

Board Meeting 10th March 2025 10.30am to 12.00pm

Virtual Meeting via Microsoft Teams

AGENDA

- 1. Introductions and Apologies
- 2. Minutes & Actions of Board Meeting 16th December 2024*
 - TfEM CSR Submission*
 - TfEM Integrated National Transport Strategy Response*
- 3. Update on East Midlands Freeport
 - Presentation by Tom Newman Taylor
- 4. Update on TfEM-Midlands Connect Shared Priorities*
- 5. East Midlands Rail Collaboration
 - Update from East Midlands Railway
 - Report of the Head of Rail Improvement*
 - Impact of GBR Rail Reforms on TfEM-DfT Rail Collaboration Agreement
- 6. Any Other Business
- 7. Dates of Future Meetings:
 - Wednesday 18th June 2025: 10.00pm 11.30am
 - Monday 29th September 2025: 3.00pm 4.30pm
 - Monday 15th December 2025: 3.00pm 4.30pm

*Paper enclosed

TfEM Terms of Reference

- To provide collective leadership on strategic transport issues for the East Midlands.
- To develop and agree strategic transport investment priorities.
- To provide collective East Midlands input into Midlands Connect (and other relevant subnational bodies), the Department for Transport and its delivery bodies, and the work of the National Infrastructure Commission.
- To monitor the delivery of strategic transport investment within the East Midlands, and to highlight any concerns to the relevant delivery bodies, the Department for Transport and where necessary the EMC Executive Board.
- To provide regular activity updates to Leaders through the EMC Executive Board.

TfEM Membership

TfEM will comprise elected members nominated by the LTAs - to be determined by each authority but with an expectation it would the relevant portfolio holder. Senior representatives of the Department for Transport, National Highways and Network Rail will be invited to attend as ex-officio members.



Board Meeting Monday 16th December 2024

Virtual Meeting via Microsoft Teams

Minutes

Present:

Mayor Sir Peter Soulsby (Chair) Leicester City Council Cllr Richard Davies (Vice Chair) Lincolnshire County Council Cllr Gale Waller Cllr Carolyn Renwick Cllr Matthew Binley

Rutland County Council Derbyshire County Council North Northamptonshire Council

In attendance:

Andy Gutherson Chris Carter Penny Sharp Ann Carruthers Chris Wragg Andrew L Smith **Kevin Sharman** Joe Battye **David Atkinson** Peter Mann Simon Pready Will Rogers Donna Adams Victoria Lazenby Nick Warren Phil Shaw Louise Clare Jackie Reay Andrew Pritchard Kyle William Butterworth

Apologies:

Cllr Neghat Khan Cllr Ozzy O'Shea Cllr Neil Clarke **Cllr Phil Larrett** Cllr Carmel Swann Lincolnshire County Council Nottingham City Council **Rutland County Council** Leicestershire County Council North Northamptonshire Council Leicester City Council Nottinghamshire County Council **Derbyshire County Council** Harborough District Council **EMCCA** East Midlands Railway East Midlands Railway East Midlands Railway National Highways National Highways **National Highways** DfT DfT **East Midlands Councils**

Nottingham City Council Leicestershire County Council Nottinghamshire County Council West Northamptonshire Council **Derby City Council**

East Midlands Councils

		ACTION
1.	Introductions and Apologies	
1.1	Apologies noted as above.	
2.	Minutes & Actions of Board Meeting 23rd September 2024*	
2.1	Cllr Waller noted that paragraph 6.3 should refer to Luton Station not Luton Airport.	
2.2	With this amendment the minutes were agreed as a correct record.	
2.3	Cllr Renwick asked if there had been a follow-on conversation with TfN. Andrew Pritchard reported that this had yet to be arranged.	ЕМС
2.4	There were no further actions not covered by the agenda.	
3.	Update on National Highways Activity in the East Midlands	
3.1 3.2	The Chair welcomed Tori Lazenby, Midlands Director of National Highways, to the meeting. Tori provided an update on the work of National Highways in the East Midlands, which	
3.3	 covered the following issues: RIS3: NH received a 1-year interim settlement in the 2024 Autumn Budget to allow work on committed schemes to continue. RIS3 will now run from 2026 – 2031 with announcements expected in 2025 as part of the CSR. A46 Newark Bypass: The DCO process will conclude in Autumn 2025. Subject to this and a funding decision by Ministers, construction would start in June 2026 with scheme opening in 2030. A52 Nottingham Junctions: Smaller junction improvements complete. Work on the Wheatcroft and Nottingham Knight Junctions due to start in Autum 2025 subject to confirmation of Highway Act orders. A38 Derby Junctions: The legal challenge has come to and in the Court of Appeal. NR and delivery partner are both now re-mobilising to develop a delivery strategy with the aim of protecting the extant DCO which expires in September 2028. Emergency Retrofit Schemes: M1 J23a-J25 complete. M1 J28-30 to be completed in January 2025. M1 J26-J29 to be completed by March 2025. Renewals and Designated Funds: NH is on track to deliver £120m package of capital works including on the A1, A46 and A52. Day to Day Operations: The least Midlands. 	
5.5	 In response to questions, Tori noted that: NH would continue to work with local partners and Midlands Connect to develop the strategic case for the Newark Northern Bypass; and The status of proposed schemes such as the A5 enhancements would be confirmed in RIS3 once published. 	

		ACTION
3.4	Will Rogers from East Midlands Railway highlighted the role of the SRN plays in supporting rail replacement bus services and agreed to contact NH separately discuss areas of common concern.	EMR
3.5	The Chair thanked Tori for her presentation.	
4.	DfT National Transport Strategy 'Call for Ideas*	
4.1	Andrew Pritchard reported that the former Secretary of State had confirmed the intention to publish a National Integrated Transport Strategy (NITS) in the summer of 2025, to be informed by a 'Call for Ideas' which would run until the 30 th January 2025.	
4.2	Whilst the NITS was unlikely to be a transport 'strategy' in the conventional sense, it would set out the Government's vision for a more 'people centric' approach which articulates the enabling role transport has in supporting growth and wider social and environmental outcomes.	
4.3	The new Secretary of State has yet to publicly comment on the issue, but the development of the NITS was a manifesto commitment and the 'Call for Ideas' consultation is continuing.	
4.4	Andrew summarised the elements of a draft TfEM response to the questions set or organisations, which had been discussed by the TfEM's Transport Officers Group.	
	 Cllr Waller welcomed reference to improving traveller information for disabled and visually impaired people but felt this should be widened to include ticketing. Cllr Renwick welcomed the reference to skills but highlighted the role of wider infrastructure such as energy systems in enabling transport services and suggested this should be added. 	
	• The Chair welcomed references to the growth potential of the East Midlands compared to historic levels of funding, but felt this text would be better at the beginning of the response rather than under the 'any other comments' section.	
4.5	With these amendments, the TfEM Board agreed the draft lines of response presented as basis for a TfEM submission to the DfT's 'Call for Ideas' consultation.	ЕМС
5.	Multi-Year Comprehensive Spending Review	
5.1	Andrew Pritchard reported that the deadline for submissions to the CSR process has recently been confirmed as the 9 th February 2025.	
5.2	The potential scope of a TfEM submission had been discussed by the Transport Officer Group and as result the following approach is proposed:	
	 Support for the progression and delivery of the TfEM-Midlands Connect Shared Priorities: <u>Our Shared Vision for the East Midlands</u> Support for the completion of LTA Major Schemes currently under construction Proposal for the establishment of a rolling five-year core capital funding and revenue settlement for LTAs 	

		ACTION
5.3	The TfEM Board endorsed the proposed framework set out above for a TfEM Submission to the Comprehensive Spending Review	ЕМС
6.	East Midlands Rail Collaboration*	
6.1	 Will Rogers MD of East Midlands Railway provided an update around the following issues: Business Update: 'Access for All' improvements at Beeston and Alfreton are nearing completion. Station improvement projects at Leicester, Skegness and Boston are underway. Ticketless Travel Campaign: EMR loses around £20m a year through ticketless travel. As part of the campaign, a 3-week pilot exercise to close access to the platforms from the central overbridge at Nottingham Station was undertaken. An evaluation of this is underway which will be discussed with stakeholders. Performance: Performance has generally been at or above the industry average although the last period saw an increase in delays from signal failure and trespass. Patronage growth has been strong relative to last year now industrial disputes have been resolved. December '24 Timetable: The December timetable change has been implemented including faster Sunday intercity services and an increase of services between Newark & Crewe on weekdays/Saturdays. December '25 Timetable: a further package of timetable improvements is planned for December 2025 including a doubling of weekday/Saturday services between Lincoln and Nottingham as a result of 'Project Abraham'. Christmas engineering: Major improvement works on the Midland Main will impact EMR and other operators' services from Saturday 21 to Sunday 29 Dec (25th and 26th sees no services, as usual). Bus replacements services at Bedford will be available. Violence Against Women & Girls: – EMR has made an application for the White Ribbon accreditation. Once approved EMR will implement a 3-year action plan that will provide better support for women experiencing violence. Fleet Refurbishment: Work has commenced on a £60m programme of refurbishment of EMR's Class 158, Class 170 and Class 360 fleets. Refurbished trains will be returned to the network from early 2025 onwards. Inter-City Auroras: The second Aurora bi-mode tr	
6.2	Cllr Waller asked for clarification on the precise timing of the planned Christmas closure for engineering works given late night services are sometimes delayed or cancelled. Simon Pready from EMR agreed to provide further clarification.	EMR
6.3	Andrew Pritchard welcomed the proposed service improvements between Lincoln and Nottingham, noting that capacity at the Newark Flat Crossing had previously assumed be a fundamental constraint to improving service frequencies.	
6.4	Kyle Butterworth, TfEM's Head of Rail Improvement, provided an update on the work completed in the last quarter through the TfEM/DfT Rail Collaboration Agreement.	

