TRACKS TO WORK

INVESTMENT IN RAIL IN BRITAIN'S INDUSTRIAL AREAS

Industrial Communities **Alliance**

TRACKS TO WORK

Investment in rail in Britain's industrial areas

- Investment in rail can help create jobs, generate growth and boost business
- It also increases accessibility to places of work, reduces congestion and helps lower carbon emissions
- At present, rail investment in Britain favours London. The economies of industrial areas in the Midlands, North, Scotland and Wales are being held back.
- Investing in rail in Britain's industrial areas can help rebalance the national economy and revive the fortunes of some of the country's most disadvantaged areas

REBALANCING THE ECONOMY

One of the reasons the pre-2008 model of economic growth failed is that the UK relied too heavily on public and private borrowing rather than on income generated through selling goods and services to the rest of the world. The UK economy needs rebalancing – away from an over-reliance on London and financial services and towards manufacturing and the regions.

The industrial areas of the Midlands, North, Scotland and Wales remain where so much UK manufacturing is located. They can contribute positively to rebalancing, but to do so they need appropriate investment in infrastructure.

A fairer distribution of rail investment across the regions is part of the solution.

Investing in rail connections between the towns and cities of industrial Britain would give a boost to their economies and make a major contribution to narrowing regional divides. In the places presently cut off from the rail network, or only very poorly connected, it can improve access to growth centres and promote the spill-over of people of businesses from more prosperous areas to more disadvantaged communities.

At present, rail infrastructure investment is focused on the South of England, which already has transport links that are far superior to the rest of the country. London and the South have as much to gain from rebalancing as the rest of the country, but in different ways. The economic revival of industrial Britain would bring in to use under-utilised resources of labour, land and property, and ease the relentless and unsustainable pressure on resources in the South.

This is a win-win strategy for government. Rebuilding the economy in the industrial areas of the North, Midlands, Scotland and Wales has the potential to slash billions from the Treasury's spending on welfare. It would increase tax revenue and it would lead to a more balanced economy.

PLANNED INVESTMENT IN RAIL

A lot of rail investment is currently planned. In Britain's industrial areas this includes the 'Northern Hub' in the Manchester area, the Edinburgh-Glasgow rail improvement programme and electrification of rail lines in the Welsh Valleys. All this investment is welcome.

But on balance the overall investment in rail infrastructure is profoundly unfairly distributed. Many of the big infrastructure projects that are underway or planned are located in or around London. The £19bn Crossrail scheme – currently the biggest civil engineering programme in Western Europe – is the clearest example.

A 2014 report by the think tank IPPR North found that in the latest version of the government's National Infrastructure Plan the planned spending equates to £4,893 per head in London but only £303 per head in Yorkshire and the Humber and £246 per head in the North East.

Furthermore, 80 per cent of projects in London are classed as 'active' or 'in construction', whereas this is only 50 per cent in Yorkshire and the Humber and 33 per cent in the North West.

If HS2 goes ahead as planned this will clearly become the focus of transport infrastructure investment over the next 20 years or so. The Department for Transport estimates the cost of the project at £43bn, plus a further £7bn for rolling stock. HS2 has potential benefits for some places but it would not reach the North of England until the 2030s and would be of scant value to Scotland or Wales or to the towns that are not connected to the network.

The danger is that alternative investments in rail, many of which might be of equal or greater benefit to older industrial areas, are 'crowded out'. And, if for whatever reason HS2 were not to go ahead, it would be helpful to know where at least a proportion of the money saved could be spent instead.

THE BENEFITS OF RAIL INVESTMENT

Two of the main benefits of rail investment are that:

- It connects people in less prosperous areas to centres of economic prosperity, making commuting easier and raising local employment levels

- It facilitates economic development in less prosperous areas by increasing the pool of labour available to businesses and by offering the option of shifting goods by rail

The labour market has become more segmented and often requires higher skills and qualifications. Key sectors, such as advanced manufacturing, often require highly specific skills. So do many office jobs. One result is that the catchment areas for labour are far larger than thirty years ago.

At the same time, commuting by car has generally become more difficult. Not everyone has access to a car of course, but those who do usually find that roads have become more congested and journey times have increased. At the same time, ever tighter restrictions in cities and town centres mean that parking has become extremely expensive if not impossible.

