

# 'Powerhouse' - The case for Rail investment in the North.

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The UK is reaping the rewards of investment in rail in London and the South East in ensuring the City can grow economically. The industry is delivering new infrastructure such as Crossrail to time and budget, stimulating jobs across the country.

The situation in the North is different in that the current rail operation is unsustainable economically, and, increasingly, politically. It is, unlike London, often viewed on the basis of high subsidies to underperforming but overcrowded low capacity rail operations using obsolescent, sometimes almost 'pre-historic', equipment.

The opportunity in the North is quite different from this rather desperate view. The North, when viewed as a unitary region has similar potential to the South East. The "agglomeration effect" was the main justification for Crossrail in London i.e., an interconnected viable region. The same applies to the North if our great cities of Liverpool, Preston, Manchester, Sheffield, Bradford, Leeds and Hull are seen as one strategic economic entity. These cities must work in the same way as London, requiring high quality integrated transport both within and between these conurbations. However, in order to realise the economic potential of the region as a single powerhouse it has to be physically brought together by a fast high capacity rail network of linkages, joining up all these cities including the many large towns also in the region.

The government has recognised the value of investment in rail infrastructure in the north in the form of HS2 to Manchester and Leeds. Alleviation of rail capacity constraints in Manchester is going ahead in the form of the Manchester 'Hub' and a comprehensive, if rather slow to deliver package of rail electrification subject to the constraints of quite large cutbacks by the Regulator in Network Rail's funding in control period 5.

More recently George Osborne, in recognising the potential of the north as an economic entity in itself, announced commitment to HS3 in the form of improving the notorious Leeds to Manchester linkage.

In total, if this infrastructure uplift is delivered in a timely way, the package although un-coordinated and largely planned from London, represents a significant investment programme.

If, however, the people in the North were allowed more say in the matter and were allowed to pick up these building blocks and turn them into a co-ordinated plan that created a truly integrated rail network serving the whole region, then bigger overall benefits would be achieved. These economic benefits are potentially much greater than with the current fragmented approach.



The rail operations themselves, i.e., running the trains, is franchised and the process for the next Northern and Trans Pennine franchises is under way. Thinking here is still in the low investment, high subsidy mind-set, so in effect, potentially negating all the efforts of even un-coordinated infrastructure investment in terms of bringing benefits to the whole region. The current franchise consultation from the DfT in London reflects this. It was certainly not prepared on the basis of a balance sheet for the North's growing economy, nor implementing the economic powerhouse envisaged by George Osborne.

It is difficult to conceive of a situation economically or politically where the UK cannot afford to rise to the opportunity of integrating the economies of our Northern cities to match London and, indeed, Scotland. It does, however, require political commitment and planning governance focused on ensuring this happens, using investment in railways intelligently to meet the remit of replicating London's economy in the north.

The issues raised in this article are more fully discussed at [www.railfuture.org.uk](http://www.railfuture.org.uk) **Northern+powerhouse**

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