

Response to National Infrastructure Commission call for evidence from Durham County Council

We welcome the government's commitment to addressing national infrastructure challenges as announced in the recent spending review. We also support the focus of the National Infrastructure Commission on northern connectivity, particularly in identifying priorities for future investment in the north's strategic transport infrastructure. The Durham submission is complimentary to a response submitted by the North East Combined Authority (NECA).

In response to specific questions:

1. To what extent are weaknesses in transport connectivity holding back northern city regions (specifically in terms of jobs, enterprise creation and growth, and housing)?

- We endorse the requirement for a Northern Powerhouse and the creation of a single economic region so there are more opportunities for people and business in the North of England.
- The agglomeration benefits of better connectivity will strengthen the North East economy as recognised by Transport for the North. The North East is the only area of the UK to have a positive balance of trade and has economic sectoral strengths in manufacturing, automotive, pharmaceuticals, science and innovation, digital and creative technologies etc. However, both the established businesses and the successful start-ups need to have the improved transport connectivity to enable significant economic growth so that new industries in the North can contribute to the Governments vision for a Northern Powerhouse.
- Transport for the North analysis has shown that the centre of gravity of the UK's freight and logistics industry is now in the North. The North East as a whole is the only region in the UK that is a net exporter of manufacturing goods and while ports such as Teesport and Port of Tyne have grown significantly, there are constraints in terms of freight capacity on both rail and road which limit the opportunity for further economic growth.
- The provision of improved freight facilities such as additional rail capacity and a Strategic Rail Freight Interchange in the North East would help the economy to grow in a sustainable way and help the North East to play its full role in delivering the aspirations of the Northern Powerhouse. The County Durham Plan will identify two potential sites at Newton Aycliffe (close to Hitachi) and Tursdale/Bowburn that have the potential to provide a site for the first major inland rail freight interchange in the North East and to create thousands of job associated with the growth of manufacturing in the North East Combined Authority area.

2. What cost-effective infrastructure investments in city-to-city connectivity could address these weaknesses? We are interested in all modes of transport.

- The lack of capacity on the East Coast Main Line (ECML) particularly north of York, has been recognised in multiple processes including by Network Rail and

operating companies^{1 2} and OneNorth³. A recent study carried out in 2014⁴ highlighted that extra capacity on the ECML north of Northallerton would be required as early as 2019. The capacity constraints have the potential to restrict growth in passenger demand, and places future restrictions on freight growth; while the through running of HS2 trains could only be achieved through substitution of existing services.

- A long term view has now been taken by Central Government, via Transport for the North, that journey times for passengers on the ECML from Leeds to Newcastle should be reduced from 87 minutes to 60 minutes. Transport for North believe this will be achieved by increasing line speeds to 140mph and by relieving the two-track section from Northallerton to Newcastle to provide the required capacity to allow the ECML to accommodate passenger and freight traffic.
- The re-opening of the Leamside line has been specifically identified by Transport for the North as an opportunity to be considered which will help deliver the desired output of reduced journey times and improved capacity between Leeds and Newcastle. The reopening of this line has been noted in work by Network Rail, Local Development Plans, the North East Strategic Economic Plan and by OneNorth.
- The benefits of reopening this line have been examined in 2014⁵ and it would represent a relatively low-cost investment in transport infrastructure in the region which would serve multiple functions. The 2014 report concluded that there would be sufficient demand for a viable service of 3-4 tph because of a sizeable travel demand between Durham and Newcastle and the potential for wider economic impact benefits of £165million over a 60 year period in catchments around the line. Not only would the re-instatement of the line contribute towards wider economic growth, it would increase resilience to disruption on the ECML and ease pressure on the region's largest road bottleneck, the A1(M) at Newcastle-Gateshead.
- There is also potential to make more use of the Stillington Line, possibly in conjunction with the ECML or the Leamside line to increase capacity on the ECML while improving connectivity between the County Durham, Tees Valley and Tyne and Wear.
- Investment in local rail does provide a unique strategic opportunity to stimulate and support economic growth in County Durham by providing faster and more regular local services with can link to an improving strategic rail network including more capacity on the ECML, High Speed 2 and the improvements envisaged as part of the Northern Powerhouse agenda. Local Rail improvements have the

¹ Office of Rail and Road *Applications for Access on the East Coast Main Line* (2015)

² Network Rail ECML Capacity Options Report (2014)

³ The Northern Powerhouse: One Agenda, One Economy, One North *Transport for the North* (2015)

⁴ Conditional Output Statement for Reintroducing Rail Services Between Newcastle and Northallerton (2014)
AECOM

⁵ Conditional Output Statement for Reintroducing Rail Services Between Newcastle and Northallerton (2014)
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added value of creating more social benefit in some of the country's most deprived wards.