Other wider economic benefits of rail investment include relieving congestion, decreasing carbon emissions, and opening up areas to tourism (the Welsh Valleys for example). Lower unemployment rates and more prosperous local economies around Britain would also generate more tax revenue.

To quote the Chief Executive of Network Rail: “Britain’s railways are a vital part of our national infrastructure. They connect homes and workplaces, businesses with markets. They create jobs, stimulate trade and support the growth of a balanced economy.”

Investment in rail would also provide an immediate boost to employment and a source of orders for industries such as steel and engineering.

WHY RAIL INVESTMENT IS NEEDED IN INDUSTRIAL BRITAIN

The benefits of rail investment – improved accessibility to jobs and greater attractiveness to businesses – have particular resonance in industrial Britain.

The development of industry in the Midlands, North, Scotland and Wales was deeply intertwined with the development of the rail network. Railways here were first and foremost about the movement of goods and raw materials. They also carried people in large numbers, but this waned with the rise of bus services and the private car.

As industries closed or shifted their business onto the roads, and as passenger numbers dwindled, the rail network in industrial Britain was cut back drastically. This never happened to the same extent in the South, where commuting by rail into London remained the norm. Moreover, what remained of the local rail network in industrial Britain was often starved of new investment. The high-speed lines into London were prioritised but not the cross-regional links or local lines.

The links to London remain important and it would be entirely wrong to downgrade the East Coast mainline, say, just because HS2 is planned. However, elsewhere nearly a century of relative neglect now needs to be addressed.

Some of the benefits of rail investment can be achieved by reopening existing goods lines for passenger services. In these cases the track is already in place but needs up-grading. In other cases, rail lines that have closed entirely might be re-opened. This is significantly cheaper than creating new rail lines. Many rail lines which were closed in the 1960s pass through communities that suffer from poor accessibility to major employment centres.

In other cases, what Britain's industrial areas need is improvement to existing services – electrification, more frequent services, new rolling stock, better stations, improvements to junctions to allow new routes to operate.

THE TREASURY'S INVESTMENT CRITERIA

The Treasury's criteria for investment in transport infrastructure are flawed.

Significant investment in rail will not happen without the Treasury's approval – Network Rail is after all a state-owned company. But at present the Treasury's investment appraisal techniques prioritise easing congestion. This is always going to result in yet more investment in and around London.

Indeed, after a while rail investment in London becomes self-defeating: the pent-up demand for travel means that new infrastructure quickly fills to capacity, building a case for yet more investment.

The Treasury's cost-benefit methods skew investment towards areas with high population densities and high wages. This is because the methods favour schemes used by large numbers of people whose time is valued highly. This decision-making process ignores wider economic benefits and does nothing to address the glaring regional imbalances in rail infrastructure investment.

Judging rail projects merely by travel time saved is limited. Rail investment should be judged not just in transport terms, such as decreasing congestion, but also in terms of regional and local economic development objectives. Wider and indirect benefits are also important and if these are taken in to consideration more rail projects will be delivered in industrial areas where local economies are struggling.

Rail infrastructure investment is one of the key tools to reinvigorate these economies. Unfortunately, the Treasury's present decision-making process for infrastructure schemes is hampering this.

The Treasury needs to move away from appraisal techniques that prioritise easing congestion. Investment in rail infrastructure in the regions lays the foundation for future economic growth. Despite these benefits being harder to quantify they are no less real.

ROLLING STOCK AND STATIONS

Investment in rail is about more than just new or improved track.

Rolling stock investment has the potential to improve rail services and provide economic benefits in Britain's older industrial areas.

Most people will have experienced overcrowding on trains, including in the North of England. This is often on sub-standard stock dating from the 1980s or earlier. In other cases, slow, noisy and polluting diesel trains operating under electric wires.

New trains and more carriages are required to improve the rolling stock that operates across much of industrial Britain. Properly managed, this could support large numbers of jobs in UK train manufacturers and their suppliers.

Improving existing stations and creating new stations is a common theme. Just a few examples include:

- At Horden, near Peterlee in County Durham, where there is an existing rail line but no station to serve 20,000+ people
- In Bridgend in South Wales, where a new station at Brackla would serve local residents and a major trading estate
- In Lydney in the Forest of Dean, where new parking would open up the potential for commuting
- In the Glasgow area, where station improvements and more car parking would deliver better links with Inverclyde and Ayrshire

Without question, there are countless other examples across industrial Britain. The cost of most of these investments is modest.