		ACTION					
	In particular, Kyle highlighted recent work by TfEM and the National Skills Academy for Rail to demonstrate the workforce benefits of MMLe including the potential to establish up to 100 apprenticeships.						
6.5	Kyle also reported that Network Rail is undertaking a 'buffer to buffer' study of the long- term (post 2040) role of the East Coast Main Line (ECML) following the cancellation of the Eastern Leg of HS2. The ECML Study is not constrained by current timetable and therefor does not assume that existing direct services to Lincoln, Grantham, Newark and Retford will be retained. The Study will be completed next year and along with other analysis, will inform future choices by Ministers and GBR (when established).						
6.6	The Chair noted the scale of existing flows on the ECML and thanked Kyle for his report.						
7.	Any Other Business						
7.1	None Reported.						
8.	Dates of Future Meetings						
	 Monday 10th March 2025: 10.30am -12.00pm Wednesday 18th June 2025: 10.00pm - 12.30pm Monday 29th September 2025: 3.00pm - 4.30pm 						
	 Monday 15th December 2025: 3.00pm - 4.30pm 						

2025 Comprehensive Spending Review Representation from Transport for the East Midlands (TfEM)

1. Introduction

- 1.1 TfEM brings together political leaders from the Region's Local Transport Authorities under the auspices of East Midlands Councils. TfEM is Chaired by Sir Peter Soulsby, the Mayor of Leicester. The Vice Chair is Cllr Richard Davies the transport portfolio holder for Lincolnshire County Council.
- 1.2 This representation was discussed at the TfEM Board meeting of the 16th December 2024 and is based on the following:
 - Strategic investment priorities identified in Our Shared Vision for the East Midlands (published jointly with Midlands Connect): <u>Our Shared Vision for the East Midlands (emcouncils.gov.uk)</u>
 - LTA Major Schemes under or nearing construction which require continued DfT support to complete
 - The case for rolling 5-year capital allocations for LTAs (with appropriate levels of revenue support).

Summary of Submission

GDP in the East Midlands has been growing at or around the UK average for much of the last 20 years, but productivity per worker is below the UK average and has been declining. Population of the East Midlands has been growing rapidly - at the same rate as London and faster the than the South East and the West Midlands. **The East Midlands has therefore been growing its economy by growing its population, not by becoming more productive.**

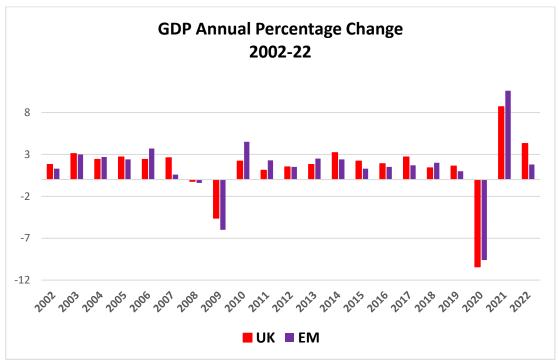
Transport is a key driver of productivity. However, transport investment per head in the East Midlands has been in relative decline for many years and now stands at only 56% of the UK average. Turning this situation around will require concerted action. TfEM's submission comprises three elements.

- Investment to deliver the eight strategic priorities highlighted in the **TfEM**-**Midlands Connect** <u>Shared Vision</u>, starting with **Midland Main Line Electrification** and the **A46 Newark Bypass**.
- Investment to complete delivery Local Transport Authority major schemes under or nearing construction consistent with previous DfT commitments.
- Establishment of rolling **5-year capital allocations for LTAs,** consistent with the recommendations of the National Infrastructure Commission, to enable the more efficient long-term planning and delivery of local infrastructure.

2. Economic Context

Growth & Productivity

- 2.1 The East Midlands is now a region of 5.0 million people and 368,000 businesses¹. Total regional output in 2022 (as measured by GDP) was £146.4bn, equivalent to 5.8% of the UK economy. The East Midlands employment rate is just above the UK average at 75.8% (UK=75.0%). Median weekly earnings are below the UK average: £640 pw compared to £682pw. 10.6% of the workforce work in manufacturing, compared with 7.0% for the UK although this percentage has declined significantly in recent years. The region's unemployment rate has increased recently and is now above the UK average: currently at 4.4% compared to 4.0%.
- 2.2 GDP growth in the East Midlands over the last 20 years has been better than most other regions/nations but more recently has fallen².

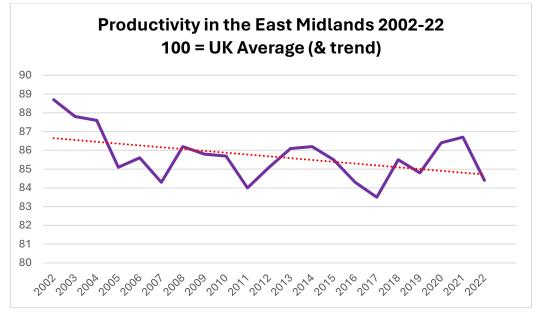


Source: Regional gross domestic product: all ITL regions - Office for National Statistics

2.3 Productivity has remained below the UK average over the last 20 years and has been declining relative to the UK to 84.4% in 2022³.

¹<u>Regional and National Economic Indicators - House of Commons Library (parliament.uk)</u> ²<u>https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/regionaleconomicactivitybygrossdomesticproduct.by-uk-country-and-region</u>

³ Annual regional labour productivity - Office for National Statistics (ons.gov.uk)



Source: Annual regional labour productivity - Office for National Statistics (ons.gov.uk)

2.4 The population of the East Midlands has grown by 7.7% in the period 2011-21: at the same rate as London and faster than the South East and the West Midlands.

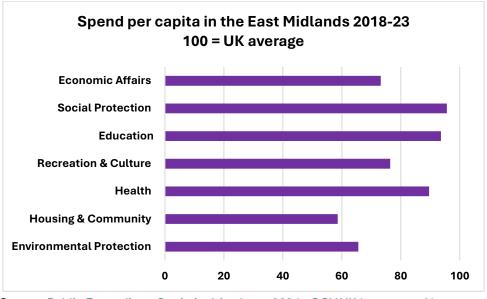


Source: Population and household estimates, England and Wales - Office for National Statistics (ons.gov.uk)

2.5 The region has therefore been growing its economy by growing its population - not by becoming more productive.

Public Investment

2.6 The Treasury publishes an annual Public Expenditure Statistical Analysis (PESA) every July on where public money (capital and revenue) is spent and on what, in the previous financial year.⁴ The data has the status of 'National Statistics' as defined by ONS and has been published on a broadly consistent basis over several decades. Over period 2018-23 total spend per head in the East Midlands on the functions listed below were all well below the UK average.



Source: Public Expenditure Statistical Analyses 2024 - GOV.UK (www.gov.uk)

2.7 Table 2 show the level of expenditure on economic affairs, per head for 2018-19 to 2022-23. This area of expenditure includes enterprise and economic development, science and technology, employment policies and transport.

Table 2: Expenditure on Economic Affairs (£ per head)						
	2018-19	2019-20	2020-21	2021-22	2022-23	
London	1,336	1,419	4,327	2,363	2,685	146
UK	884	963	3,049	1,482	1,834	100
England	852	934	3,055	1453	1,805	98
West Midlands	843	887	2,751	1,415	1,787	97
South East	918	1,034	3,090	1,470	1,786	97
North West	748	771	2,726	1,312	1,713	93
East	839	965	3,092	1,399	1,705	93
North East	697	736	2,530	1,125	1,599	87
Yorks & Humber	625	710	2,622	1,117	1,489	81
South West	659	772	2,807	1,141	1,459	80
East Midlands	594	666	2,552	1,025	1,420	77

⁴ <u>Public Expenditure Statistical Analyses 2024 - GOV.UK (www.gov.uk)</u>

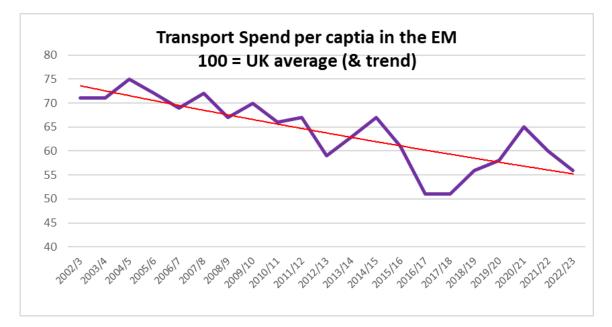
- 2.8 For this important element of public investment, it is not solely that the East Midlands is the lowest funded region per head of the population, it is the consistently wide gap between East Midlands' levels and the national average (£385 less per head at 2022-23 prices), and 21% less than the West Midlands who are partners in the Midlands Engine.
- 2.9 In financial terms, over the 5 year time frame covered by the PESA 2024 publication, the difference between East Midlands levels of funding against the UK average equates to be approximately **£9.5bn in loss of funding**, and **£**7bn less than the level received by the West Midlands region.

