

February 12

Adroit Economics evidence to
parliamentary inquiry into UK rail
capacity

Prepared by Adroit Economics

For and on behalf of

High-speed Rail All Party Parliamentary
Group*

Author: Dr Steve Sheppard

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1. Introduction

1.1 The APPG is a cross-party group of parliamentarians who believe that the UK needs a modern high-speed rail network. The APPG has launched an [inquiry into UK rail capacity](#) which seeks to:

- establish the future capacity requirements of the UK's railway infrastructure
- consider the most appropriate way to address these requirements in the long-term

1.2 The APPG is calling for evidence from stakeholders in both written and oral form. The APPG will be holding panel sessions to hear oral evidence from stakeholders in the House of Commons on 14th March, 21st March and 18th April 2012.

1.3 Adroit Economics has been asked to submit a short written submission to the inquiry, which will contribute towards the final inquiry report.

This submission

1.4 This submission is based on the views of Dr Steve Sheppard, managing director of Adroit Economics Ltd

2. Submission

Basis of this submission

2.1 The following submission is made by Dr Steve Sheppard, managing director of Adroit Economics Limited, based on the following

- Dr Sheppard is a frequent rail passenger, both regarding regular trips to London and frequent trips from the Northwest to other cities in the UK
- Some of Dr Sheppard's economic policy work focuses on the Northwest and the wider Northern England economies and includes exploration of transport and wider connectivity issues – for example, he was part of a team examining the competitiveness of the Greater Manchester and Merseyside Economies for the then RDA (NWDA) in 2010. This study considered inter-city rail linkages between Liverpool, Manchester and Leeds, as well as the benefits of HS2.

As a personnel frequent rail traveller

- 2.2 The current high speed rail service from Manchester/ Stockport to London Euston is excellent.
- Journeys take c. 2 hours and trains are every 20 minutes, and a part from the odd incident, run to time. I regard a journey time of 2 hours as fast enough allowing sufficient time to work on the train. A faster journey of say an hour to an hour and a half would represent a small relative net additional advantage. Peak time ticket costs are prohibitive however and do not send out very good messages to new travellers/ inward investors
 - I seldom travel by air but if I do, connections from Manchester airport are fine. I don't see any particular advantage in being able to travel by high speed train from Manchester/ Stockport to Heathrow direct. This would save considerable time but if I need to make such a journey, it's by air
- 2.3 Southbound intercity services, are reasonable based on Virgin Cross Country services – although the bottleneck between Stoke and Birmingham results in very slow travel – **there is clearly room for significant improvement in this part of the network** and this would be of significant net additional value to the NW/ W Midlands' economies
- 2.4 The most significant issue however is the appalling service between Manchester and Merseyside and Manchester and Leeds and beyond. I understand that this is because scheduled fast trains are frequently crawling along behind slow trains

From the perspective of the Northwest economy

- 2.5 Our work on economic prospects for Greater Manchester and Merseyside concluded that improvement of these east-west routes would have the greatest single impact of any rail improvements on the economies. The rail link between Manchester and Leeds is probably the most important, because the economies of these two cities drive the Northern economy and because the road links are problematic as exposed to weather issues on the higher parts of the M62
- 2.6 The quality of the rolling stock has in part recently been improved on the Manchester-Leeds and other non London intercity routes (with Virgin Cross Country and Transpennine both deploying relatively new stock). The rolling stock on some of the other routes however urgently needs improving...this principally relates to Northern Rail (e.g. the Manchester

Chester route) which runs a 2-car cattle truck service dating from the 1950s. What message does this convey to potential inward investors/ visitors.

London and the Northeast

- 2.7 There may be a case for reducing journey times between Kings X and Newcastle. Services between Leeds and London I understand are fine. The vast cost involved in bringing the Northeast relatively 'closer' to London however would need to be matched against alternative uses of the sums involved – see further on

Conclusions

- Manchester-London journey times of c. two hours are sufficient and I don't see significant additional advantage in reducing them significantly – peak time ticket prices could be reduced significantly though
- The priority, as a frequent rail traveller and from the perspective of the competitiveness of the NW and wider Northern economies, is to improve travel times (and in some cases rolling stock quality)
 - = Travel times particularly between Manchester and Liverpool, Manchester and Leeds beyond, but also addressing the bottle neck between Stoke and Birmingham
 - = Rolling stock on the Northern Rail routes

Alternative use of the very significant investment involved in HS2

- 2.8 As an economic development professional, I am of the clear view that the significant investment involved in HS2 could be put to better more effective use
- New and renewable energy to reduce energy bills and increase energy security
 - Addressing critical skills gaps that are and will continue to emerge in the Northern economies – particularly in engineering/science
 - Ensuring that all NEETs re-engage with the economy
 - Ensuring that all businesses and households can access genuinely competitive world class broadband – which will be far from the case given current policy
 - Re-instating the infamous 'enterprise allowance scheme' and other innovative enterprise policy support
- 2.9 These will all have more net additional economic impact and far sooner than investment in HS2

Dr Steve Sheppard, Managing Director, Adroit Economics Ltd

29th February 2012

