Rail Delivery Group Conference

Devolution workshop
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Urban Transport Group

Represents strategic transport authorities in the seven largest English city regions:

- Liverpool City Region (Merseytravel)
- Greater London (TfL)
- Greater Manchester (TfGM)
- North East (NECA)
- Sheffield City Region (SYPTE)
- West Midlands (Centro)
- West Yorkshire (WYCA)

Formerly known as the Passenger Transport Executive Group
The Urban Transport Group does three things:

1. Makes the case for urban transport, giving our members the funding and powers they need
2. Thought leadership for the wider sector
3. Britain’s premier network for public sector urban transport professionals, learning from each other and doing more for less

Our members are at the core of:

- Rail North, West Midlands Rail (rail franchising and strategy – covering wider TOC geography)
- Transport for the North, Midlands Connect (new strategic transport bodies: focus on links between city regions)
Why devolution?

• Devolved bodies best placed to align transport decisions with wider economic, social and environmental priorities and opportunities:
  • More alive to the key role that transport plans in supporting local economies
  • Closer to the outcomes of transport decision making and more responsive to successes and failures as they bear the political consequences

• Remote control from Whitehall has led to under investment, micro-management and stop-start funding by central Government

• Devolution in place in London, Scotland and Wales and political and economic imperative to extend the benefits to England outside London
• Background: wave of political devolution to Scotland, Wales and London from 1998

• After demise of Regional Development Agencies from 2010, government focus has shifted to English city regions:
  - **Combined Authority** model now being applied to several city regions, bringing more focussed and strategic governance
  - Move to Mayoral Combined Authorities to provide greater accountability and focus
  - Transport likely to be key issue in mayoral contests, but now within the context of wider economic and social agenda
Rail devolution works

• Merseyrail / Scotrail / London Overground =

More investment +
More frequent and reliable trains +
New stations and new routes +
More effective integration with wider public transport network +
Greater responsiveness to local challenges and opportunities

= Higher customer satisfaction
= GROWTH
Regional rail is key to city region economies

Destination growth report

• Regional rail = key asset and major success story:
  • £1.34 bn farebox revenue; highest growth sector since 2002/03
  • 365 million pax/year: 2.7x Inter-City
  • 12 bn pax-kms > Sweden; US

• But severe constraints on growth
  • Ageing infrastructure + rolling stock
  • Under-investment in North, Midlands

• Step change in investment would pay for itself
  • By 2045, expanded all-electric regional railway, could generate 67% more revenue at no extra operating* cost and require zero operating subsidy
  • PVB = £136bn; PVC = £31bn; BCR = 4.4
Regional rail is key to city region economies

*Destination growth report*

Average Age of Rolling Stock by Sector (2002/3 = 100)

Electric world 2045:
+186% pax
-56% cost/pax-km

*Farebox revenue covers infra+train operating costs*
Rail franchising devolution

- Providing a united view from local authorities who are linked by a common railway service
- Significant input into franchise specification
- Sharing franchise management responsibilities with DfT
- Progressive steps towards full devolution of franchise responsibility
Rail North / DfT Partnership

governance structure

Strategic Board

Director

Director

Director

Director

Director

Director

Independent Chair

Managing Director

Management Team

Secretary of State

Department for Transport

Rail North Ltd

Association of RN Partner Authorities

TOCs (Northern/TPE)
Infrastructure

New strategic transport bodies to join up regional economies

- Improving regional connectivity to unlock economic growth potential
- Pan-regional transport strategy
- Statutory powers
- Prioritisation of investment projects
Infrastructure
Political v Network Rail devolution

The "North"

The "Midlands"

Figure 5: Network Rail's route structure

Routes

Scotland
ScotRail
Caledonian Sleeper

London North East
TransPennine Express
Northern Rail
Cross Country
East Midlands Trains
Virgin East Coast
Grand Central
First Hull Trains

Anglia
Abellio Greater Anglia
G2C

South East
Govia Thameslink
Southeastern

Western
Great Western Railway
Cross Country

Southern
South West Trains
Great Western Railway

National - Freight Operating Companies
Colas Rail, Devon & Cornwall Railways, Direct Rail Services, DB Schenker,
Freightliner Group, GB Railfreight, Mendip Rail
Network Rail structural reform: 
key principles

• Recognition that effective, reliable and efficient infrastructure is key to local economic growth

• **Strategic planning, scheme delivery**, capacity allocation & operational decisions should:
  • take greater account of local priorities and economic evidence
  • be more accountable to local stakeholders

• NR’s future **structure** (geography and function) must take account of devolved political structures and wider economic/transport planning processes
What opportunities are presented to the rail industry by devolution?

What are the risks of devolution that you would like to work through with us?

How would you like to engage with us in the future?

Your thoughts…