



**CABINET – 10 FEBRUARY 2017**

**DEVELOPMENT OF A RAIL STRATEGY (INCLUDING HS2)  
FOR LEICESTER AND LEICESTERSHIRE**

**REPORT OF THE DIRECTOR OF ENVIRONMENT AND TRANSPORT**

**PART A**

**Purpose of the Report**

1. The purpose of this report is to advise the Cabinet of the outcome of the consultation on the draft Leicester and Leicestershire Rail Strategy, to seek approval for the adoption of the Strategy and to provide an update on HS2 following the recent Government announcement on the revised route of the eastern leg (Phase 2b).

**Recommendation**

2. It is recommended that:
  - a) The results of the consultation on the draft Leicester and Leicestershire Rail Strategy be noted;
  - b) The Leicester and Leicestershire Rail Strategy attached as Appendix B to this report be approved;
  - c) That the Cabinet confirm its support in principle for a HS2 route through the County to Toton, subject to the caveats set out in Paragraph 36 of this report;
  - d) The Director of Environment and Transport, following consultation with the Lead Member, prepare and submit more detailed comments on the revised route to HS2 Ltd in response to the consultation on Phase 2b.

**Reason for Recommendations**

3. Adoption of the Rail Strategy will provide the Authority and its partners with an evidence-based document with which to engage and seek to influence the rail industry, including HS2 Ltd.
4. Confirmation of the Authority's position on the revised routing of the eastern leg of HS2 will enable officers to respond to consultations within the specified time period.

**Timetable for Decisions (including Scrutiny)**

5. The draft Strategy was considered by the Environment and Transport Overview and Scrutiny Committee on 9<sup>th</sup> June 2016 as part of the consultation process. Its

comments are detailed below.

6. On 19 January 2017, the Overview and Scrutiny Committee also received an update on HS2 following the Government's publication of the revised route of the eastern leg (Phase 2b). The Committee agreed that the Council's approach in responding to the revised proposals be supported.
7. The deadline for responding to the consultation on the revised eastern leg of HS2 is 9<sup>th</sup> March 2017.

### **Policy Framework and Previous Decisions**

8. On 20 February 2013, the County Council resolved to express its concerns about the direct impact of the initial preferred line of the HS2 route on the proposed Strategic Rail Freight Interchange adjacent to East Midlands Airport. These concerns were subsequently overcome by a proposed redesign and extension of a tunnel shown underneath the airport.
9. In November 2013, the Environment and Transport Overview and Scrutiny Committee considered a draft response to the Government's HS2 Phase 2 route consultation. The Committee raised significant concerns about the proposals, which were subsequently reported to the Cabinet in January 2014.
10. The Cabinet considered the County Council's formal response to the Government's HS2 Phase 2 route consultation in January 2014. The response:
  - expressed an in principle position that an HS2 Station at Derby (as opposed to Toton) would be preferable, requiring the re-routing of the line of HS2 away from Leicestershire as a consequence; and
  - included a significant number of detailed comments, including comments relating to the potential effect on local communities and the environment of the route through North West Leicestershire.
11. On 1 March 2016 the Cabinet considered the outcome of joint work undertaken by the County Council, Leicester City Council and the Leicester and Leicestershire Enterprise Partnership (LLEP) to develop a draft Rail Strategy for Leicester and Leicestershire (including HS2), and approved an engagement exercise on the draft Strategy. The Cabinet also resolved to:
  - a) Revise the Authority's position on HS2 running through the County to one of support in principle, subject to certain caveats;
  - b) That an engagement exercise take place on the draft Strategy, to include rail industry bodies, business groups, and adjoining authorities, and;
  - c) That it be noted that following on from the engagement exercise a final version of the Strategy will be submitted to the Cabinet for approval prior to its adoption by the County Council as a formal Policy Document;

12. On 17 June 2016 the Cabinet considered a report on the outcome of the latest study work on the Leicester to Burton railway line, which was jointly commissioned by the County Council and North West Leicestershire District Council. The Cabinet resolved that the County Council would undertake no further work on this matter at this time.