Upgrading stations can make them easier to use and increase patronage. It can also lead to new development in that location and boost land values.

THE PROPOSALS OUT THERE……..

The final part of this pamphlet presents a 'shopping list' of significant rail investment schemes in and around industrial Britain. These schemes have been put forward by a range of players.

The list excludes proposed investments in stations – there are undoubtedly too many to list in any comprehensive way – and it excludes investments in rolling stock, which anyway can be shifted around the country. It also excludes investments in the main lines into London, focussing instead on local links and the cross-regional network.

The list has been compiled by scanning the proposals from a wide range of sources, including rail pressure groups and professional bodies. It has been filtered to remove schemes that Alliance member authorities do not regard as sensible or deliverable. A handful of proposals have also been added by these authorities.

All these schemes have the potential to benefit the industrial areas of the Midlands, North, Scotland and Wales.

The purpose of the list is nevertheless illustrative. In listing the schemes, the Industrial Communities Alliance is not necessarily endorsing the full details of the proposal, nor indeed prioritising one scheme over another. The point is simply that there is a lot of scope for investment in the rail network of industrial Britain.

Cross-regional

- Electrification of the Hull to Liverpool Trans-Pennine line
- Electrification from Middlesbrough and Teesport to Darlington and Northallerton to complete the electrification of the Trans-Pennine rail network, to be followed by wider electrification of the Tees Valley network
- Teesside – Newcastle – Edinburgh: new inter-urban service
- Tram-train or Metrolink extensions – Manchester to Sheffield to connect to Hazel Grove
- Extension of the freight electric spine to allow freight facilities in Doncaster, Humberside and the North East
- Reopen Hadfield – Penistone – Deepcar line

North East

- Reinstate and electrify the Leamside line (Newcastle to Durham and Ferryhill) to create new rail commuter services
- Reopen Ferryhill – Pelaw line (Leamside branch)
- Extend the Tyne & Wear Metro to Washington, Blyth, Ashington, Pelaw, Seaham, Doxford Park giving connections to Newcastle, Gateshead and Sunderland
- Reinstate passenger services alongside existing freight services on the Ashington, Blyth and Tyne rail line
- Improve rail connections and gauge clearance to Teesport and Port of Tyne to support the growing market for bulk freight and container traffic

North West

- Improvements to the West Cumbria coastal line and direct connections to Barrow
- Electrification of the line between Barrow and Carnforth
- Identify an appropriate site for a rail freight terminal, between J24 and 25 of the M6 on the line to Bryn
- Reopen St Helens Central – St Helens Junction
- Reinstate the Halton curve, which allows through Liverpool-Chester trains
- Electrification of the Warrington to Chester and Chester to Crewe line
- Full electrification of the CLC line from Trafford Park to the outskirts of Liverpool
- Delivery of the Arpley Chord freight avoiding line

Yorkshire and the Humber

- Trans-Pennine tunnel specifically for high speed trains to facilitate faster East-West services
- Electrification of lines between Leeds, Hambelton, Barnsley, Penistone, Pontefract, Doncaster, and Sheffield
- Penistone line light rail (Huddersfield – Sheffield)
- Pontefract line light rail (Leeds – Knottingley – Wakefield)
- Re-open Wortley Curve providing a direct link for Bradford-Wakefield to East Coast Main Line

Midlands

- New sections of track to connect the West Coast Main Line to the Midlands Main Line, allowing new cross-country routes such as Oxford to Nottingham
- Reopen Mansfield – Southwell – Rolleston Junction – Newark line
- Reopen Leek – Stoke line
- Electrification of Erewash line
- Electrification of the route from the Severn Tunnel Junction to Gloucester

Wales

- Ebbw Valley Railway – new passing loop to allow 2/3/4 trains per hour
- Reopen Beddau – Pontyclun line
- Reopen Hirwaun (via Aberdare) – Glynneath line
- Reopen Neath – Glynneath line (link with the previous scheme if that is reopened)
- Reopen Brynmawr – Abergavenny line
- Reopen Caerphilly – Newport line
- Reinstate the Aberbeeg – Abertillery line
- New line between Bridgend – Wildmill
- Light rail in the Bridgend area