Table 3: Expenditure on Transport (£ per head)						
	2018-19	2019-20	2020-21	2021-22	2022-23	
London	901	842	1411	1240	1,275	196
West Midlands	489	506	634	690	694	107
UK	484	502	732	659	648	100
England	478	494	739	656	642	99
North West	449	451	584	609	637	98
South East	447	529	795	643	571	88
East	473	462	683	596	529	82
North East	323	362	566	464	502	77
Yorks & Humber	311	339	529	424	418	65
South West	301	342	484	411	388	60
East Midlands	277	309	468	382	361	56

2.10 Table 3 shows levels of transport investment.

2.11 The data shows that:

- Transport spend per head has been very significantly below the UK average level for all of the last 5 years, and previous PESA publications show this to be trend for 20 years.
- Transport spending in the East Midlands has now declined to just 56% of the UK average for 2022/23, the lowest level of any UK region or nation.
- The disparity in levels of investment spend per head between the East Midlands (£361) and the West Midlands (£694) continues to widen.
- If the region was funded at a level equivalent to the UK average over the 5 years (2018-19/2022-23), a not unrealistic target, the East Midlands would have received an extra **£6bn** to spend on transport investment and services.



Source: Public Expenditure Statistical Analyses 2024 - GOV.UK (www.gov.uk) & previous releases

Table 4: Expenditure on Railways (£ per head)							
	2018-19	2019-20	2020-21	2021-22	2022-23		
London	707	653	925	842	952		
West Midlands	289	288	388	473	510		
England	283	275	427	388	403		
North West	245	243	338	352	384		
South East	240	249	446	328	321		
East	236	233	433	363	320		
North East	114	111	201	183	213		
Yorks & Humber	133	130	240	228	206		
East Midlands	118	119	213	190	185		
South West	139	148	230	195	163		

2.12 Table 4 shows levels of rail investment over the period 2018-19 to 2022-23.

2.13 The data shows that:

- Rail spending per head in the East Midland is very significantly below the English average and has been for some time. In 2022-23 the level of investment was only 46% of the UK average.
- Over a 5 year period, the East Midlands is one of the two regions with the lowest levels of rail spending per head (an average of £165 p.a., against an England average of £355 p.a.).
- Rail investment per head in the East Midlands is only 36% of that of the West Midlands, and the gap continues to widen and risks further doing so as HS2 investment is delivered.

3. Our Investment Priorities for the 2025 CSR

- 3.1 TfEM and Midlands Connect have worked collaboratively over a number of years to develop a shared vision for the East Midlands setting out a limited number of transformational strategic transport investment priorities (<u>Our Shared Vision for the East Midlands (emcouncils.gov.uk</u>)):
 - > Full Electrification of the Midland Main Line
 - > Improved Rail Connectivity between Nottingham, Leicester, and Coventry
 - > Improved Rail Connectivity between the Midlands, Leeds, and the NE (MYNE)
 - Improvements on the A46 Growth Corridor including delivery of the A46 Newark Northern Bypass
 - > Improvements to the A50/A500 Growth Corridor
 - Improvements to the A5 Growth Corridor
 - Improving safety and reliability on the A1
 - Improving capacity around the M1 Junction 24 to support the development of the East Midlands Freeport
- 3.2 All these schemes are important and TfEM will continue to work with Midlands Connect, Network Rail and National Highways to develop investible proposition for each. However, there are two schemes that have reached the delivery phase and will require early funding decisions by Ministers to retain delivery capacity, maintain private sector confidence and control costs.
 - Midland Main Line Electrification
 - A46 Newark Bypass

Midland Main Line Electrification (MMLe)

- 3.3 The MML is the backbone of our region's rail network and is a nationally significant main line railway running between London St. Pancras and Sheffield, with a branch to Nottingham. It connects many of our biggest towns and cities including Leicester, Loughborough, Derby and Chesterfield and provides important connectivity to London and beyond. Nine million passengers use MML inter-city services between London, Nottingham and Sheffield – which are valued at over £450m a year to the national economy⁵. Patronage along the route now exceed pre-pandemic levels.
- 3.4 The line supports a variety of both local commuter and inter-city services. Thameslink operate services to Bedford on the southern section of the route, East Midlands Railway operate intercity services between Sheffield/Nottingham and London, as well as 'EMR Connect' services between Corby and London via Kettering, and also a regional link from Leicester northwards to Nottingham and beyond. Other operators, including CrossCountry and freight services also use East Midlands sections of the MML.

⁵ <u>TheFuturesElectric.pdf</u>

- 3.5 Unlike the East and West Coast Main Lines, the MML is not fully electrified, and large sections of the route rely on diesel-powered trains. The route is electrified between London and Bedford, Kettering, and Corby. Further electrification of the route to Wigston South Junction (south of Leicester) has recently been procured by Network Rail and is currently being delivered. A funding decision on the next phase of delivery up to Trent Junctions (just south of Nottingham) and for detailed design for the works along the remainder of the line through to Sheffield was due to made in summer 2024 but was delayed by the General Election. Market engagement with the construction industry is already well underway. **To maintain delivery capacity and private sector confidence it is vital that Ministers agree the necessary funding without further delay.**
- 3.6 Strategically, the MML in the East Midlands is well placed for further full electrification. It is an intensely used part of the railway, with services operating at speeds of more than100mph. It is already partially electrified in its southern section. A modern bi-mode fleet of rolling stock is already under construction and due to come into service from 2025 onwards which can benefit from the progressive roll-out of electric power. The MML is not a candidate for battery, third rail, or hydrogen technologies, nor to endure continued diesel power running. There is no credible alternative to electrification when decarbonising rolling stock on the MML.
- 3.7 Completing Midland Main Line electrification now is vital to the East Midland and the wider UK for the following reasons:
 - **Reducing Railway Operating Costs:** Electrification will reduce the ongoing operating costs of rolling stock, fuel, track access, and maintenance leading to a lower cost and more efficient railway. Switching from diesel to electricity alone would save millions.
 - Decarbonisation and Clean Air: Fully electrifying the Midland Main Line will save 48 thousand tonnes of carbon a year (valued at £13m) every year. It will also improve air quality by removing nitrogen oxides and other particulates from the atmosphere, particularly the six statutory Air Quality Management Areas along the route.
 - Developing a 'production approach' to electrification to reduce costs: The previous Government's 'stop-start' approach to electrification led to higher costs than elsewhere in Europe. There is a huge opportunity to use the Midland Main Line to develop a UK template for affordable electrification through establishing a 'production approach' and a permanent electrification workforce. This will build the maturity and skills to electrify more of the UK's rail network confidently and efficiently. Analysis commissioned from the National Rail Skills Academy for Rail suggest that MMLe will also generate up to 4,300 new jobs, including skilled occupations, and more than 100 apprenticeships: Powering up rail electrification could create 4,300 East Midlands jobs

• Urban Regeneration and Growth

The MML runs though some of the most densely populated parts of our region and the country as whole – more densely populated than the West Coast Main Line and the East Coast Main Line. The towns and cities served by the MML are some of the fastest growing in the UK and would benefit hugely from a modern fit for purpose rail network. With Government support, Local leaders are already developing major housing and employment growth proposals focussed on key MML stations, including in Leicester, Nottingham, Derby and Chesterfield which would build on the delivery of electrification.

• Avoiding the Costs of Further Delay: The electrification of the Midland Main Line was first discussed back in the 1970's – but the work only progressed from London as far as Bedford. More recent proposals for full electrification up to Sheffield were paused in 2015 then cancelled in 2017. The project was resurrected in 2021 but now stands at the crossroads. Further delay will only increase costs. Midland Main Line electrification is a 'no regrets' decision which now requires urgency to confirm and progress a quickly as possible.

A46 Newark Bypass

- 3.8 The A46 Newark Bypass is a 6.5km section of the A46 corridor that provides a key route through the East Midlands, linking the region to the major international shipping ports of the Humber. The A46 is critical to major employers in sectors such as manufacturing, logistics, and distribution. Major employment sites include the British Sugar Distribution Centre, the Newark Beacon Business Innovation Centre, Dixons Group Major Distribution centre, and Siemens.
- 3.9 The A46 Newark Bypass is a top priority for TfEM and for Midlands Connect to improve the A46 'Trans-Midland Trade Corridor' and create a 'coast-to coast' highway between the Humber and the Severn Estuary, without the need for major new roadbuilding across open countryside. It would also support proposed improvements to passenger rail services on the Castle Line between Lincoln, Newark and Nottingham.
- 3.10 Locally, the town of Newark-on-Trent is a major focus for new housing and employment growth. Over 9,000 new homes are planned across the district and major inward investments like the new international Air and Space Institute will boost the attractiveness of the town.
- 3.11 The A46 Newark Northern Bypass was committed for delivery during the RIS2 period (2020 2025). However, it has been delayed and deferred to RIS3. National Highways submitted a Development Consent Order for the scheme in May 2024 which is currently with the Planning Inspectorate to examine. A private sector delivery partner has been on board for some time. Delivery could start in 2027 but only if the Government confirms the funding is in place.

