

# Government response to High Speed North

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## Introduction

In October 2015, the Chancellor of the Exchequer announced the creation of a National Infrastructure Commission, to produce a clear picture of the future infrastructure the country needs and provide expert, independent advice on infrastructure priorities. The commission currently operates in interim form, under its Chair Lord Adonis.

The Chancellor asked the commission to look at three specific infrastructure challenges: a plan to transform the connectivity of the Northern cities; priorities for future large-scale investment in London's public transport infrastructure; and how to ensure that supply and demand are balanced as efficiently as possible in the energy system. The commission's report on transforming the connectivity of Northern cities, 'High Speed North', was published on 15 March 2016.

**At Budget 2016, the Chancellor confirmed that the government accepts the commission's recommendations in the report.** This document sets out the government's response to the commission's recommendations in more detail.

The government has recently consulted on the structure, governance and operation of the commission, and proposes to introduce legislation to put the commission on a statutory footing.

## High Speed North

The government welcomes the report 'High Speed North' as an opportunity to help drive forward the Northern Powerhouse, and will implement the commission's recommendations, subject to any necessary consents and assessments. The government has agreed the following response:

**Recommendation 1: Improving connectivity between the cities of the North will not be sufficient to create the northern powerhouse, but is necessary. Transformations in transport connectivity should form part of a broader strategy incorporating improvements in education, workforce training, research and innovation, spatial planning and wider infrastructure investment.**

The government agrees that transformations in transport connectivity should form part of a broader strategy for building a Northern Powerhouse. At the 2015 Spending Review the government announced a major package totalling over £200 billion with investment in business, innovation, health, agriculture and culture as well as transport across the North. The government is also delivering radical devolution of powers across the region; powerful elected mayors have now been agreed for over half of the North's population. This process is not complete: the government remains committed to devolving powers throughout this Parliament.

In addition, building on the strong progress made through Transport for the North (TfN), at Budget 2016 the government and the North's major cities made a joint statement of intent to expand the focus to look at skills and employment, trade and investment, enterprise and innovation, and housing. This work will build on the Independent Economic Review commissioned by TfN, which has shown that enhancing transport connectivity is a crucial element of delivering the Northern Powerhouse, but it is not sufficient on its own.

**Recommendation 2: To connect the northern cities faster and more reliably than today, the Commission recommends that funding be provided to further develop the long-term plan for HS3, which should be conceived as a high capacity rail network, rather than a single piece of entirely new infrastructure. This plan must be fully integrated with proposals for maximising the benefits from currently planned investments.**

The government agrees that northern cities need connecting faster and more reliably than today. The government has already committed £13 billion of investment on transport in the North over this Parliament. At Budget 2016, the government committed £60m for the development of plans for HS3 between Manchester and Leeds as well as the North's other major cities. The Department for Transport (DfT) will work with TfN to ensure that the plans are fully integrated with the significant investment already committed in the North, including the new Northern and TransPennine rail franchises and the TransPennine Route Upgrade. TfN has recently published its first annual update to the Northern Transport Strategy (March 2016) and the commission's recommendations will be incorporated into its future work.

**Recommendation 3:** TfN should work with DfT, Network Rail, HS2 Ltd and other stakeholders to prepare by the end of 2017 a single integrated strategy, combining short-term action with an ambitious long-term vision, which supports the overall plan for the HS3 network and brings together:

- the upgrade of the Trans-Pennine line between Manchester and Leeds
- the design of the northern phase of the HS2 network, including connectivity to Sheffield and Liverpool
- proposals for the redevelopment of Manchester Piccadilly station

The government accepts the commission's recommendation that a single integrated strategy should be prepared by the end of 2017. The government is investing heavily in the transport infrastructure of the North. Projects such as HS2 Phase 2 and the TransPennine Upgrade Project transform travel in the North over the years to come. However, if the Northern Powerhouse is to be successful and the economic prospects of the North transformed, these projects must be considered together in order to achieve the best value for money. At Budget 2016 the government committed £60 million to develop plans for HS3 between Manchester and Leeds and the North's other major city rail links. The government also committed HS2 Growth Strategy funding which will support the establishment of proposals for the redevelopment of Manchester Piccadilly station. DfT will work closely with TfN, HS2 Ltd and Network Rail and local government partners to prepare an integrated strategy by the end of 2017 that will ensure the potential economic returns are maximised. At that point, the government will seek further advice from the commission on the strategy that has been prepared.

