



## Open Report on behalf of Andy Gutherson, Executive Director – Place

Report to:	<b>Highways and Transport Scrutiny Committee</b>
Date:	<b>26 October 2020</b>
Subject:	<b>Rail Franchise update and engagement with Network Rail and Midlands Connect.</b>

### **Summary:**

This item provides an update regarding changes to rail franchising and the impact of COVID-19 from the Department for Transport.

Representatives from East Midlands Railway (EMR), Network Rail and Midlands Connect will be in attendance to outline current rail schemes/proposals for Lincolnshire and answer questions.

### **Actions Required:**

The Highways and Transport Scrutiny Committee is invited to discuss progress on rail related issues with representatives of the Department for Transport, East Midlands Railway, Network Rail and Midlands Connect and to consider the recovery and role of rail in Lincolnshire going forward.

## **1. Background**

### **1.1. COVID 19 impact on Rail & Williams Review**

Eddie Muraszko, Deputy Director, Midlands, North & Wales Market for the Department for Transport (DfT) will provide a brief overview of the current rail situation and the transition from rail franchising and move towards concessions.

In the Lincolnshire County Council (LCC) region the majority of rail services are provided by East Midlands Rail (Abellio), but also London North Eastern Railway, Northern & Cross Country (Arriva). Both LNER and Northern are owned and overseen by the DfT Public Sector Operator, DfT OLR Holdings Ltd (DOHL).

Normal financial mechanisms of franchise agreements were suspended for an initial period of six months on 23 March transferring all revenue and cost risk to the government. Key worker emergency timetables were introduced across the rail network providing approximately 45% of normal services.

Speaking to the Transport Committee on the 24 June, Secretary of State Grant Shapps MP informed that concessions will be the way forward for rail, with the DfT or another contract-awarding body collecting the revenue and taking responsibility for investment.

He said the Williams Review would have been published by now had it not been for the pandemic, and that 'without revealing too much we are already moving to a different type of railway and different types of contracts. With everything that is going on at the minute there is an opportunity to move things along faster than might have otherwise been the case.'

'Up to £3.5 billion pounds is being spent to keep trains running during the coronavirus pandemic due to the huge reduction in people using services, but at the same time the essential role being played in transporting key workers.'

On the 21 September 2020 an announcement was made by Grant Shapps MP that confirmed the renewal of Emergency Recovery Measures Agreements (ERMAs), and the transition away from rail franchising:

"These agreements, which run for up to 18 months, are designed to bring the rail franchising system to an end. Coming into force yesterday, they contain provisions to bring current franchises to an end when these agreements expire.

They are the first step in creating a new kind of railway. One which is customer-focused, easy to use, good value and where the trains run on time. A structure will take shape over the coming months."

Read full announcement at: [Rail update: Emergency Recovery Measures Agreements](#)

The Williams Rail Review was established in September 2018 to look at the structure of the whole rail industry and the way passenger rail services are delivered. The review will make recommendations for reform that prioritise passengers' and taxpayers' interests.

The reviews findings and recommendations were due to be published in a government white paper in Autumn 2019, with reform due to begin this year.

COVID-19 short, medium and long term impact on rail patronage has been and could continue to be devastating. It is difficult to assess at this stage what this could mean for future rail provision in the Lincolnshire region considering that the December 21 timetable would have generally brought services up to an hourly frequency on all routes (Brigg route exception). Timescales for this will now run into 2022. The financial costs, loss of patronage and revenue are likely to be great risks to rail service provision.

## **1.2 Lincolnshire regional railway update: Great Northern & Great Eastern Joint railway (GNGE) - new service Doncaster to Peterborough via Lincoln.**

Max Taylor (Senior Commercial Strategy Manager) and Laura Etheridge (Stakeholder Manager) from East Midlands Railway, will update Members on improvements planned across Lincolnshire in particular for the GNGE route as part of the new East Midlands rail franchise which began on 19th August 2019.

There will be delays to the provision of specified train service enhancements that were scheduled for December 2020 and December 2021 timetables because of the impact of COVID-19.

December 2020 timetable service enhancements will be delayed until May 2021.  
EMR Regional improvements included:

- **Nottingham, Grantham to Skegness** – summer services operate year round with additional peak services between Nottingham and Grantham. Later weekday evening services.
- **Lincoln to Grimsby Town** – more daytime services with a more consistent timetable. Leicester to Lincoln services will extend to Grimsby Town every two hours.
- **Lincoln to St Pancras** via Nottingham - additional 1tpd each way

December 2021 timetable service enhancements will be delayed into May/December 2022  
EMR Regional improvements included:

- **Enhanced GNGE service** - this will provide a significant uplift to an hourly weekday and Saturday service that will operate between Doncaster and Peterborough via Lincoln.

A Sunday summer service will operate at this time between Doncaster and Lincoln providing 5 trains/day each way, there is currently no regional passenger service provision on a Sunday on this route. However, no Sunday service is specified for GNGE between Lincoln and Peterborough.

## **1.3 Network Rail update for schemes in Lincolnshire**

Paul McKeown, Investment Director, Eastern Region will be attending the meeting on behalf of Network Rail to update the Committee on the current position and answer questions.

Network Rail is a key partner working with Lincolnshire County Council to manage the interface between our respective transport infrastructures. Relationships between the two organisations are critical to managing the ongoing delivery of a range of activities and projects.

## **1.4 Nottingham to Lincoln route line-speed Improvement scheme**

Andy Clark, Senior Rail Programme Manager for Midlands Connect will provide a progress update for this scheme. The Nottingham to Lincoln line speed enhancement is a collaborative rail infrastructure scheme being developed by Network Rail, Midlands Connect (MC) and stakeholders.

Steer have been commissioned by Midlands Connect to provide the business case for the scheme. This scheme would provide journey time benefits to Inter-City (London – Lincoln) and regional services.

Submission of the final business (phase 1 & 2) to the Rail Network Enhancement Pipeline (DfT) is now scheduled for November 2020; timescales have been delayed from the original scope.

Network Rail delivery for Swinderby signalling renewal is scheduled to commence in 2021 with planned completion in 2022.

If the funding bid to DfT is successful this scheme would deliver a line speed enhancement to 75mph for phase 1 & 2. Current maximum line speed is 70mph with long stretches of 50mph.

In May 2020, Midlands Connect commissioned Steer to progress a feasibility study for phase 3, the same methodology will be used and both 75mph and 90mph linespeeds will be assessed.

- Phase 1 : the same geography as Network Rail's proposed Swinderby renewal
- Phase 2: Extension of the line speed improvements closer to Lincoln and Newark flat crossing, either side of the Swinderby renewal geography; and
- Phase 3: Line speed improvements between Newark and Nottingham.

Delivery of all 3 phases at a line speed of 75mph could deliver journey time savings of approximately 4 to 5 minutes in total. There could be significant operational cost savings if the scheme enables the current service to be provided using a reduced number of trains. A reduction in operating costs could be considered as part of the business case for intervention.

## **2. Conclusion**

The Highways and Transport Scrutiny Committee is invited to discuss progress on rail related issues with representatives of the Department for Transport, East Midlands Railway, Network Rail and Midlands Connect and to consider the recovery and role of rail in Lincolnshire going forward.

### **3. Consultation**

#### **a) Risks and Impact Analysis**

N/A

### **4. 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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