



HM Government



LIVERPOOL
CITY REGION
COMBINED AUTHORITY

22 January 2026

Liverpool City Region

1. As Secretary of State for Transport, Chancellor of the Exchequer, Secretary of State for Housing, Communities & Local Government, and Mayor of Liverpool City Region 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: electrification and upgrades in the Leeds-Bradford, Leeds-Sheffield and Leeds-York corridors, including the stations; in parallel, development works to progress and then delivery of 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 the Liverpool City Region, 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, onwards travel and surrounding development, supplementing investment from central government. Additional local contributions may be made where cities wish to prioritise 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.

4. We will in particular work together to ensure Liverpool route options, Gateway station choices, and integration with investment in Liverpool Central are fully explored as part of the forward joint development work of the NPR programme, noting links to conversations on local funding.

5. 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

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Steve Rotheram
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