**Recommendation 4:** The upgrade of the Leeds to Manchester link should form the first phase of HS3 to be developed in detail. It should comprise a long-term programme with the objective of reducing journey times to 30 minutes, alongside substantial capacity and frequency improvements. The first part of this should be a shorter-term plan, to be developed and implemented by TfN and Network Rail by 2022, to cut the journey time between these cities and to onward destinations by roughly 20% from 49 to 40 minutes, enhance capacity and improve service regularity and frequency.

DfT, TfN and Network Rail are already taking forward the Trans Pennine Route Upgrade which will reduce journey times between Manchester and Leeds to 40 minutes and deliver enhanced capacity, reliability and frequency by 2022. Building on this work and looking to the long term, DfT, TfN and Network Rail will work together to develop plans for HS3 between Manchester and Leeds by 2017 which aim to bring down journey times to around 30 minutes, drawing on the £60 million of funding that was committed at Budget 2016.

**Recommendation 5:** The design of the northern phase of HS2 should be taken forward by HS2 Ltd, working closely with TfN, to ensure that this is planned and delivered so as to facilitate the development of the HS3 network, enhancing connectivity between Leeds and Sheffield, between

**Liverpool and Manchester (and its airport), and between Sheffield and Newcastle, as well as to onward destinations.**

The government agrees that the northern phase of HS2 should be planned and delivered so as to facilitate the development of the HS3 network. HS2 Phase 2 provides an opportunity to not only transform north-south connectivity but also east-west connectivity in the North by reducing journey times and increasing capacity between the region's principal city regions. Ahead of announcements later this year on the route of HS2 Phase 2, DfT and HS2 Ltd will work with TfN to ensure that the future development of the HS3 network is taken into account.

**Recommendation 6: Proposals for the redevelopment of Manchester Piccadilly station should be prepared jointly by TfN, Transport for Greater Manchester, Manchester City Council, Network Rail, DfT and HS2 Ltd. These organisations should work to together to deliver:**

- detailed plans for the new east-west platforms 15/16 to facilitate delivery early in Control Period 6 and unlock the development potential of the Mayfield site
- a masterplan for the longer-term development of Manchester Piccadilly station as a whole, incorporating capacity for HS2 services and options for the delivery and timing of platform capacity for HS3
- proposals for funding and financing the station redevelopment, including for private sector and local contributions

The government agrees that proposals for the redevelopment of Manchester Piccadilly Station should be progressed as a joint project in order to support an integrated long-term plan for use of the station, including opportunities for new services such as HS2 and HS3. TfN, Transport for Greater Manchester, Manchester City Council, Network Rail, DfT and HS2 Ltd are already working together to ensure that Manchester Piccadilly Station is ready for the arrival of transformational schemes such as HS2 and HS3.

To take forward the commission's recommendations, proposals for the redevelopment of Manchester Piccadilly will be worked up alongside and integrated with the development of plans by the end of 2017 for HS3 between Manchester and Leeds. To further support this work, at Budget 2016 the government provided HS2 Growth Strategy funding for Manchester Piccadilly station (as well as Leeds and Manchester Airport stations). This will support the production of a masterplan for the long-term development of the station and surrounding area. This work will include proposals for funding and financing of any proposed station redevelopment, including for significant private sector and local contributions. Such proposals should consider the affordability of the project and ways of striking an appropriate balance between the funding contributions from central government and the local area. The government would expect private sector and local contributions to fund around half of the costs of the project.

