



Department
for Transport

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From the Secretary of State
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Thank you for your letter of 9 August as chair of SIGOMA. I am writing in response to your letter regarding infrastructure investment. I agree with you that transport investment is a vital driver of economic growth and that is why I am committed to improving our transport infrastructure to help rebalance our economy.

The first thing to be absolutely clear about is that I have not made any changes to any electrification project in the North, save the decision not to put up intrusive overhead wires and masts on the Windermere branch in the Lake District. Instead Northern, the train operator, is to explore deploying alternatively-fuelled trains on the route by 2021.

You will also be aware of the huge programme of modernisation and electrification currently taking place around the North. As part of the Northern and TransPennine Express franchises, all the trains will be brand new or refurbished, and the oldest trains, the Pacers, are among those being scrapped. There are also longer trains to provide extra capacity, and completely new services, including a huge improvement in Sunday services.

We have announced no changes to plans for the Transpennine route. I have been clear that we are developing options for this now, to achieve hugely improved journeys, such as Leeds to Manchester in 40 minutes.

Our investment is also directly benefitting Leeds' rail passengers now, for example through the new station at Kirkstall Forge, opened last year and already a success, and the new Leeds Station Southern Entrance, which is helping to open up the South Bank area for regeneration and development. And as you know, earlier this year, I was very pleased to be able to agree the £173.5m investment for public transport improvements in Leeds and I understand good progress is being made in developing an impressive programme of rail, bus and interchange schemes.

Meanwhile, the Intercity Express Programme will deliver a new modern fleet of trains on the East Coast Main Line with services expected to commence from late 2018. These faster, higher capacity and more environmentally sustainable trains will improve the passenger experience and support growth, including to Leeds and West Yorkshire. In addition, the programme has created over 900 new jobs based at Hitachi Rail Europe's assembly plant in Newton Aycliffe and supported thousands more in the supply chain across the country.

In addition to all of this, I have just announced the preferred routes to bring HS2 to Manchester and Leeds. HS2 will form the new backbone of our national rail network, providing new capacity and better connecting our major cities of the Midlands and the North, both with one another and with the rest of the country. There is also potential for HS2 to enable further improvements as part of Northern Powerhouse Rail. This could be reflected in the hybrid Bill for Phase 2b if practical and affordable propositions can be developed that deliver value for money for the taxpayer whilst ensuring significant benefits for the passenger. This is set out in more detail in "High Speed Two: From Concept to Reality" which I published in July.

My officials are also working with Transport for the North (TfN) on their proposals for Northern Powerhouse Rail. We have already committed £60 million to develop plans for this important strategic national investment project. Over the coming years, we will work with TfN to make the business case as strong as possible to ensure this project delivers on our ambition of dramatically improving connections across the North and boosting the regional economy. In parallel, I fully support TfN gaining statutory status and my officials are working hard to put in place the legislation necessary to achieve this by the end of the year.

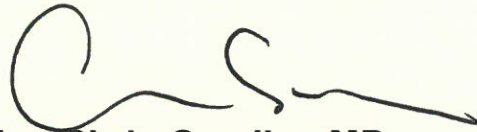
There have also been recent claims that the Government is prioritising Crossrail 2 over Northern Powerhouse Rail: this is totally untrue. As well as working with TfN to develop Northern Powerhouse Rail, we are working with Transport for London to develop Crossrail 2. But, as Crossrail 2 has been nine years in the making, it is a few years ahead of Northern Powerhouse Rail, which was first mooted in 2013. The Mayor of London and I have agreed to work together over the coming months to develop plans for Crossrail 2 that are as strong as possible, so that the public gets an affordable scheme that is fair to the UK taxpayer. This includes London paying for at least half of the costs of the scheme.

You are right that there has been a historic imbalance in infrastructure investment, and we have been working since 2010 to address that. The Northern Powerhouse remains a key priority for me: there has been no backtracking on our commitment to real improvements for rail passengers in the north. In some cases we have simply changed the means by which we will achieve these to take advantage of new technologies that mean we can

achieve improvements faster, without the need for disruptive and often very costly works.

In short, this is a programme vastly in excess of that which has taken place under any Government in the past fifty years, demonstrating sustained commitment to investment in the North and delivering real improvements for passengers.

Will best wish

A handwritten signature in black ink, appearing to read 'Chris Grayling', with a long horizontal stroke extending to the right.

Rt Hon Chris Grayling MP

SECRETARY OF STATE FOR TRANSPORT

