However engineering solution is complex and the costs are high as they would involve the construction of a railway flyover. Consideration of the benefits that accrue to the ECML as a whole provides a better cost benefit appraisal but the addition of external funding would undoubtedly improve the chances of this scheme being delivered. Network Rail conclude:

"While, individually, these benefits are unlikely to provide a return sufficient to produce a value-for-money business case for replacing the crossing with a flyover, taken as a whole and as part of a broader economic case encompassing the ECML and the Lincoln –Nottingham corridor, they may have merit; and if a fuller range of potential funders were involved, then the proposal could have a better chance of being affordable."

Proposed Consultation Response

- 1.11 The proposed response to the consultation is to welcome the broader engagement and the inclusion of positive references to the key service and infrastructure improvements which the County Council and the LEP have pushed for. It is also proposed that the County Council welcomes the discussion of broader funding arrangements that will enable economic development, particularly in respect of the Newark Flat Crossing. The

proposed response will strongly caveat this by stressing the realities of local government funding going forward.

East Coast Rail Franchise Update

1.12 In the shorter term, there is a need to ensure that current service commitments in the existing ECML franchise are met in full, in particular the new Lincoln-London direct services due to start in 2019. The Committee may be aware that just before Xmas 2017 DfT announced that the current franchise holder Virgin East Coast Trains (VTEC) would cease to operate the franchise in 2020, with a new Partnership arrangement being put in place. More recently, it has been announced that VTEC's franchise will cease even sooner and will end shortly at a point yet to be determined by the Secretary of State for Transport.

1.13 The arrangements beyond this point are unclear. There are a number of options available to the SoS including continuing with a not for profit arrangement with VTEC, taking the franchise into direct Government Control (as has happened previously on ECML) or refranchising under a number of different models. It is important that in any of these outcomes, the commitments in the current franchise are delivered. The County Council will continue to press for a clear commitment to ensure that the new Lincoln-London services are delivered.

2. Conclusion.

The County Council will respond to the draft Route Study as outlined above and will also continue to press for the new service commitments in the existing ECML franchise to be delivered in full. Scrutiny Committee will be updated as more information on these issues becomes available.

3. Consultation

a) Have Risks and Impact Analysis been carried out??

No

b) Risks and Impact Analysis

N/A

4. Background Papers

Document title	Where the document can be viewed
East Coast Mainline Route Study Consultation	www.networkrail.co.uk

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