**Recommendation 7: TfN should follow an approach that seeks to maximise the benefits of current and planned investments and integrates them with an ambitious longer-term plan, in developing and prioritising proposals for other major inter-city links through its Northern Powerhouse Rail strategy. This should include assessing the case and options for early enhancements to key routes and for improvement and redevelopment at gateway stations including Liverpool Lime Street.**

The government agrees with the commission's recommendation. By 2017 TfN will have been established on a statutory basis and empowered to develop and drive forward transport plans which will support economic growth in the North. TfN recently published its first annual update to the Northern Transport Strategy. This set out how TfN is working with partners such as the

DfT to deliver improvements in the short term and make progress on longer term projects. The commission's recommendation will be incorporated into this work.

**Recommendation 8:** On the strategic road network, Highways England should accelerate capacity enhancements to the M62 between Liverpool and Manchester and between Manchester and Leeds. Very substantial capital funding should be brought forwards, so that both schemes can be accelerated, with work beginning between Liverpool and Manchester in RIS year 2017 / 2018 – two years ahead of schedule – and work between Manchester and Leeds also significantly fast-tracked.

The government accepts the commission's recommendation and notes the commission's support for the smart motorway programme. The government has provided £161 million of additional funding to allow work on the M62 schemes to be brought forward. This will mean that construction will begin on the M62 junctions 10-12 two years earlier in 2018 and finish in 2020. Work on the M62 junctions 20-25, from Rochdale to Huddersfield across the Pennines, will also be accelerated so that construction begins in 2019, six months earlier than planned. This additional funding means that the benefits of increased capacity and journey reliability across the Pennines can be realised as quickly as possible.

**Recommendation 9:** Development funding should be prioritised for a package of further enhancements to the northern road network, so that these can be completed as early as possible in the next Roads Investment Period. This package should include: upgrades to the M56 (junctions 6-8) around Manchester Airport; the redevelopment of the Lofthouse Interchange and Simister Island junctions; and capacity enhancements to the M1 (35a-39) between Sheffield and Leeds.

The government accepts that development of enhancement schemes on the northern road network should be prioritised. Development funding is already in place for these projects. Construction of the M56 Junctions 6-8, which is already committed under the current Road Investment Strategy (RIS), will begin by 2020 at the latest. The other three projects will begin detailed development work this Parliament so they can be among the first in line for new funding in the next roads investment period. For the two junction schemes, the complexity of this work means that development will need to start in 2016-17. For the M1 smart motorway scheme, a simpler planning process means this can start development later in RIS1 and still be ready for early construction in RIS2.

**Recommendation 10:** Highways England, the Department for Transport and TfN should continue the current programme of longer-term studies. This work should take due consideration of consistency with strategic objectives, feasibility, affordability, forecast demand and congestion levels, and environmental factors.

The government agrees with the commission's recommendation and welcome its support for the joint government-TfN strategic studies into the future of the northern road network. The developing conclusions of all three studies show that there are good opportunities for ambitious proposals to make significant contributions to the northern economy. The government has provided £75 million from the Transport Development Fund to fund the development of projects emerging from the A66/A69, Manchester North-West Quadrant and Trans-Pennine Tunnel strategic studies. Conclusions from all three studies will be reached later in 2016 and formal development work will proceed from there.

**Recommendation 11:** Sufficient funding should be made available by government to support the development of an ambitious cross-modal strategy for northern transport with HS3 at its heart.

The government agrees with the commission's recommendation and at Budget 2016 committed a £300 million funding package which will take this forward. This is in addition to the £50 million the government has already committed over the life of this Parliament to enable TfN to

develop and take forward a cross-modal Northern Transport Strategy and the £150 million of funding committed at the 2015 Spending Review to support the rollout of smart and integrated ticketing across the North. The first annual update to the Northern Transport Strategy was jointly published by TfN and DfT in March 2016. By 2017, TfN will be established on a statutory basis and empowered to develop and drive forward transport plans which will support economic growth in the North.