### **Resource Implications**

13. Work to develop the Strategy has so far cost around £50,000, which has been split equally between the County Council (from within existing budgets), Leicester City Council and the LLEP.
14. Going forward the majority of actions required to implement the Strategy will involve the County and City Councils to act in a facilitating and lobbying role, rather than as direct funder or promoter of schemes. Officers will, however, be continuing to make use of specialist rail consultancy support, currently provided by SLC Rail, to ensure that any lobbying undertaken is as effective as possible; this support too is being jointly funded by the County Council, Leicester City Council and the LLEP.
15. It is likely that there will be significant resource implications for the County Council as a result of HS2. These costs will include producing a detailed response to the revised HS2 route consultation, providing input to future work to develop the proposals in more detail, including input into the Parliamentary process and dealing with the associated highway infrastructure changes and construction implications. HS2 Ltd. has provided a draft Memorandum of Understanding which will reimburse certain aspects of the County Council's officer time spent. However, this does not include responding to the consultation or technical approvals, although fees charged for the latter cover the County Council's costs. Officers will continue to discuss with HS2 Ltd. the recovery of as much of its associated costs as possible, including those arising from the use of SLC Rail as specialist support.
16. The Director of Corporate Resources and the Director of Law and Governance have been consulted on the contents of this report.

### **Circulation under the Local Issues Alert Procedure**

17. This report has been circulated to all members of the Council via the Members' News in Brief service.

### **Officers to Contact**

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**PART B****Rail Strategy****Background**

18. Work to develop the Rail Strategy has been undertaken by specialist consultants SLC Rail which has extensive experience of developing and operating rail schemes and services.
19. By having an adopted Rail Strategy authorities in Leicester and Leicestershire will be best placed to:
  - a) seek to secure future investments in the area's rail network and services;
  - b) maximise rail's ability to support economic and housing growth;
  - c) engage with, and influence, the classic rail industry at this pivotal moment in planning the services that are needed over the next 30 years and the infrastructure required to support them; and
  - d) strengthen the Authorities' position in engaging in the planning for HS2 Phase 2b.
20. The draft Strategy identifies 4 key priorities:
  - i Maximising the benefits from increased investment in the Midland Main Line railway infrastructure and services;
  - ii Ensuring that the interests of residents and businesses in Leicester and Leicestershire are reflected in the planning and implementation of the eastern leg of HS2;
  - iii Seeking the necessary investment commitments to improve direct fast rail connectivity to key regional and national destinations, including to Coventry and Birmingham; and
  - iv Ensuring that rail access is a consideration in the planning of new developments.

**The consultation and consequential amendments made to the draft Strategy**

21. The consultation took place between 20 April and 30 September 2016. This was supported by SLC Rail and included workshops and presentations with key stakeholders, including the LLEP, business groups, Leicester and Leicestershire Transport Advisors Group, the Department for Transport (DfT), the rail industry and neighbouring authorities. The draft Strategy was also available for wider public comment on the County Council's website.
22. A total of seventeen responses were received to the consultation and a summary of the comments made and officer responses is set out in Appendix A.
23. Key areas of support included protecting the status of Midland Main Line (MML)

following the implementation of HS2, securing line speed improvement on MML and improving regional links with Coventry and Birmingham.

24. Key areas people wished the Strategy to cover in more detail included greater reference to the importance of sustainable travel (which has been addressed in the final version of the Strategy by including it as an additional priority); concerns that rail services serving Rutland should not be adversely compromised by the Strategy (changes have been made to the text to reflect this); and the reopening of the Leicester to Burton Line to passenger traffic (see paragraphs 27 and 28 of this report).
25. On 9 June 2016 the Environment and Transport Overview and Scrutiny Committee considered the draft Strategy. It raised concerns about potential capacity constraints at London St Pancras Station fettering delivery of the Strategy's priorities. The draft Strategy has been amended to respond to this concern. However, advice from SLC Rail is that this should not have a direct bearing on the ability to deliver the priorities set out in the Strategy because:
  - the MML priority relates to journey time improvements (as opposed to the provision of additional train capacity); and
  - the remaining priorities should not impose any additional platform capacity requirements at St. Pancras (for example, because train services will be routing to the Thames Valley via the proposed East-West Line at Bedford). (Section 6.4.6 of the draft Strategy has been modified to reflect this).
26. The Scrutiny Committee also emphasised the need for greater reference to be made to services to local stations, including South Wigston and Hinckley, and also for a greater focus on the future of West Coast Main Line (WCML) services post HS2, especially considering its importance for residents of south-west Leicestershire. In response, the draft Strategy has been amplified to include reference to investment in a 'dive-under' at Nuneaton to facilitate direct Leicester to Coventry services. Changes have also been made to the Strategy's third priority to include references to Narborough, South Wigston and Hinckley Station, and access to WCML and HS2 Phase 1 and the western leg, along with additions to the Strategy's text.
27. With regard to the Leicester to Burton Line, the strength of feeling about reopening the line to passenger traffic, expressed both by Scrutiny members and in consultation responses, is recognised. However, no new evidence has been presented to change the conclusions set out in the report to the Cabinet on 17 June 2016, namely that:
  - It would represent poor value for money;
  - The capital and revenue costs are of a scale such that they could not be afforded by the County Council or a combination of local authorities;
  - There is no prospect of developing a strong business case to secure funding from central government;
  - There is no realistic prospect of Network Rail or HS2 Ltd. funding the capital costs, nor of the future operating costs being absorbed into a future rail franchise;
  - The County Council will undertake no further investigatory work on the proposal

at this time.