3. Which city-to-city corridor(s) should be the priority for early phases of investment?

- The spatial positioning of the North East means it should be a priority to improve strategic transport links to other northern cities as well as London and Scotland
- In addition to city-to-city connectivity, it is also important to improve connectivity between the cities and their surrounding areas (currently NE residents account for 96% of all NE workers).
- The Strategic Economic Plan (SEP) for the North East identifies Durham City as a key area for growth, as an economic asset to the County and North East Combined Authority (NECA) area alongside Sunderland and Newcastle.
- The spatial approach of the County Durham Plan will recognise the role of Durham City in the SEP and seek to realise the economic potential of a 'Thriving Durham City' as a location for both 5,000 new homes and 7,000 new jobs. This will require significant investment in new infrastructure with both a western and northern relief road planned to address capacity constraints in the highway network.
- Durham City is a hub of economic and cultural activity. It has a catchment of 107,000 people within a five mile radius, extending to 511,000 within 10 miles and with over 1 million people of working age living within 45 minutes commute of the city centre. The city is well served by the East Coast Main Line, but it will become increasingly important to address the capacity constraints to accommodate growth in patronage and address some of the issues around 'flighting' of trains (grouped according to performance characteristics) which leads to irregular arrivals and departures at Durham rail station.

4. What are the key international connectivity needs likely to be in the next 20-30 years in the north of England (with a focus on ports and airports)? What is the most effective way to meet these needs, and what constraints on delivery are anticipated?

- The UK's 11th largest airport, Newcastle International Airport (NIA), is located in the North East Combined Authority area but also supports the economic growth of County Durham. The airport is one of NECA's key transport assets.
- The North East can make a compelling regional 'offer' for international connectivity by air, with the 2nd largest airport in the North and with a uniquely large catchment area. NIA serves an area that includes Tyne and Wear, Northumberland, County Durham, Teesside, as well as parts of Cumbria, North Yorkshire and Southern Scotland, with over 2 million people within a 1 hour drive, and 3 to 4 million people within a 2 hour drive.
- Durham Tees Valley airport, while smaller than NIA in terms of passenger numbers and quantity of freight handled, has considerable surplus capacity and with investment in transport links could play a greater role in the North East's economic growth

- Protecting North East airports from impact of devolved Air Passenger Duty is important for economic growth in the region. HMRC has predicted that a lowering of air passenger duty in Scotland would see Newcastle International Airport lose 10% of its traffic. Research carried out on behalf of NIA by York Aviation indicates that the impact will grow over time, and that by 2025 the reduction would amount to approximately 603,000 passengers per annum.
- Such a scenario places regional airports at a severe disadvantage when compared to Scottish airports, and is contradictory to the 'Northern Powerhouse's' aspiration to re-balance the UK economy and grow the contribution that the north makes to national GVA

5. What form of governance would most effectively deliver transformative infrastructure in the north, how should this be funded and by whom, including appropriate local contributions?

- We welcome the establishment of Transport for the North (TfN) and its move to a more formal footing. Moving forward, TfN will need to fully engage with partner regions and Local Authorities in helping to deliver agreed national priorities.
- We support the government's commitment of funding for the TfN study work and suggest that delivery of these nationally significant transformational schemes would benefit from further resources to assist with project and business case development.
- Working in partnership, north of England Local Transport Authorities (including County Durham as part of the North East Combined Authority), have formed Rail North to positively influence the specifications and management of the new Northern and TransPennine franchises commencing April 2016. Together we have worked towards a Long Term Rail Strategy underpinned by the need to stimulate and support economic growth through seeking step-change improvements to local rail services.