Scotland

- Five phases of electrification: phase one (Edinburgh to Glasgow); phase two (remaining Central Belt); phase three (Edinburgh, Perth and Dundee, including the Fife Circle); phase four (Dunblane to Aberdeen); and phase five (Perth to Inverness)
- Linked to phase 3, the reopening of the Leven to Thornton line should be connected to the Fife Circle
- Glasgow Crossrail, which would enhance connectivity between Ayrshire/ Renfrewshire and Lanarkshire/West Lothian via Glasgow and to Edinburgh
- Improve surface access to Glasgow Airport via a tram-train
- Improve access to Edinburgh Airport from the West and North of Scotland via the implementation of the Dalmeny Chord
- Reinstated coal routes in the Douglas Basin area of Ayrshire and Lanarkshire
- Suburban infill electrification, Glasgow – Barrhead – Kilmarnock
- Opening up the Kilwinning West freight line to passenger trains to link Ayr to Largs
- Provision of a rail halt and line extension to provide a passenger rail service to the whole of the South East Ayr development area
- Electrification of the Glasgow northern suburban (Maryhill) line
- Development of a Metro/Light Rapid Transit network for the Glasgow conurbation
- New rail line and station between Inverkeithing to Halbeath

Re-opening the Ashington, Blyth and Tyne Line to passengers

The Ashington, Blyth and Tyne Line is currently a fully maintained freight line, but not for passengers. The line connects the heart of the former Northumberland coalfield with Newcastle and the rest of Tyneside.

Passenger services were withdrawn from the line as part of the Beeching cuts. The last passenger train from Ashington was on 2 November 1964. The line continued to serve the collieries of South East Northumberland (now all closed) and the aluminium smelter at Lynemouth (closed in 2012), but an adjacent coal-fired power station remains open. Freight continues on the line to bring coal to the power station.

The fully working freight line leaves the East Coast Main Line at Benton Junction, north of Newcastle. Between Benton and Newsham the line is single track but north of Newsham right through to Ashington and Woodhorn it is double track. Some stations (Ashington and Bedlington) remain intact but are overgrown with weeds. Platforms at other stations would need to be rebuilt.

The proposal is to reintroduce passenger services on the line, providing a service from Newcastle to Ashington with intermediate stations at Northumberland Park (Metro connection), Seghill, Seaton Delaval, Newsham for Blyth, Bebside, and Bedlington. Beyond Ashington, the South East Northumberland Rail User Group wants to see passenger services extended to a new station at Woodhorn. The scheme would require line speed improvements, signalling improvements, a train passing loop and investment in stations.

The line serves communities and towns not otherwise connected to the rail network. It would open up substantial employment opportunities for the area's residents, particularly in Newcastle. The South East Northumberland area is one that currently suffers high unemployment and a high proportion of residents on benefits. A new passenger service would also support further housing development and reduce traffic congestion on the A189 Spine Road / A19 corridor.

Electrification of the Trans-Pennine line

The core of the Trans-Pennine line links Liverpool and Hull via Warrington Manchester, Huddersfield and Leeds. Branches off this line bring in a host of other northern industrial towns including Bolton, Bradford, Doncaster and Grimsby, with a further major extension from Leeds via York towards North East England.

One of the arguments that is often deployed to explain why the towns and cities of northern England fail to generate the same economic momentum as London, even though collectively they have a larger population, is that distances and travel times in the North are an obstacle to economic activity.

Businesses in the North, it is argued, are simply too far apart to benefit from close working with each other, and labour markets in the North are too divided and too small.

This is the problem that the electrification – and speeding up – of the Trans-Pennine line is expected to address. At present, it takes as long to get from the North East to Manchester, for example, as it does to London.

Network Rail is committed to electrifying parts of the Trans-Pennine route, from Manchester to Leeds and York. Electrification is also to be extended to Liverpool, and Preston. This is good news. But it would still exclude many of the connecting lines. The final section of the line to Hull, for example, is not currently slated for improvement.

The current plans for the Trans-Pennine line still fall short of what was being advocated a few years ago by the government's own Northern Way initiative.

Industrial Communities **Alliance**

The Industrial Communities Alliance is the all-party association representing some 60 local authorities in the industrial areas of England, Scotland and Wales.

The Alliance was formed in 2007 by the merger of the longer-standing associations covering coal and steel areas and also includes a wide range of other industrial areas.

The aim of the Alliance is to promote the economic, social and environmental renewal of the areas covered by its member authorities. The Alliance works with the governments and parliaments in London, Edinburgh and Cardiff, with Brussels, with development agencies and with its own member authorities.

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