

<b>Subject:</b>	Rossendale Rail Link	<b>Status:</b>	For Publication
<b>Report to:</b>	Full Council	<b>Date:</b>	12 <sup>th</sup> December 2018
<b>Report of:</b>	Director of Economic Development	<b>Portfolio Holder:</b>	Leader of the Council
<b>Key Decision:</b>	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
<b>Equality Impact Assessment:</b>	Required:	Yes	Attached: yes
<b>Biodiversity Impact Assessment</b>	Required:	No	Attached: No
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<b>1.</b>	<b>RECOMMENDATION(S)</b>
1.1	For Members to note the CEBR report and receive the presentation.
1.2	For Rossendale Council to adopt as a policy objective the development of a commuter rail link from Rawtenstall to Manchester that ensures the continued success of the heritage operation.
1.3	For Rossendale Council to call upon: <ol style="list-style-type: none"> <li>1) Transport for the North to include the Rawtenstall rail link in the forthcoming 2020-50 strategy and allocate sufficient funding for a Strategic Outline Business Case and its future implementation</li> <li>2) For Lancashire County Council to include the link in its emerging Lancashire Local Transport Plan 4</li> <li>3) For the Lancashire Local Economic Partnership to include the plan in the emerging Lancashire Industrial Strategy.</li> </ol>
1.4	To authorise officers time resources to a stakeholder lobby group consisting of local businesses and stakeholders along the route to campaign for the delivery of this project.

## 2. PURPOSE OF REPORT

2.1 To present to members through a verbal presentation and written report the results of the early strategic case for investment study into the Rawtenstall to Manchester rail corridor and to seek a clear policy commitment from Council.

## 3. CORPORATE PRIORITIES

3.1 The matters discussed in this report impact directly on the following corporate priorities:

- **A connected and successful Rossendale that welcomes sustainable growth:** our priority is to ensure that we are well connected to our residents, key partners and stakeholders. We want to make the most of every pound we spend and we are always looking for new and innovative ways to make the resources we do have, work harder for us.
- **A proud, healthy and vibrant Rossendale:** our priority is to ensure that we are creating and maintaining a healthy and vibrant place for people to live and visit.

## 4. RISK ASSESSMENT IMPLICATIONS

- 4.1
- Risk that no strategic outline business case will be funded by TfN or other bodies: It is unlikely that Rossendale will be able to resource a strategic outline business case in view of the medium term financial strategy. However, significant investment is planned in the North of England and funding should become available for credible projects.
- 4.2
- Risk of the strategic outline business case being below 1.5 Benefit Cost Ratio: A score of 1.5+ is required to meet the Department of Transport's threshold to proceed. Failure to achieve this at strategic outline business case would delay the project.

- 4.3
- Risk that the East Lancashire Railway Trust Board does not accept the commuter proposal in its strategy and agree to alterations to the Memorandum and articles of association. Valid arguments would need to be presented to the Trust Board as well as reassurance that the heritage railways core operation would not be damaged in order to receive the necessary backing of its Rossendale, Rochdale and Bury Members.

## 5. BACKGROUND AND OPTIONS

### 5.1 Historic context

Rossendale being a busy industrial location in the 19<sup>th</sup> century sustained a substantial network of railways throughout the borough. These were principally Manchester–Bury–Stubbins–Rawtenstall–Bacup, Stubbins–Haslingden–Accrington and Rochdale–Whitworth–Bacup. These were closed at differing times to passengers between 1947 and 1972 with freight traffic ceasing in the borough in 1980 with the closure of the Rawtenstall coal terminal.

### 5.2 Heritage Railway

The East Lancashire Railway Trust reopened the route to heritage trains in 1987 to Ramsbottom and to Rawtenstall in 1991. Rossendale, Bury and Rochdale Councils own the track bed with a long lease granted to the East Lancashire Light Railway Company (ELLRCo) to operate trains. The Trust is made up of four parties: Rossendale Council, Bury Council, Rochdale Council and the ELLRCo who are responsible for the strategy of the railway and maintenance of the infrastructure.

