

Item 4: East Midlands Priorities Update

1. Introduction

- 1.1 The most recent Treasury statistics published in July 2018¹ confirmed that the East Midlands continues to miss out on public investment. Of particular concern is the low level of investment in economic affairs in the East Midlands, including:
- The lowest level of public expenditure on transport, in total and per head.
 - The lowest level of public expenditure on rail per head.
- 1.2 Following the East Midlands Infrastructure Summit held in November 2017 in Leicester, TfEM and Midlands Connect agreed a document (contained in Appendix 1) highlighting six joint priorities as a basis for renewed lobbying.
- 1.3 The document was presented to the Secretary of State by Sir John Peace at a meeting held on the 5th March 2018 and the subject of a further meeting with Sir Peter Soulsby, Sir John Peace and the Secretary of State on the 11th July 2018.
- 1.4 This report provides an update on progress across all six joint priorities and where possible sets out proposed next steps.

2. Making the Most of HS2

- 2.1 There has been considerable progress on taking forward the East Midlands HS2 Growth Strategy over recent months. In particular, proposals for local and strategic connectivity are being developed through the joint funded East Midlands Gateways Study, and Government has made available a total of £3.8million over 2 years to develop the proposition around the proposed Hub Station at Toton. Despite press reports suggesting that the Eastern leg of HS2 may be under threat, the Government has pressed ahead with consultation on the Working Draft Environmental Statement (WDES), which will inform the Phase 2b Hybrid Bill due to be introduced to Parliament in mid-2020.
- 2.2 The joint priorities document highlights a number of key objectives for making the most of HS2, set out below.

Bring it forward: Following an initial scoping study last year, TfEM is working with Midlands Connect to develop a business case for the early delivery of HS2 services into the Hub Station from Birmingham and Old Oak Common. This would transform connectivity to West Midlands and to key stations in London. The study report will be completed by December 2018. However the option to advance Toton is not included in the WDES published by DFT.

Rail Connections: A key regional requirement is provision for a conventional compatible link at the Hub Station to allow direct services between Leicester and Leeds and potentially links

¹<https://www.gov.uk/government/statistics/public-expenditure-statistical-analyses-2018>

to Derby and Nottingham. Building on previous work by EMC and Leicestershire County Council, Midlands Connect has undertaken two technical studies which both indicated the potential for a positive business case. HS2 Ltd are currently undertaking design work on a link within the station trace which should be completed by December 2018. The Government has made available resources to secure at least passive provision for such link. However it does not feature in the current hub station design on which the WDES is based.

Infrastructure: Early delivery of the initial phase of the Toton Innovation Campus is key creating a positive environment for investment around the Hub Station. This is dependent on early delivery of local infrastructure through the Housing Investment Fund (HIF). A regional HIF bid led by Nottinghamshire County Council is eligible to be submitted by the end of December 2018. However, press reports have indicated that up to 80% of HIF could be focused on areas facing the highest affordability pressure in and around the south east, which could limit funding for the East Midlands. Similarly, a joint bid to the Transforming Cities Fund (TCF) from Derby and Nottingham which includes provision to extend the NET from the Park and Ride to the Hub Station will have to compete for the available resources remaining after the top-slicing of funds to the Mayoral Combined Authorities.

A52 Corridor: Although work on the East Midlands Connectivity Study is progressing, there is no certainty about scheme development funding for access to the Hub Station and Innovation Campus from the A52/M1J25 in RIS2 (2020-25). Development funding would need to be in place in RIS2 to deliver the scheme in RIS3 prior to the planned opening of HS2 Phase 2b in 2033. This scheme will feature as part of the Midlands Connect RIS2 submission to be discussed by the Midlands Connect Strategic Board on the 4th December 2018.

2.3 As noted above, the Working Draft Environmental Consultation does not currently reflect the region's ambition for HS2, and the Hub Station design is heavily car dependant (with provision for 4,000 car parking spaces). A regional response to the WDES will be discussed at the East Midlands Mitigation Board on the 28th November 2018 and then resolved by the HS2 Executive Board on the 14th December 2018.

2.4 The HIF and TCF bids are both crucial to the delivery of the HS2 proposition in the East Midlands, but funding is far from certain. The lack of clarity about RIS2 development funding is a particular concern, and access from the A52/M1 will be included in the Midlands Connect RIS2 submission to be discussed by the Midlands Connect Strategic Board on the 4th December 2018.

3. A Midland Main Line fit for the 21st Century

3.1 Improvements to the Midland Main Line are closely linked to the outcome of the East Midlands Franchise Competition which will conclude early next year, and the resultant decisions about rolling stock and incremental electrification - although there is a clear commitment from Government to electrify up to and including Market Harborough station and between Clay Cross and Sheffield.

3.2 TfEM has been working as a partner with DfT to influence the shape of the new train service and to ensure maximum value for local businesses and communities, and to secure an ongoing role for TfEM on the management of the franchise once awarded.