28. Should freight-based improvements to the line take place at some point in the future there may be a more feasible case for the reintroduction of passenger services. For example, it might prove necessary to upgrade the line to aid the supply of materials required to construct HS2, or it might be a future option for funders to upgrade the line to European freight standards. Were this to be the case, it might be possible to seek to incorporate the operation of passenger services into a future rail franchise. However, it is important to emphasise that there are no such proposals at this time.
29. Having considered the comments received during the consultations, including the matters outlined above, the final draft of the Leicester and Leicestershire Rail Strategy is attached as Appendix B to this report.
30. A number of responses mentioned, as an alternative, the introduction of trams on the Leicester to Burton line; similar comments were also made in respect of the Great Central Railway. However, the introduction of trams would not necessarily be a cheaper option given that tram systems usually link into and run through (on-street) the centre of cities, as in Nottingham, rather than solely utilising existing rail infrastructure. In many cases such a system is simply not feasible in an existing urban area, and where it may be feasible to implement, will need significant planning and investment. In reality, such a proposal would need to form part of a wider transport strategy alongside consideration of such measures as workplace charging, congestion charging or a Mayoral Devolution Deal as potential means of funding.

### **HS2 Eastern leg revised route announcement (Phase 2b)**

31. The Phase 2b Route Announcement was made on Tuesday 15 November 2016. The Route Announcement safeguards the line of route and station locations for planning purposes and has put in place a statutory compensation regime for any properties directly affected. As outlined below, revisions have been made to the proposed route through the County (and elsewhere along Phase 2b).

### **Revised route through Leicestershire**

32. The plan - Figure HS2 (1) – attached as Appendix C, shows the original (and now superseded) 2013 route in black. The 2016 published safeguarded HS2 route is also shown on the plan. It is important to note HS2 Ltd. is only consulting on the revised alignment (shown yellow on the plan) and not the purple 'confirmed' route. It is also important to note that, unlike the originally published proposals, the entire route (i.e. yellow and purple sections) is now safeguarded in planning terms; HS2 will need to be consulted by local planning authorities on any planning applications within the safeguarding zones shown on the 'HS2 safeguarding maps' available on the HS2 website. The safeguarding directions also trigger 'Statutory Blight'. This means that property owners within the safeguarded area may be eligible to serve a blight notice asking the Secretary of State to buy their property prior to it being needed for construction.
33. In overview, there will be significant new impacts, both positive and negative, resulting from the revised route. In terms of positive impacts, the proposed revised route:

- Affects fewer Leicestershire properties overall than the original proposed route, as summarised in Table 1 below.

Previously Published Route		Newly Published Route		Difference	
Buffer	No of Properties	Buffer	No. of Properties	Buffer	No. of Properties
50m	65	50m	51	50m	-14
120m	185	120m	94	120m	-91
300m	946	300m	836	300m	-110

**Table 1- Comparison of affected properties**

- Has a marginal impact on increasing overall journey times between Toton and London (less than 1 minute). It is important to note that the economic benefit of HS2 to Leicester and Leicestershire is predominantly derived from increased and faster northern connectivity which is not affected by the increased journey time between Toton and London.
- Runs to the south-east of Measham, avoiding a proposed housing development and removing the need to divert a significant length of the A42.
- Avoids any impact on Plastic Omnium Automotive Ltd.
- No longer runs in close proximity to Tonge and Breedon on the Hill.
- Avoids the cost and potential engineering challenges of building a tunnel under East Midland Airport (EMA) and also avoids impacting on the site of the East Midlands Gateway Strategic Rail Freight Interchange.
- Avoids the demolition of the Hilton East Midlands Airport Hotel

34. In terms of negatives, the revised route:

- Significantly impacts on the Ashby Canal restoration to the east of Measham. In its present form, this would make the restoration at the route into Measham more expensive and make it unattractive to canal users and potential investors. However, officers are already working with HS2 Ltd. to seek a resolution to this matter.
- Will have a greater noise impact on residents (see a letter from Mr Hines, attached as appendix F, for more details).
- Results in job losses at two farm-based businesses in Appleby Magna (See a letter from Mr Sheahan CC and Ms Worman CC, attached as appendix E, for more details).
- Will require some additional cut-and-cover tunnel to accommodate the Kegworth Bypass (to be delivered as part of the East Midlands Gateway Strategic Rail Freight Interchange Site).
- Impacts on properties on the north side of Kegworth, and passes through land that has been identified for housing development on the west side of the village.