- 3.12 The A46 Newark bypass is a heavily trafficked route, with an average of 15,440 and 16,290 vehicles per day passing through the corridor northbound and southbound respectively. The result is low speeds exacerbated by congestion at junctions leading to slow and unreliable journeys.
- 3.13 The scheme comprises:
 - Widening of the 6.5km of existing single carriageway between the Farndon and Winthorpe roundabouts to a dual carriageway
 - Improvements to traffic signals at Farndon roundabout to achieve smoother traffic flows in peak hours
 - A new dual-carriageway bridge over the A1
 - Enlargement and partial signalisation of Winthorpe roundabout to reduce congestion and improve journey reliability
 - New grade separated junction at the Cattle Market roundabout
- 3.14 Delivering the scheme in full will significantly increase capacity of the A46 around Newark and result in a 30% reduction in journey times for traffic using the improved section.

Ongoing National Highways Enhancement Schemes

- 3.15 Although not specifically highlighted as a TfEM-Midlands Connect shared priorities, TfEM is keen to see the completion by National Highways of two major schemes for which funding had been previously agreed, working closely with relevant Local Transport Authorities.
 - **A52 Nottingham Junctions:** Following the completion of improvements to a number of smaller junctions work on the Wheatcroft and Nottingham Knight Junctions due to start in Autum 2025 subject to confirmation of Highway Act orders.
 - **A38 Derby Junctions:** Following the recent dismissal of a legal challenge in the Court of Appeal. National Highways and its delivery partner are now re-mobilising to develop a delivery strategy with the aim of protecting the extant DCO which expires in September 2028.

4. Local Transport Authority Major Schemes

- 4.1 The following LTA Major Schemes are under either construction or about to start constructions following detailed design and development and will require the continuation of previously agreed DfT funding to progress to completion.
 - **A511 Growth Corridor (Leicestershire).** The scheme is designed to tackle longstanding congestion and traffic related problems on the A511 between

Leicester and the A42 via the M1 Junction 22, which will only be made worse by the level of housing and employment growth in NW Leicestershire and adjacent counties. This 15km section of road located in NW Leicestershire provides a key resilient route for both strategic and local traffic movements particularly freight including access to the Bardon Hill Quarry for construction materials and the logistics sector, including the new Amazon distribution centre⁶. The funding package of the scheme is made up of £40.43m of DfT MRN funding with the remainder anticipated to be Third-Party Funding. The Secretary of State announced in a decision dated 25th November 2024 that the proposed Compulsory Purchase Order and Side Roads Orders (including modifications) have now been confirmed⁷. It is anticipated that construction will commence in Spring 2026 with completion expected in early 2028.

- North Hykeham Relief Road (Lincolnshire). The North Hykeham Relief Road project would see a new dual carriageway built, linking the A46 Pennells Roundabout to the newly constructed Lincoln Eastern Bypass, creating a complete ring road around the city⁸. As part of the project, new roundabouts would be built at South Hykeham Road, Brant Road and Grantham Road. A number of bridges would also be constructed, including at Station Road and over the River Witham. The new road will unlock land for 4,500 homes and 7 hectares of employment space. The Government committed £110 million of DfT funding towards the scheme in 2019. The remaining budget will be funded by Lincolnshire County Council and developer contributions, which the council will forward fund. The cost of the project is currently estimated to be between £180m and £208m. Planning permission for the scheme was granted in May 2024, with Compulsory Purchase Order and Side Road Orders published in October 2024. Construction of the new relief road is currently expected to start in late 2025 and to open by late 2028.
- A614/A6097 Corridor (Nottinghamshire). The A614/A6097 Major Road Network (MRN) transport package is a key element of Nottinghamshire County Council's strategy to support growth and development within the county. It will enable the highway network to operate more efficiently by reducing congestion at key intersections, improve the predictability of journey times and provide more traffic capacity for future growth. The scheme will support planned housing developments along the route in Edwinstowe, Ollerton, Blidworth and Newton (redevelopment of the former RAF site). It will also reduce peak period traffic congestion for the benefit of commuters and local businesses and improve road safety for all users. The total scheme costs are estimated at £34.4m. In June 2021, the DfT confirmed approval of £24.34m of funding. Compulsory Purchase Orders and Side Road Orders were

⁶ A511 MRN GROWTH CORRIDOR Outline Business Case

⁷ Progress updates | Leicestershire County Council

⁸ North Hykeham Relief Road – About the project - Lincolnshire County Council

signed off by the DfT in February 2024⁹. The works are expected to last 24 months once full approval is given.

- **Chesterfield Staveley Regeneration Route (Derbyshire)**. The scheme involves creating a highway link of 6km that will parallel the A619 between Tapton and Staveley and open up to the east of Chesterfield along the 'Staveley Corridor' and support the delivery of up to 1,800 homes and 3,400 jobs. The total project cost is estimated at £166m. DfT funding of £79m was approved at the Outline Business Case stage. Work is continuing to develop the scheme to Full Business Case¹⁰.
- **A509 Isham Bypass (North Northamptonshire):** The Isham Bypass scheme is for a proposed dual carriageway, starting from the Symmetry Park roundabout, running in a southerly direction west of the village of Isham, and re-joining the A509 Kettering Road midway between Hill Top and Great Harrowden. This will reduce congestion on the A509, improve transport links between Kettering and Wellingborough by helping to meet the needs of growth in the two towns, improve access from Wellingborough to the A14, and relieve some through traffic. The total cost of the scheme is estimated at £122.8 million. A full planning application was submitted in July 2024. An Outline Business Case (OBC) was submitted in December 2024. If planning permission is granted and the OBC is approved, a full business case would then be submitted. The current timeline is for construction to start in Spring 2027 with the 2.3-mile (3.75km) bypass opening in March 2029.
- A43 Northampton Kettering phase 3 (North Northamptonshire & West Northamptonshire): The A43 between Northampton and Kettering suffers from congestion hotspots, journey time delay and road safety issues due to vehicles trying to overtake. To tackle these problems, it is proposed to dual the A43 all the way between the A45 and the A14. Due to the scale of the scheme it is being delivered in phases. Phase 1 and 2 are completed. Phase 3 has an estimated cost of £28.4m. A request for Outline Business Case (OBC) funding has been submitted¹¹. The Government previously committed to fund 100% of OBC cost of the scheme subject to approval.

5. Rolling Five-Year Capital Allocations for Local Transport Authorities

5.1 The current system of allocating capital spending to Local Transport Authorities is based around annually agreed allocations for maintenance and renewals and a bidding process for funding to deliver major schemes. This approach does not facilitate the longterm approach to growth and infrastructure investment necessary to secure the Government's core missions.

⁹ <u>Compulsory Purchase Order and Side Road Orders for A614 signed off by The Secretary of State for Transport</u> <u>| Nottinghamshire County Council</u>

¹⁰ Regeneration Pipeline Programme Chesterfield-Staveley Regeneration Route.pdf

¹¹ West Northamptonshire Council

5.2 The National Infrastructure Commission reached a similar conclusion in its 2021 Report Infrastructure, Towns and Regeneration - NIC, and as a result made the following recommendation:

Local government needs to be given the responsibility and funding that it needs to develop and implement effective infrastructure strategies and wider town plans. The Commission therefore recommends that the government provides:

- certainty over funding by consolidating the current funding streams into devolved five-year budgets for county and unitary authorities
- targeted funding for the places where infrastructure can support transformational opportunities
- expert support and advice to help build capacity and capability in local authorities.
- 5.3 TfEM fully supports this recommendation. The CSR represents the ideal opportunity to implement the NIC's proposed approach.

Item 2b



Integrated National Transport Strategy Great Minster House 33 Horseferry Road London SW1P 4DR

3rd February 2025

Dear Sir/Madam

Integrated National Transport Strategy Call for Ideas: Submission from Transport for the East Midlands (TfEM)

TfEM brings together political leaders from the Region's Local Transport Authorities under the auspices of East Midlands Councils. TfEM is Chaired by Sir Peter Soulsby, the Mayor of Leicester. The Vice Chair is Cllr Richard Davies the transport portfolio holder for Lincolnshire County Council. This submission was discussed at the TfEM Board meeting of the 16th December 2024.

