

Talks underway to devolve northern rail powers

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A Northern Rail Executive could be handed responsibility for upgrading rail services across the north of England, subject to the outcome of discussions with the Department for Transport.

Writing in the *Yorkshire Post* this week, West Yorkshire passenger transport executive Metro director general Kieran Preston confirmed that talks are taking place about how control of the existing Northern and TransPennine rail franchises could be devolved to local control.

Under the plans being discussed the government would subsidise a Northern Rail Executive for 15 years with the executive then paying a train operator to

provide the level of service required. With services covering Yorkshire, Merseyside, Greater Manchester, Tyneside, Teesside and Humberside, plus large areas of Derbyshire, North Yorkshire, Cumbria, Northumberland, Nottinghamshire and Lancashire, the franchise area would be divided into business units, aligned to metropolitan passenger transport executive areas where these exist.

Metro and other PTEs are eager to wrest control of northern rail services from Whitehall arguing that their local knowledge means they are better placed to determine how, where and when trains should run. In return for devolving powers the DfT has been told it can expect to pay less to maintain rail services. "We are using current levels of subsidy as the starting point," wrote Preston, "and assume that both government and the new Northern Rail Executive would, over time, reduce subsidy to the franchisee as efficiency savings are realised." Northern Rail: devolution of powers requires mechanism to fund



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One obstacle to a deal is the need to replace 400 Pacer train carriages, dating from the 1980s but still used to provide rail services across the north of England. "With the provision of train capacity to deal with current overcrowding and meet forecast growth representing one of our main challenges, funding for renewals and replacement of life-expired trains and carriages should be included," said Preston.

But by agreeing a 15 year deal and borrowing powers the government could delegate responsibility for finding the investment required to the proposed new executive. "Risk could be shared with the franchisee, and money borrowed to invest for local use to introduce new carriages and carry out infrastructure improvements such as the further electrification of routes such as the Calderdale line between Bradford, Halifax and Manchester and the Leeds, Harrogate and York line," the Metro director general added.

Preston stressed that there is no "done deal" and discussions with the DfT are ongoing. However, he expressed confidence that Department officials and ministers, keen to achieve the best value for money for their spending, would realise that the destiny of the north's railways is best placed in the hands of those who are passionate about it.

The existing Northern and TransPennine franchises carry more than 110 million passengers a year. In August 2011 former transport secretary Philip Hammond said the two franchises could be amalgamated and a new, single contract to operate trains let in 2014 (TB 7861).