- Impacts on new properties on Nursery Fields Development south of Measham.
  - Runs within 200m of Sir John Moore School in Appleby Magna, a Grade 1 listed building. There are concerns relating to the operational viability of the school during the construction of the elevated embankment, as well as the noise levels for students when the line is completed (see a letter from Prof. Fred Stewart, attached as Appendix D, for more details).
35. Despite the negative impacts, on balance it is recommended that the Authority should continue its support in principle for a HS2 route through the County to Toton. In respect of its specific routing, this will be a matter for the Government to decide, informed by the outcome of the latest consultations on the revised route, (it is important to emphasise at this point, that the consultations are solely in respect of the revision to the HS2 route). The County Council will be submitting its comments in accordance with the consultation timetable.
36. This support in principle should be contingent on similar caveats to those expressed in the March 2016 Cabinet report, i.e.:
- That the adverse impacts of the HS2 route through Leicestershire previously highlighted and those that will be highlighted in our detailed response to the current consultation are minimised;
  - That the HS2 proposals provide the necessary rail connectivity and track/station capacity to allow for the operation of direct, 'classic compatible' rail services from Leicestershire stations, via Toton to/from destinations in Northern England;
  - The prompt delivery of improvements to the Midland Main Line (MML) railway to achieve sub-60 minute journey time to London, including:
    - to improve line-speed (including track straightening at Market Harborough);
    - to improve line capacity; and
    - to complete electrification through Leicestershire at the earliest possible opportunity;
  - That there is no diminution of rail services to London on the MML post opening of HS2, in terms of journey time, frequency of services and general standard of rolling stock.
37. It is also recognised that whilst the revised route has less of a negative benefit overall on properties along the route, other residents, notably in Kegworth, south of Measham and Appleby Magna will now be exposed to the impact of HS2.
38. Officers will continue to compile more detailed comments on the revised route, including reflecting the effects on our communities and infrastructure, and will ensure that they are submitted in accordance with the consultation timetable.

### **Equality and Human Rights Implications**

39. The proposals contained in the Rail Strategy are aimed at facilitating strategic growth to meet the social and economic needs of the residents of Leicester and



Leicestershire.

40. No detailed assessment has been done at this early stage, but as and when any rail schemes are taken forward the County Council will seek to work with rail industry bodies and HS2 Ltd. (and any other relevant bodies) to ensure that any necessary Equality and Human Rights Impact Assessment are completed.

### **Environmental Impact**

41. None arising from this report. As and when any rail schemes are taken forward the County Council will seek to work with Network Rail, HS2 Ltd. (and any other relevant bodies) to ensure that any necessary Environmental Impact Assessments are completed.

### **Background Papers**

Environment and Transport Overview and Scrutiny Committee – 28<sup>th</sup> November 2013 – HS2 Consultation: Proposed Response on Implications for Leicestershire

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1044&MId=3889&Ver=4>

Cabinet – 15<sup>th</sup> January 2014 – High Speed Rail (HS2) Phase 2 West Midlands to Leeds HS2: Proposed Response on Implications for Leicestershire

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=3986&Ver=4>

Cabinet – 1<sup>st</sup> March 2016 – Development of a rail strategy for Leicester and Leicestershire:

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=4600&Ver=4>

Environment and Transport Overview and Scrutiny Committee – 9<sup>th</sup> June 2016 – Draft Rail Strategy for Leicester and Leicestershire:

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1044&MId=4482&Ver=4>

Cabinet – 17<sup>th</sup> June 2016 – Leicester to Burton railway line

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=4603&Ver=4>

### **Appendices**

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| Appendix A | - | Consultation Summary                             |
| Appendix B | - | Leicester and Leicestershire Rail Strategy       |
| Appendix C | - | HS2 Revised Route                                |
| Appendix D | - | Submission from Prof. Fred Stewart               |
| Appendix E | - | Submission from Mr. Sheahan CC and Ms. Worman CC |
| Appendix F | - | Submission from Mr. Hines                        |

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