4. Improving Access to East Midlands Airport

- 4.1 Public Transport access to East Midlands Airport for both workers and passengers is a key weakness compared to other regional airports. In the short term, there is scope to make better use of East Midlands Parkway Station under the next East Midlands Rail Franchise, with improved train service connecting to local bus services.
- 4.2 Over the longer term, there is the potential for a fixed public transport link including access to the East Midlands Hub Station at Toton, which is being considered through the East Midlands Gateways Study. Initial proposals will be discussed at the HS2 Executive Board on the 14th December 2018.
- 4.3 In terms of road connectivity, there are major improvements currently under construction around M1 J24 linked to the East Midlands Gateway Freight Interchange, and the M1 itself in this area is subject to a smart motorway scheme.
- 4.4 The section of the A453 (Ashby Road) that links the Airport to the M1 is currently the responsibility of Leicestershire County Council as the local transport authority. There are currently no plans for any enhancements. However, this section has been subject to a 'last mile' study of access to ports and airports commissioned by the Department for Transport published following the October 2018 Budget, available at: <https://www.gov.uk/government/publications/road-connectivity-for-ports-and-airports-study> . The study is designed to inform the RIS2 development process, but also highlight the potential for different management arrangements for key links.

5. A46 Growth Corridor & Newark

- 5.1 Midlands Connect has recently published an initial study into economic impact of the A46 corridor across the whole Midlands, which was represented in draft form at a previous meeting of TfEM, available in Appendix 2.
- 5.2 The report highlights a number of areas of further work including to improve the performance and economic impact of the route.

Nottinghamshire (Newark)

- Support for acceleration of Newark Bypass
- Overcome congestion hotspots to lock in benefits of previous upgrades

Leicestershire

- Potential for a Leicester Eastern/Southern Bypass, including a link from M69 J2 and a new M1 J20A Upgrading Leicester Western Bypass
- Improving Hobbyhorse Interchange at Syston

Lincolnshire

- Potential for southern Lincoln bypass, connecting to the under construction eastern bypass
- Targeted improvements on the A15 north of Lincoln.

- 5.3 The Newark northern bypass remains TfEM's top trunk road priority for delivery in RIS2 and is a shared objective with Midland Connect. As such it will be included in the Midlands Connect RIS2 submission to be discussed by the Midlands Connect Strategic Board on the 4th December 2018.
- 5.4 The impact on service of removing the 'flat crossing' at Newark where the Nottingham-Lincoln rail line crosses the East Coast Main Line (the only such junction arrangement in England) will form part of the Midlands Connect Humber Ports/Lincoln – Nottingham Rail corridor study, which has just commenced. Network Rail have undertaken some initial work on an alternative to the flat crossing, but this has been paused following the Hendy Review and a new business case will need to be developed if a replacement scheme is to be delivered. In the meantime, Network Rail have committed funding to renew the flat crossing in CP6 to ensure that it remains safe for both passenger and freight movements.
- 5.5 Because of the likely interaction between the road and rail enhancements in Newark, TfEM/Midlands Connect brought together representatives of the Department for Transport, Highways England, Network Rail, Nottinghamshire County Council, Lincolnshire County Council, Newark & Sherwood District Council and D2N2 to discuss emerging proposals on 24th October 2018. Following discussion a number of action points were agreed:
- Highways England & Network Rail to establish a 'Joint Working Group' to inform the development of the emerging bypass and rail enhancement schemes.
 - DfT to highlight Joint Working Group approach to respective DfT Sponsorship Teams.
 - Midlands Connect to complete Enhanced Strategic Case for Newark Northern Bypass by end of March 2019 to help support the case for RIS2 delivery.
 - Newark & Sherwood District Council to liaise with Highways England on impact of Southern Relief Road on the emerging Northern bypass scheme.
 - Midlands Connect to undertake assessment of wider economic benefits of replacing flat crossing as part of Humber Ports/Lincoln - Nottingham Rail Study by end of March 2019.
- 5.6 A further meeting is planned in early 2019 to review progress on each action.

6. A5 Growth Corridor

- 6.1 Midlands Connect is about start a corridor study into the A5 (similar to the A46 study), focussing on the section between the M42 and the M69, which is a key growth corridor as well as a potential alternative to the M6.
- 6.2 In the meantime, partners are pressing Highways England to expedite the delivery of the 'pinch point' improvement between Longshoot and Dodwells by the end of the current RIS period.

7. Transforming East – West Connectivity

- 7.1 The Midlands Rail Hub project is key to improving connectivity between Nottingham/Derby and Birmingham and between Leicester and Birmingham. The scheme involves a number of interventions that can be delivered from 2023 onwards that together will make space for an additional 24 trains per day through central Birmingham. With support from DfT, Midlands Connect is developing a Strategic Outline Business Case for the project which will be submitted into Network Rail's enhancements pipeline process next year.
- 7.2 In parallel, Midlands Connect has been undertaking a corridor study looking at the potential to improve rail connectivity between Nottingham/Leicester and Coventry, including reinstating direct services between Leicester and Coventry. A presentation on this study will be made at the meeting.

8. Conclusions & Next Steps

- 8.1 Whilst the Secretary of State for Transport has been supportive of our shared priorities in recent meetings and good technical progress is being made in a number of important areas, there is still some way to go before delivery can be secured.
- 8.2 In the short term, positive decisions are required on applications for the Housing Investment Fund and Transforming Cities Fund, and on priorities for development and delivery in RIS2. However the longer term opportunity is the forthcoming Spending Review, which will clearly be influenced by the national political situation over the coming months.

9. Recommendation

- 9.1 Members consider progress on implementing TfEM priorities and direct officers accordingly

Key Contact

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