

Northern mayors call on ministers to reassess rail plans

February 8, 2022



Northern mayors have called on ministers to reassess their rail plans for the North of England after they say the government admitted it has failed to carry out a levelling up assessment of the Integrated Rail Plan (IRP), its flagship levelling up policy.

The Integrated Rail Plan, published in November 2021, saw the plans for a new railway across the North, Northern Powerhouse Rail, downgraded and the eastern leg of HS2 up to Yorkshire, scrapped.

The plans for Northern Powerhouse Rail had been developed for several years, on a cross-party basis, by political and business leaders across the North but the Government's Integrated Rail Plan fell short of what Leaders agreed was required to unleash the full economic potential of Northern towns and cities.

Last month, the government published a "Technical Annex" for the Integrated Rail Plan. The document sets out the 'criteria framework' for assessing different options in the IRP. The annex states that this includes "Levelling up impact" which should be assessed through a "description of potential impact of transport investment on the wider economy." However, later in the document it states that: "Given the early stage of development of the options under consideration...it has not been possible to fully assess their impacts on the wider economy."

Mayors Andy Burnham, Steve Rotheram, Jamie Driscoll, Tracy Brabin and Dan Jarvis have written to the Prime Minister, Chancellor, Levelling Up Secretary and Transport Secretary challenging the Government to open a new assessment process with Transport for the North (TfN).

This process would openly assess both the government's Integrated Rail Plan and the rail plan put forward by Northern Leaders to see which would achieve the greater impact in ministers' central mission – levelling up the country.

The mayors' call comes on the day that Northern Leaders are set to meet for the third Convention of the North, in Liverpool. Levelling Up Secretary, Michael Gove will address the Convention following the publication of the government's long-awaited Levelling Up White Paper last week.

In the letter the Mayors write: "We find it strange to say the very least that the IRP, the Government's flagship levelling up policy, has not been fully assessed for its levelling up impact. Surely the Government would want to ensure that any major investment of public money achieved greatest impact on its central mission?

For this reason, we do not believe that the current IRP should be the final word on rail infrastructure for the North. But, in the spirit of making progress, we wish to put a positive proposal to the Government.

"Before going any further, we would ask that the Government commit to establishing an open, bi-lateral value for money assessment process, involving Transport for the North (TfN), looking at two options: the current IRP and the full Northern Powerhouse Rail scheme put forward by TfN. To make a meaningful comparison, it is essential that a full value for money assessment for both options is carried out against all five criteria, including levelling up impact."

The Mayors' letter also makes clear the long lasting impact that the Government's decisions on transport across the North will have on communities for generations: "The magnitude of the decision on rail investment in the North of England cannot be overstated. It will have a determinative impact on our economy and society for more than 100 years. If we didn't press for the best possible solution, we would be letting down future generations of Northerners. We cannot but conclude the current plan puts unacceptable limits on our ambition for this wonderful part of the world.

"We know that Crossrail will soon open in London. We do not for one moment begrudge our capital city this new east-west line and the huge economic benefits it will bring. We simply ask for the same for the North of England."

The Government announced what it has called the "biggest ever" package of public funding for Britain's rail network — the Integrated Rail Plan – in November.

In reality, the plan is a mix of established and new projects, as well as some cutbacks that have sent political shockwaves.

The £96 billion plan brings together HS2 and the Northern Powerhouse projects, in what the UK Government says is an attempt to accelerate improvements up to ten years quicker than would otherwise

have been the case.

The DfT says in the plan it will deliver, “better journeys to more people across the North and the Midlands, similar to or more quickly than under earlier plans.”

When announcing the plan last year, Transport Secretary Grant Shapps said: “Our plan is ambitious, deliverable and backed by the largest single government investment ever made in our rail network. It will deliver punctual, frequent and reliable journeys for everyone, wherever they live.

“Just as the Victorians gave this country our railways nearly 200 years ago, this Integrated Rail Plan will create a modern, expanded railway fit for today and future generations. Significant improvements will be delivered rapidly, bringing communities closer together, creating jobs and making places more attractive to business, and in doing so, rebalancing opportunity across the country.

“Our plans go above and beyond the initial ambitions of HS2 and Northern Powerhouse Rail by delivering benefits for communities no matter their size, right across the North and Midlands, up to 10 to 15 years earlier.”

Full text of the mayors letter

Dear Prime Minister, Chancellor, Levelling Up Secretary and Transport Secretary

CONVENTION OF THE NORTH

On Tuesday, we are looking forward to welcoming the Levelling Up Secretary to Liverpool for the third Convention of the North.

The aim of the Convention is to bring together political, business and civic leaders from different political parties and places in presenting a positive, united vision of what the North of England could be in the rest of this century and beyond.

Following the publication of the Levelling Up White Paper last week – which we broadly welcomed – we believe this Convention presents an opportunity to make progress on what remains one of our biggest sticking points with the Government’s levelling up agenda: rail infrastructure.

Whilst we appreciate the commitment to invest in rail in the North, we believe the proposed Integrated Rail Plan for the North and Midlands falls far short of promises previously made and will not unlock the full economic potential of our towns and cities.

Our concerns have only been strengthened by the Technical Annex published last month. We welcome the fact that the Annex commits to a broader value for money assessment than the old Green Book approach which disadvantaged the North. But we are at a loss to understand why, despite this commitment, it has not been carried out.

Page 9 of the Annex sets out the five criteria for the value for money assessment. One of the criteria is

“levelling up impact”. However, on page 10, the Technical Annex states: “Given the early stage of development of the options under consideration in the IRP, it has not been possible to fully assess their impacts on the wider economy, particularly those associated with households and businesses changing location in response to the investment (dynamic impacts).”

We find it strange to say the very least that the IRP, the Government’s flagship levelling up policy, has not been fully assessed for its levelling up impact. Surely the Government would want to ensure that any major investment of public money achieved greatest impact on its central mission?

For this reason, we do not believe that the current IRP should be the final word on rail infrastructure for the North. But, in the spirit of making progress, we wish to put a positive proposal to the Government.

Before going any further, we would ask that the Government commit to establishing an open, bi-lateral value for money assessment process, involving Transport for the North (TfN), looking at two options: the current IRP and the full Northern Powerhouse Rail scheme put forward by TfN. To make a meaningful comparison, it is essential that a full VfM assessment for both options is carried out against all five criteria, including levelling up impact.

This assessment must also include modelling of the freight benefits that would arise from each proposal. A key strategic aim of TfN’s plan for NPR is to divert road freight to rail and improve existing freight services, enabling ‘port to port’ multimodal connectivity, with accompanying benefits for road congestion and the environment. Given the centrality of freight to the case for NPR, it is disappointing that no modelling was conducted as part of the IRP process. We would also encourage any assessment to consider the potential for local contributions to support our preferred option, and the possibility of a land value capture mechanism playing a part.

The magnitude of the decision on rail investment in the North of England cannot be overstated. It will have a determinative impact on our economy and society for more than 100 years. If we didn’t press for the best possible solution, we would be letting down future generations of Northerners. We cannot but conclude the current plan puts unacceptable limits on our ambition for this wonderful part of the world.

We know that Crossrail will soon open in London. We do not for one moment begrudge our Capital city this new east-west line and the huge economic benefits it will bring. We simply ask for the same for the North of England.

Yours sincerely

Andy Burnham, Mayor of Greater Manchester
Steve Rotherham, Metro Mayor of the Liverpool City Region
Tracy Brabin, Mayor of West Yorkshire
Jamie Driscoll, North of Tyne Mayor
Dan Jarvis, Mayor of South Yorkshire

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