Background

The East Midlands is now a region of 5.0 million people and 368,000 businesses¹. Total regional output in 2022 (as measured by GDP) was £146.4bn, equivalent to 5.8% of the UK economy. GDP in the East Midlands has been growing at or around the UK average for much of the last 20 years, but productivity per worker is below the UK average and has been declining². Population of the East Midlands has been growing rapidly - at the same rate as London and faster the than the South East and the West Midlands³. The East Midlands has therefore been growing its economy by growing its population, not by becoming more productive. Transport is a key driver of productivity. However, transport investment per head in the East Midlands has been in relative decline for many years and now stands at only 56% of the UK average⁴. Over the last 5 years, the difference between East Midlands levels of funding against the UK average equates to be approximately £9.5bn in loss of funding, and £7bn less than the level received by the West Midlands region. To help close this gap, TfEM and Midlands Connect have worked collaboratively over a number of years to identify a limited number of transformational strategic investment priorities (<u>Our Shared Vision for the East Midlands (emcouncils.gov.uk</u>).

¹ <u>Regional and National Economic Indicators - House of Commons Library (parliament.uk)</u>
² <u>https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/regionaleconomicactivitybygrossdomesticproductuk/1998to2022#gross-domestic-product-by-uk-country-and-region</u>

³ Population and household estimates, England and Wales - Office for National Statistics (ons.gov.uk)

⁴ Public Expenditure Statistical Analyses 2024 - GOV.UK (www.gov.uk)



How could transport be better joined up?

- **Better alignment of governance and decision making.** Currently, transport decisions are made by a range of different bodies and levels depending on the scale and mode of transport. There is no consistency of governance and decision making outside of London, which results fragmented and disjointed journeys for both people. To mitigate this, greater weight should be given to local and regional strategies by decision makers, and to the delivery of core social and economic outcomes.
- **Commitment to the delivery of placed-based multi-model packages of interventions**. Transport problems tend to be multi-model and so do the solutions. Yet investment decision making reflects the fragmented institutional landscape, making the delivery of place-based integrated solutions extremely challenging. Appraisal methodology should give greater weight to package-based interventions.
- Greater openness and collaboration with Local Transport Authorities in the planning of major infrastructure projects by national delivery bodies. The delivery of strategic road and rail infrastructure can have a profound impact of local economies and transport networks. However, the national decision-making processes are opaque, and LTAs are not routinely involved in scheme identification and development.
- Better Collaboration between transport decision makers and Local Planning Authorities. LPAs are under immense pressure from Government to deliver new housing and employment development – and to demonstrate that supporting infrastructure can be delivered. However, there is no requirement for national infrastructure providers to support local growth in their investment plans or to align delivery timetables accordingly – which should be explicitly addressed by DfT.
- **Roll-out of multi-model tap and go public transport ticketing (similar to London).** Provision of London-style ticketing would transform the passenger experience and drive the effective integration of local public transport networks across the country. Midlands Connect has led the development of back office 'broker' technical solution which could facilitate this.

How could data be used to improve the transport network?

- **'Open source' access to DfT held transport models and modelling data.** DfT own a number of transport models and holds a huge amount of modelling data. Currently access by LTAs to these models is limited and by exception. Greater transparency would improve and quality and consistency of decision making at all levels.
- 'Open source' access to rail and bus patronage and revenue data currently considered 'commercial' and relative performance metrics. Patronage and revenue data by route and service has often been restricted due to commercial confidentiality but would improve the ability of LTAs to plan effectively. With the establishment of GBR and TOCs moving to public ownership, rail data should become much more widely available. Similarly for bus services receiving public subsidy.



- Better access to consistent 'real-time' multimodal public transport information, and similar on highway congestion. Whilst some information exists on a fragmented basis by mode and in some localities, it is not consistently available or accessible. Common data and accessibility standards should be established to make this information more comprehensive and useful for people and businesses.
- *A consistent approach to collecting and measuring transport metrics.* A huge amount of transport data is collected my many different bodies at many different scales. However, it is not all consistent or easily comparable. Common data and accessibility standards should be established to make this data more useful, less burdensome to collect and reduce duplication.

How could technology be used to improve the transport network?

- *Multi-modal 'tap and go' public transport ticketing (similar to London).* Provision of London-style ticketing would transform the passenger experience and drive the effective integration of local public transport networks across the country. Midlands Connect has led the development of back office 'broker' technical solution which could facilitate this.
- A national approach to the accelerated roll-out of electric vehicle charging infrastructure. The transition to electric vehicles is critical delivering the Government's Net Zero ambitions. Whilst the market may deliver much of the necessary charging infrastructure, there are serious practical challenges in some rural and densely populated urban areas which are unlikely to be resolved locally without national intervention.
- Accelerated roll out of digital signalling and of electrification of the rail network. Digital signalling can increase the effective capacity on the rail network without the need to build more track, as well as increasing safety and reliability. The Government should develop a long-term strategy for rolling out digital signalling that maximises capacity on mainline routes, starting with the East Coast Main Line.
- More accessible data for disabled and visually impaired travellers. The use of digital communications to access travel information and purchase tickets will have benefits for many travellers and can reduce costs. However, over-reliance will be detrimental to digitally excluded and visually impaired people unless effective mitigations are put in place.

How could the way in which transport decisions are made be improved?

• **Consistency and coherence in national decision making.** National decision making for major road and rail investment is generally slow and opaque and sometimes incoherent. Successive Ministerial decisions to progress, pause, cancel then reinstate Midland Main Line electrification undermined business confidence and increased costs. As consequence of abruptly cancelling HS2, 15 years of huge expense and disruption was incurred without any tangible benefits for the East Midlands. Government must be better at identifying a realistic portfolio of major infrastructure investments and following through to



delivery. Adopting a rolling programme of rail electrification starting with the Midland Main Line will reduce industry costs facilitate the transition to Net Zero.

- Improved strategic case making with greater emphasis socio-economic and environmental outcomes. Transport investment decisions remain overly dependent on the narrow economic case. BCR measures should be used only as a minimum entry level threshold. Much greater weight should be given to place-based socio-economic and environmental outcomes set out in the strategic case. DfT and national delivery bodies should work more closely and transparently with LTAs and STBs to improve the quality of strategic case documents.
- *Five-year rolling funding settlements for LTAs with appropriate revenue support*. LTAs need multi-year funding allocations to plan and maintain local infrastructure effectively. One year funding settlements result in short term fixes, increased costs and poorer outcomes. Rolling five-year funding settlements, consistent with previous recommendations by the NIC. would provide the necessary level of certainty.
- **Ten-year rolling funding settlements for National Highways and NR/GBR**. A similar argument can be made for major rail and road infrastructure, but given the larger scale of these projects a ten-year funding horizon would be more appropriate.

Please do not hesitate to contact me if you require any further information on any of the above.

Yours sincerely

A. J. Pm

Andrew Pritchard Director of Policy & Infrastructure

1. Introduction

- 1.1 The latest version of the TfEM/Midlands Connect Shared Priorities document was agreed by the TfEM Board on the 20th March 2024 and was subsequently published in May 2024.
- 1.2 The document is available on the TfEM page of the EMC website at: <u>Our Shared</u> <u>Vision for the East Midlands (emcouncils.gov.uk)</u>.

2. Progress Update

2.1 A progress update against all eight priorities is set out below.

Full Electrification of the Midland Main Line

- 2.2 A Full Business Case decision was expected in mid-June 2024 on proposals to electrify as far as Trent Junctions and for detailed design to Nottingham, Derby, Chesterfield and Sheffield. In anticipation of this TfEM coordinated a letter of support from key political and business leaders across the north and midlands, including the Chair of TfEM and the EMCCA Mayor.
- 2.3 However, this decision was delayed because of the General Election and then by the CSR. Given the fiscal constraints that the Government is facing there is a danger that the project will not progress as proposed. As a result, TfEM is working with MPs and local leaders to make sure benefits of the scheme are fully understood by Government before any decisions are taken. In particular:
 - An update Summary Briefing Note has been prepared and used to inform a forthcoming meeting between East Midlands MPs and the Rail Minister (set out in Appendix 1);
 - With support from Midlands Connect, a promotional video is being produced, featuring contributions including from the Chair of TfEM, the EMCCA Mayor Catherine Atkinson MP (Derby North) and the MD of EMR; and
 - Proposals for a Westminster dinner/roundtable to take place in May 2025 are under discussion.

Improved Rail Connectivity between Nottingham, Leicester, and Coventry

2.4 Midlands Connect launched a revised Strategic Outline Business Case (SOBC) for the project in Coventry of the 28th of February with the Chair of TfEM, the Leader of Coventry City Council and a number of MPs (<u>mc-publications-designbreaking-down-barriers-v3.pdf</u>). However, significant DfT funding will be required for the scheme to progress further towards delivery, which will be dependent on the outcome of the CSR.

Improved Rail Connectivity between the Midlands, Leeds, and the North East

- 2.5 Following the cancellation of HS2 East the Government has initiated the Midlands to Yorkshire & the North East (MYNE) Study to consider lower cost options for improving rail connectivity along the former Eastern Leg corridor.
- 2.6 Initial work has focussed on the costs and benefits of serving the East Midlands through making use if redundant platform capacity at the new Birmingham Curzon Street Station under construction, compared to the delivery of Midlands Rail Hub (MRH) East. The outcome of this work will inform the scope of the MRH Transport and Works Act application to be submitted by Network Rail 2025.
- 2.7 TfEM continues to be an active participant in the officer groups established by DfT to take forward the MYNE Study and has previously submitted written evidence. A decision about how (if at all) to take this work forward will be made by Ministers following the CSR.

