



HM Government



22 January 2026

South Yorkshire

1. As Secretary of State for Transport, Chancellor of the Exchequer, Secretary of State for Housing, Communities & Local Government, and Mayor of South Yorkshire respectively, we have confirmed our shared ambition to unlock growth across the Northern Growth Corridor and address historic underinvestment in the North's rail network. We will work together to deliver Northern Powerhouse Rail (NPR) as a phased programme that, building on the Transpennine Route Upgrade, will release benefits at each stage. Work will progress across the whole NPR network throughout, but will be delivered in three broad stages: first, electrification and upgrades in the Leeds-Bradford, Leeds-Sheffield and Leeds-York corridors, including the stations; second the major new line planned for Liverpool-Manchester; and then further cross-Pennine connections. We will work jointly to refine and confirm the exact scope, outputs and benefits of the scheme, ensuring it is deliverable and appropriately sequenced, and that consenting and planning processes are carried out efficiently as the project moves into delivery.

2. We welcome the £1.1bn funding allocated for NPR development in this Spending Review period, allowing development work for the first two phases to proceed without delay, and the certainty implied by the funding cap of £45bn for the overall NPR scheme, which will guide development and future delivery. This will ensure resources are earmarked for future Spending Reviews, giving a much greater level of certainty, and there will be a process to monitor spend and delivery, and help apply the lessons of HS2, and avoid the project impacting funding for wider transport investments, including future Transport for City Regions rounds.

3. In the light of our shared interest in delivering a scheme that is right for the country, for the North and for South Yorkshire, we will work together to develop a blended funding approach. The majority of funding will be from central Government, but local contributions will be considered for specific or additional scope; noting the need to agree appropriate mechanisms to manage and release additional local funds which we will discuss before jointly agreeing local contributions. Our starting assumption is that local contributions will largely be towards stations, integration, contributions towards onwards travel and surrounding development. Additional local contributions may be made where cities wish to

prioritise additional infrastructure beyond what is needed for the core outcomes of the scheme, ensuring that central government funding constraints do not need to artificially constrain local ambitions for NPR. We will seek to ensure NPR plans align with further local development ambitions, noting links to local funding.

4. Our joint ambition is to take forward in the first phase of NPR the recommendations made in the White Rose report for NPR in the 2030s. The 2040 recommendations for Manchester-Bradford and Manchester-Sheffield are also critical parts of the NPR programme. We will seek more rapidly to assess options for Bradford-Manchester as part of the work on Bradford station business case, and to unlock early benefits on Sheffield-Manchester (the planned third hourly service) as part of the phase one work at Sheffield station. We will continue working together on the wider ambitions in the White Rose Plan.

5. We are committed to improving services between Sheffield and Leeds, including providing the capacity required at Sheffield Station. We recognise the benefits of the proposals in the White Rose report for a service for 4 fast trains per hour and confirm that Network Rail's development work will include a full assessment of how to deliver those benefits alongside other options. We will in particular work together to ensure tram-train interdependencies and options are fully explored as part of the forward joint development work for Sheffield station capacity.

6. Delivery Boards attended by Mayors and Ministers will be used to embed joint working and support decision making and effective delivery, alongside Tom Riordan's work as Envoy to the Northern Growth Corridor. In the short term, this will support the first 18 months of work to inform prioritisation and sequencing decisions at SR27. Membership of these Boards will be jointly agreed post-announcement.

Rt Hon Heidi Alexander MP
SECRETARY OF STATE FOR
TRANSPORT

Oliver Coppard
MAYOR OF SOUTH YORKSHIRE

Rt Hon Steve Reed OBE MP
SECRETARY OF STATE FOR HOUSING,
COMMUNITIES AND LOCAL
GOVERNMENT

Rt Hon Rachel Reeves MP
CHANCELLOR OF THE EXCHEQUER