Improvements on the A46 Growth Corridor including delivery of the A46 Newark Northern Bypass

- 2.8 The Development Consent Order (DCO) for the A46 Newark Northern Bypass has been submitted to the Planning Inspectorate on the 26th April 2024 and accepted for examination on the 23rd May 2024. This represented a major step forward for the scheme and demonstrates a clear commitment to delivery. The examination process is due to conclude in April 2025. After this, the examiners will write their report and submit it to the Secretary of State for Transport, who will make the decision about whether to grant permission to build the road – and confirm or otherwise the necessary funding in the context of the CSR.
- 2.9 In relation to the Castle Line (Lincoln-Newark-Nottingham), at present there has been no DfT funding identified to deliver the line speed improvement scheme promoted by Midlands Connect (<u>All change: The Castle Line</u>).
- 2.10 However, TfEM joint funded some timetable development work with EMR which suggested opportunities to deliver two trains per hour between Lincoln and

Nottingham in tandem with the new East Coast Mainline timetable changes, without major infrastructure investment. These improvements, collectively known as 'Project Abraham', have the support of the DfT are now due to be implemented by EMR in December 2025.

Improvements to the A50/A500 Growth Corridor

- 2.11 Derbyshire County Council is continuing to progress a LUF funded access road from the A50 to the East Midlands Intermodal Park adjacent to Toyota's manufacturing facility.
- 2.12 However, any further strategic improvements to the corridor in the East Midlands will require funding through the RIS3 process (2025-2030), which will be confirmed after the CSR.

Improvements to the A5 Growth Corridor

2.13 Although National Highways have undertaken work to develop a strategic enhancement to the A5 between the M69 and the M42 (Hinckley and Tamworth), delivery of any scheme will need to be funded through the delayed RIS3 process. The same is true for the improvement to the junction between the A5 and A426 at Gibbet Hill identified by Midlands Connect.

Improving safety and reliability on the A1

2.14 National Highways is continuing deliver a programme of improvements to road signage and lane markings along the route in the East Midlands. In addition, National Highways is progressing an initial phase of eight 'gap closures' along the route to improve safety. However, there are currently no plans to develop any additional enhancements for delivery in RIS3.

Improving capacity around the M1 Junction 24

- 2.15 National Highways has commissioned a strategic study to assess options for increasing capacity along the M1 between Junction 23a and Junction 25 of the M1 to accommodate planned growth, including that arising from the Freeport. However, delivery of any infrastructure improvements though the RIS process are unlikely before the early 2030s.
- 2.16 The Freeport has been engaging with a consortium of local developers to progress a private sector solution to allow some development to progress. Segro has commenced statutory public consultation on a Development Consent Order Application for an expansion on its operations at the East Midlands Gateway Freight Interchange which includes proposed improvements to M1 Junction 24: <u>consultation-leaflet.pdf</u>.

3 Recommendations

3.1 Members are asked to note progress on the eight shared priorities and to endorse TfEM efforts to secure delivery.

Key Contact: Andrew Pritchard andrew.pritchard@emcouncils.gov.uk





Midland Main Line Electrification Briefing Note: March 2025

- The MML is the backbone of our region's rail network and is a nationally significant main line between London St. Pancras and Sheffield, with a branch to Nottingham. It serves many of our biggest towns and cities including Leicester, Loughborough, Derby and Chesterfield and provides important connectivity to London and the North. Nine million passengers use MML inter-city services between London, Nottingham and Sheffield – which are valued at over £450m a year to the national economy. Patronage now exceeds pre-pandemic levels and the number of vehicle-miles is at an all-time high.
- 2. The route is electrified between London and Bedford, Kettering, and Corby. Further electrification to Wigston South Junction (south of Leicester) is nearing completion within timescale/budget (in total 60% of the route). A funding decision on the next phase to Trent Junctions (just south of Nottingham) and for detailed design for the remainder of the line through to Sheffield (total cost £540m) was due to made in summer 2024 but was delayed by the General Election and then by the CSR. To maintain delivery capacity and private sector confidence it is vital that Ministers agree the necessary funding without further delay.
- 3. Strategically, the MML in the East Midlands is well placed for full electrification. It is an intensely used and densely populated part of the railway. A modern bi-mode fleet of rolling stock (Aurora 810's) is already under construction and due to come into service from late 2025 onwards which can benefit from the progressive roll-out of electric power. EMR also have plans to use electrification of the MML to facilitate the roll-out of battery-electric regional trains to serve the rest of the East Midlands to meet the planned phase-out of diesel traction by 2040.
- 4. Completing Midland Main Line electrification **now** is vital to the East Midlands and the wider UK for the following reasons:
 - <u>Reducing Railway Operating Costs</u>: Electric trains are **30% cheaper** to operate than diesel. Electrification will reduce the ongoing operating costs of rolling stock, fuel, track access, and maintenance leading to a lower cost and more efficient railway. Switching to electricity alone would save millions in fuel bills.
 - <u>Carbon Reduction and Clean Air</u>: Fully electrifying the MML will save 48 thousand tonnes of carbon (**valued at £13m**) every year. It will also improve air quality by removing nitrogen oxides and other particulates from the atmosphere, particularly the **six statutory Air Quality Management Areas** along the route.
 - Improved Journey Times & Punctuality: Electrification will enable journey time savings in the short term (with the potential for line speed improvements over time which would not be realisable with diesel) and improve punctuality which together are estimated to deliver 120,000 additional passenger journeys per year, growing to 200,000 per annum by 2043.





- <u>Workforce Benefits</u>: MMLe will create up to **4,300 new jobs**, including skilled occupations, and more than **100 apprenticeships** generating **£61m** in economic value from jobs created in the East Midlands, and nearly **£18m** in social value.
- <u>Reducing Construction Costs</u>: Previous Government's 'stop-start' approach to electrification led to higher costs than elsewhere in Europe. There is a huge opportunity to use the MML to develop a UK template for affordable electrification, establishing a 'production approach' which could **reduce unit costs by up to 30%**.
- <u>Modernising Regional Rolling Stock</u>. The East Midlands is the most diesel dependant region in GB. EMR is having to refurbish its regional fleet of 25–35-year-old diesel trains to extend their life for a further decade. After that there is an opportunity to use MMLe to facilitate the roll-out of next-generation **battery-electric rolling stock** to serve the rest of the region (similar to those already deployed in Germany, Merseyside and shortly Ireland) also delivering **£400m** of socio/economic benefits.
- Urban Regeneration and Growth: The MML runs though some of the most densely populated parts of our region and the country as whole. With Government support, local leaders are developing major housing and employment growth proposals focussed around key MML stations, including in Leicester, Nottingham, Derby and Chesterfield which would build on the delivery of electrification.
- <u>Wider Network Benefits:</u> Full electrification of the MML will provide the essential foundation for proposals to electrify from Sheffield to Leeds, Manchester and Hull, as well as building on recent investment in the Hope Valley corridor. It would also support Midlands Rail Hub and improved Nottingham-Leicester-Coventry connectivity.
- **Freight Benefits:** MMLe will deliver W10 gauge clearance between Syston and Trent which unlocks more routes for container traffic which in turn removes freight traffic from roads, and helps businesses improve their green credentials.
- Avoiding the Costs of Further Delay: The electrification of the MML was first discussed back in the 1970's but the work only progressed from London as far as Bedford. More recent proposals for full electrification up to Sheffield were paused in 2015 then cancelled in 2017. The project was resurrected in 2021 but now stands at the crossroads. There is no viable alternative Net Zero future for the MML. Further delay will only increase costs and impact affordability. MMLe is a 'no regrets' decision which now requires urgency to confirm and progress as quickly as possible.
- 5. Finally, transport spending in the East Midlands has declined significantly over the last 10 years and is now just 56% of the UK average per head, the lowest level of any UK region/nation and barely half that of the West Midlands. The East Midlands receives just 4% of national spend on rail. If Midland Main Line electrification does not proceed, there is no alternative rail investment that can deliver for the East Midlands within the lifetime of this Parliament.

1. Introduction

1.1 This report updates members on the implementation of the Rail Collaboration
 Agreement¹ between TfEM and Department for Transport across Rail Operations,
 Rail Enhancements, and Rail Industry, Reform and Policy.

2. Government and Policy

- 2.1 The Passenger Rail Services legislation completed its journey through Parliamentary stages in late 2024. This legislation could enable the East Midlands Railway (EMR) TOC National Rail Contract to be terminated at the end of its core term in October 2026, with CrossCountry following in October 2027.
- 2.2 The separate Rail Reform Bill is targeting a Parliamentary debate process in the summer of 2025. The Consultation² 'A Railway fit for Britain's future' was launched in February 2025. It is proposed that TfEM instruct Officers to respond and to endorse that the response focuses on the opportunities to emphasise TfEMs key rail priorities through the consultation questions targeted at:
 - a) The Secretary of States future strategy for the railways which will be instructed to GBR, and;
 - b) The proposed approaches to future regional partnerships with GBR.

The latter is particularly salient within the context of the recent publication of the English Devolution White Paper, which identifies that a new partnerships framework will see Mayoral Strategic Combined Authorities given the right to request further devolution of local rail services and opportunities for greater control over assets such as stations.

2.3 The new Secretary of State (SoS) has said that GBR will become "second in size and importance only to the NHS". The SoS stated new priorities for the year ahead include "reforming fares and ticketing" to ensure "a best price guarantee" as well

 $^{^{1}\} https://www.gov.uk/government/news/greater-voice-for-rail-passengers-in-new-collaboration-between-government-and-east-midlands transport-leaders$

² https://www.gov.uk/government/consultations/a-railway-fit-for-britains-future

as publishing performance data at stations³. A Shadow GBR delivery plan has also been identified for future publication.

- 2.4 The Comprehensive Spending Review (CSR) is still planned for June 2025. National press suggest that Rail will only secure re-investment into existing major schemes such as HS2 phase 1, East West Rail, and Transpennine Route Upgrade.⁴ Emerging cost pressures on the existing rail schemes, competing capital demands, enduring rail subsidy, and adverse borrowing conditions all contribute to the challenging context of this CSR.
- 2.5 Of relevance to TfEM, the Government has announced it will be publishing the 10year Infrastructure Strategy⁵ and a separate Transport Strategy. Submissions by TfEM were made in early 2025 based on the principles agreed at the December 2024 TfEM Board.
- 2.6 On 29th January the Chancellor set out a key speech on ambitions for economic growth. In the East Midlands, the proposals for the East Midlands Airport Advanced Manufacturing Site were re-highlighted, with the delivery partner announced, committing substantial private investment. The scheme was formally endorsed in 2023 and designated a tax site as part of East Midlands Freeport to help attract new investment and jobs to the region. It's estimated the new development could contribute up to £132m per year in GVA, 2000 new jobs, along with almost £9m in additional annual business rates contributions. It is currently progressing through Local Authority Planning Permission⁶.
- 2.7 At the end of 2024, the English Devolution White Paper was published triggering significant Local Government reforms. New transport proposals for established Mayoral Combined Authorities included: consolidated funding settlements, a plan led approach (economic, transport and land-use), a sliding scale for influence over local rail networks, powers over local strategic highways, and powers to regulate on-street micro mobility schemes.⁷

³ https://www.bbc.co.uk/news/articles/c334z1nyv8po

⁴ https://www.thetimes.com/business-money/companies/article/spending-freeze-to-shunt-major-railway-projects-past-general-election-v7w7c2fh3

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⁶ https://www.bbc.co.uk/news/articles/cgj2dydj4dqo

⁷ https://www.local.gov.uk/parliament/briefings-and-responses/devolution-white-paper-day-factual-briefing#:~:text=Transport-

[,]The%20White%20Paper%20announced%20that%3A,Settlements%202%20in%202027%2F28

3. Operational Update (Note: Members will receive a briefing from EMR at the Meeting)

EMR Strategy, Business Planning, Timetable and Fleet Replacement Programme
 The first new intercity Hitachi Aurora trains are planned to be in service in late
 2025 and completely serving the route (with all existing c222 meridians fully
 released) within the 2026 year. Along with the train manufacture and test
 programme, a Driver training programme at the start of 2025 is required.

- 3.2 TfEM Officers are liaising with both CrossCountry and EMR to support and amplify the regional benefits of their regional fleet refurbishments, with both Operators nearing their 'First in class' launches.
- 3.3 Given the completion of the regional fleet cascade in early 2024, EMR are now holding regional fleet resilience stock. There is more work to be done to detail how EMR will introduce the regional fleet in full. EMR have developed a regional timetable restructure that will see a key TfEM priority of two trains an hour between Lincoln and Nottingham potentially delivered in December 2025. EMR shared more detail of the new regional timetable at their recent Stakeholder Conference.

Performance

- For period 10 (8th December 24 4th January 25), EMR performance was 74.4% for T-3 punctuality against an 83.8% national average⁸, so 9.4 percentage points worse than the national average. The best performing route for EMR was Peterborough to Doncaster, with the worst being Liverpool to Norwich.
- 3.5 EMR offered 3.3% of TOC on Self cancellations against an NRC upper target of 1.9%. This is up from last year which was better at 2.5%. The ToS cancellations is within a context of a 4.7% all-cancellations period score which is what customers experience.
- In period 10, EMR offered short formations of 1.6% against an upper tier target of 0.52%. So short formations continue to be a challenge, with many of these being driven by the reduced availability of the older 158 units.
- 3.7 External causes of disruption are still following a trend of increased impact to overall performance. Track points asset failures in the proximity of London are an area of focus. Severe flooding resulted in line closures between Leicester and Peterborough, and Nottingham and Derby; but overall, these incidents were not as

⁸ https://www.networkrail.co.uk/who-we-are/how-we-work/performance/railway-performance/

prevalent as last year. Only Derby-Matlock demonstrated worse punctuality than last year. It also meant that passenger revenue was eroded due to the poor weather impacting demand and increasing refunds.

3.8 The main interchange bridge at Nottingham station was proposed to again be closed to rail passengers in February, this time potentially indefinitely. Similarly to the trial completed in 2024, this was to be a response by EMR to curb their observed high ticketless travel rates (ticketless travel is a performance factor TOCs are closely managed on under their contract with the DfT). This proposal was paused at the start of February, specifically to engage further with Stakeholders who had raised concerns.

Other Operators:

- 3.9 In the period Officers received an update presentation from LNER, including on the ECML 'ESG' new timetable for implementation in December 2025. This timetable is about the national timetable being re-structured to make the most advantageous use of the ECML infrastructure and train investments of the past decade. At the headline level this includes for: "...over 16,000 additional seats per day, or circa six million seats per year, provided between Newcastle and York and London".⁹ ¹⁰ The headlines for the EM include:
 - Lincoln Monday to Saturday, there will be an extra train to London at 09:20 filling the gap between the 07:30 and 11:27.
 - Retford Increase of 4tpd to London on weekday, but an equivalent 4tpd decrease in direct connectivity to Grantham and Newark.
 - Newark There will be more trains to London (12 more per weekday and 4 on Sunday). There will be hourly direct trains to Leeds all day, seven days per week. But with fewer direct trains to Grantham and Peterborough.
 - Grantham There will be more services to Peterborough and London across the week (7tpd more to kgx, and 11 from kgx on a weekday).
 Grantham to York will become hourly. But first train to Leeds on a Sunday will be later, and last trains from Leeds on weekdays will become earlier (just 19.40 on Saturdays).

In December 2024, TfEM Officers circulated a summary paper of the published ECML ESG Timetable information to relevant LTA Officer colleagues.

3.10 The East Midlands is still anticipating CrossCountry timetable improvements in May 2025, such as recovering back to full hourly services on the Stansted route and an increase to Chesterfield station stops.

⁹ https://www.modernrailways.com/article/lner-prepares-change

¹⁰ https://ecmltimetable.info/

- 3.11 Greater Manchester has revealed a three-phase plan to bring rail services and stations into the region's Bee Network, integrating commuter rail routes with trams and buses, permitting 'tap in, tap out' travel on all public transport. The first phase, covering trains between Manchester and Glossop in Derbyshire is expected to be completed by the end of next year¹¹, with Buxton incorporated by 2027.
- 3.12 TfN has agreed that once the GLCCA is established in 2025 that the voting shares at Rail North Committee formerly allocated to Lincolnshire County Council, North Lincolnshire Council and North East Lincolnshire Council, will be allocated to GLCCA¹².

4 Rail Enhancement Projects Update

Electrification

4.1 We are advised that the next MML Electrification investment decision will be at the HMT Spring (June 2025) Spending Review. Please note the most recent Ministerial letter to TfEM in Appendix 1. EMRs submission to the current East Midlands APPG enquiry¹³ has highlighted the opportunity that the electrification of the full MML could provide to their proposed approach to the future of rolling stock replacements; in particular opportunities to introduce battery-electric fleets.

Long Distance Connectivity: HS2, MYNE, MRH and ECML FNP

- 4.2 Safeguarding of the East Midlands land parcels for the HS2 phase 2b (inc the Eastern leg through the EM) corridor are still pending outcome of the Northern Powerhouse Rail review¹⁴.
- 4.3 Of note, HS2 Phase 1 includes a seven-platform station at Birmingham Curzon Street and junctions east of Birmingham that were designed to accommodate HS2 Phase 2 services from Birmingham to the north. Options could now include how it might be possible to use this HS2 infrastructure to enable Midlands Rail Hub (MRH) outputs instead of the previously proposed platforms at Moor Street. In parallel, Network Rail are still developing a Programme-wide MRH Outline Business Case (OBC). It is currently anticipated that this MRH OBC will be completed in the Autumn of 2025. For the MRH East scope to go ahead in full, we understand that a case will need to be made to Treasury for spending more money to build a bigger scheme with a potentially lower BCR.

¹¹ https://www.railnews.co.uk/news/2025/01/22-manchester-unveils-integrated-rail-plans.html

¹² https://democracy.transportforthenorth.com/documents/s10237/Governance%20Update.pd

¹³ https://www.emcouncils.gov.uk/wp-content/uploads/2025/01/EM-APPG-Call-for-Evidence.pdf

¹⁴ And reasonably also the DfTs MYNE study - although that is not publicly stated as a dependency

4.4 The Network Rail Strategic Planning team have progressed their new workstream looking at the East Coast Mainline 'from buffer to buffer' known as ECML Future Network Plan (FNP). 140mph running has previously been looked at south of Grantham which showed that the journey time savings versus cost meant this was unlikely to be part of the solution. For context, the governance of the ECML FNP sits alongside MYNE inside the DfT, reflecting their integration for a 2040-time horizon. Their aim is to complete their report for the end of March 2025.

Other Infrastructure

- 4.5 Leicester City Council successfully bid for £17.6m from the government's Levelling Up Fund for the Leicester station gateway project in 2021. This period, the response to the ITT for the main construction delivery was completed - but fell short of the necessary response to proceed as planned¹⁵; as such it will be retendered.
- 4.6 Over Christmas 2024, engineering work took place between Bedford and St Pancras, meaning a journey to or from London to/from the East Midlands would involve customers completing part of their journey by rail replacement bus. The 9day delivery was successful including no accidents. This was not only a success from a project perspective but also from an industry perspective through sharing the closure with two other large projects¹⁶, which has brought with it financial efficiencies and benefits.
- 4.7 The Rail Collaboration Steering Group received a presentation from GBRtt on their national accessibility audit findings. Of note, in the period, the new lifts at Beeston Station were commissioned into service.
- 4.8 In terms of growing the local network, Jo White, the Labour MP for Bassetlaw is promoting the case for a new rail station at West Burton in Nottinghamshire to facilitate public transport access to the future STEP fusion site¹⁷. Whilst Network Rail are separately also convening local stakeholders to ascertain mechanism to revive the business case production for Ivanhoe Connectivity between Coalville and Burton/Derby¹⁸.

¹⁵ https://www.thebusinessdesk.com/eastmidlands/news/2093675-shortage-of-bids-delays-leicester-railway-station-revamp

¹⁶ Radlett to the north, some work as part of South of Bedford in the middle section and Agar Grove bridge at the Southern end

¹⁷ https://www.nottinghampost.com/news/local-news/mp-pressing-hard-railway-station-

^{9885712#}ICID=Android_NottinghamPostNewApp_AppShare

¹⁸ https://www.derbytelegraph.co.uk/news/local-news/railway-station-derbyshire-town-would-9923048

Rail Reform & Industry 5

Rail Reform

- The Government commissioned 'Williams review' into rail reform commenced in 5.1 September 2018. Six and a half years later the SoS has made a recent speech declaring that along with the creation of GBR and nationalisation of operators, that GBR will target making "Sunday train services as reliable as those on weekdays" which is a particular gap in this region¹⁹. Also, GBR will bring together individual train operators' ticket websites to provide an integrated national ticketing facility²⁰, alongside private sector retailers²¹.
- 5.2 The new details that were proposed in the Devolution White Paper are observed as significant for TfEM and Local Authorities. A new Partnerships Framework will see GBR form new relationships with Mayoral Combined Authorities and their associated Local Growth Plans. Mayoral Strategic Authorities (which will be many MCAs) will be given the right to request further devolution of local services and greater control over stations²².
- 5.3 The programme to consolidate the Public Transport powers from the four constituent authorities to EMCCA is progressing. The intention remains for the majority of the transition to take place within a 6-month period commencing in April 2025²³.
- 5.4 A key umbrella strategy that will influence the future of transport within the EMCCA sub-region has commenced with the Royal Society of the Arts²⁴. The "East Midlands Inclusive Growth Commission" is tasked with recommending an ambitious, long term and evidence-based plan to "unleash potential and deliver prosperity for communities across the region". The commission, chaired by RSA CEO Andy Haldane, will act as a critical friend to EMCCA, offering solutions to address persistent inequalities. It would be reasonable to anticipate that this report will identify opportunities for EMCCA similar to those stated within the Devolution White Paper when it comes to the future of delivering ambitions for rail in the region.

<u>Industry</u>

5.5 As part of the 200 year Rail Anniversary celebrations in 2025, Alstom will host 'The Greatest Gathering' in August. It will be the first time that the Litchurch Lane site

¹⁹ https://www.theguardian.com/business/2025/jan/18/labour-railways-renationalisation-sunday-trains-reliability-pledge

²⁰ Although unclear how this is specifically different to National Rail Enquiries

²¹ https://www.gov.uk/government/publications/great-british-railways-online-rail-ticket-retailing/great-british-railways-online-rail-ticketretailing ²² https://www.theguardian.com/uk-news/2024/dec/14/metro-mayors-rail-services-england-devolution-plans

²³ https://democracy.eastmidlands-cca.gov.uk/documents/s750/ltem%207a%20-%20Appendix%20A%20Transition%20Timeline.pdf

²⁴ https://www.thersa.org/design-for-life-our-mission/prosperous-places/strategy-and-vision/local-prosperity-plans/east-midlands-inclusivegrowth-commission

has opened its doors to the public in more than 50 years. It promises to showcase iconic vehicles from the past, present and future of Britain's railways²⁵.

Work Programme

- 5.6 The TfEM workplan remit has been shared with the market for competitive tender. The aims for the 2025 TfEM Communications workplan are:
 - Communicate a TfEM 'anchor' document for defining and illustrating the integrated macro picture of both strategic transport and the economic geography within the East Midlands. Also, an East Midlands regional response to the future National Transport Strategy and National Infrastructure Strategy publications.
 - Collation of the strategic case headlines for rail improvements between Lincoln and Nottingham, and also Lincoln to London.
 - To objectively identify a ranked list of the top rail city connectivity improvement priorities to secure regional scale economic improvement.
 - Collation of what is known about all freight transport modes in the East Midlands.
 - A rail strategic statement for the EM region as a whole across a regional integrated network led by 'GBR' in 2026 and beyond.

6 Recommendations

- 6.1 The TfEM Board are invited to note the update paper.
- 6.2 The TfEM Board are invited to instruct Officers to respond to the Government Consultation on the direction of legislation for Rail Reform 'A Railway fit for Britain's future', and to endorse that the response focuses on the opportunities to emphasise TfEMs key messages through the consultation questions targeted at:
 - a) The Secretary of States future strategy for the railways which will be instructed to GBR, and;
 - b) The proposed approaches to future regional partnerships with GBR.

Key Contact:

Kyle William Butterworth, Head of Rail Improvement <u>Kyle.Butterworth@emcouncils.gov.uk</u> <u>Appendices:</u> Appendix 1: Ministerial Response Letter (Dec 24) - MMLe

²⁵ https://www.derbytelegraph.co.uk/news/derby-news/2025-set-year-train-derby-9766166

Department for Transport

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Our Ref: MC/00020289

9 December 2024

Dear Andrew,

Thank you for the letter of 16 August about the electrification of the Midland Main Line (MML) from East Midlands Councils leaders to Louise Haigh. I am replying as the Minister for Rail. Please accept my sincere apology for the considerable delay in my response. I note the strong support for the MML Programme from regional leaders and transport bodies in the Midlands and North.

As mentioned to Sir Peter Soulsby in correspondence in August 2024, electrification is progressing on the MML with the new Overhead Line Equipment (OLE) from Kettering to Wigston now installed, energised and is going through commissioning. Enhancements to the OLE on the MML south of Bedford are in delivery. Both these projects will enable the new Class 810 bi-mode trains (to which you refer), to operate using electric traction between London and Wigston from 2025.

I recognise the benefits electrification brings in terms of greenhouse gas reduction, air quality improvements as well as passenger benefits associated with more reliable trains. These enhancements may also help influence and encourage other investments especially near to the stations on the route.

The further extension of the electrification from Wigston to Leicester, Derby, Nottingham and Sheffield, the MML Electrification Programme (MMLE), is currently planned to be completed by the early 2030s subject to business case approvals and affordability considerations.

The Government is currently considering the capital programme on how options on rail infrastructure can support the five key priorities for transport that were set out in July 2024.

The five transport priorities are:

- Improving performance on the railways and driving forward rail reform;
- Transforming infrastructure to work for the whole country, promoting social mobility and tackling regional inequality;
- Delivering greener transport;
- Better integrating transport networks; and
- Improving bus services and growing usage across the country.

The next phase of the Spending Review will look strategically at the Portfolio and consider how it can best deliver for passengers and freight customers across England and Wales. As part of this we are taking a long-term view on enhancements, ensuring we get the right mix of existing projects and new schemes that meet our priorities and support a railway fit for the 21st Century.

I will of course keep you informed of the outcomes of the budget and continuing Spending Review and the impacts on the MMLE in due course. My officials will also continue to engage with East Midlands Councils on a routine basis.

Thank you once again for your correspondence. I hope this reply has been helpful.

Yours sincerely,

Yours sincer

Peter, Lord Hendy of Richmond Hill

MINISTER OF STATE FOR RAIL