The heritage railway has grown significantly in recent years and now attracts 200,000 visitors per year. Any commuter solution would need to ensure the continued success of the heritage operation.

### 5.3 Previous studies

There has never been a full strategic outline business case into the Rawtenstall to Manchester rail link. This is a comprehensive assessment of the benefits and costs of the project and is necessary to fully determine if the proposal will be judged as credible by the Department for Transport with a benchmark benefit cost ratio of 1.5+. A strategic outline business case for a project of this size would cost in the region of £250,000 and would be dependent upon external funding.

Previous studies have focused on early strategic cases and largely conclude that although there were significant merits in the rail option, the bus alternative was a stronger option. However, the new Centre for Economic Business Research (CEBR) report strongly challenges this earlier methodology.

### 5.4 Economic impact

It is widely accepted that enhancements to infrastructure boosts economic growth. We know that from evaluations into other rail reopenings that significant economic and social impact has been evidenced such as the Borders Railway. This unlocked substantial growth and was a key determining factor in the relocation and expansion of both the residential and business sectors\*.

The CEBR report determines in greater detail the potential economic impact but it is clear that Rossendale has strong commuter in and out flows to Bury, Rochdale and the rapidly expanding Manchester central area and proposed Northern Gateway near Heywood.

### 5.5 Transport for the North and other strategies

The Northern Powerhouse is a central government policy to boost the economy of the North of England and rebalance economic growth across the country. A key part of this strategy is the devolution of powers in areas such as transport to local decision makers as

well as the allocation of investment funding through Transport for the North (TfN).

TfN published its draft Strategic Transport Plan for consultation in January 2018, subsequently followed by a public consultation. The Plan sets out the case for investment in transport across the North from 2020-2050, along with the key strategic transport infrastructure requirements. Analysis has shown that the North of England has significant potential, and could generate an additional 850,000 jobs and £100 billion Gross Value Added to the UK economy. This would require substantial capital investment and the budget has not been confirmed but indications suggest that around £70bn could be allocated with a substantial allocation for rail.

The Rawtenstall – Manchester corridor forms part of the Central Pennine Corridor study and would require an estimated £50-£100 million to deliver an upgraded modern railway but this is subject to an options assessments and further detailed analysis. It is the role of Councils along the route to ensure that this investment is maximised locally from the regional TfN fund to secure local economic benefits.

Other important linked strategies being produced are the Lancashire Local Transport Plan 4 and Lancashire Local Enterprise Partnership's Industrial Strategy. Inclusion of the rail link in these studies is important as this will determine the allocation of financial resources by central government.

#### 5.6 CEBR Early strategic case for investment

A decision was made by Rossendale Council to procure and financially commit to an early strategic case for investment study. This was to principally influence the TfN strategy and establish the credibility of the project with other key stakeholders. This report has been submitted to TfN and will be shared with stakeholders.

#### 5.7 Other closed rail routes in the borough

Other closed rail routes in the borough will be evaluated by further concept study by CEBR; this will explore the possibility of an extension of the light rail system from Rochdale–Whitworth–Bacup as well as the other closed lines Rawtenstall–Bacup and Stubbins–Haslingden. It should be noted that although these would potentially bring benefits to these communities the alignments have not been protected and in many cases have been built over. The concept report will conclude in early 2019.

\*<https://www.transport.gov.scot/media/5360/secondary-data-baseline-report.pdf>

#### Next steps

The CEBR report is an important first step in the process but this is expected to be a long term project possibly taking 10-15 years to deliver. Continued lobbying with stakeholders and partners will be necessary at each stage of the process.

The Rossendale Business Leaders Group have indicated that some of its members would like to establish a lobby group to press for the delivery of this project. This is expected to be formed in 2019 and would involve others from Bury and Rochdale. They would require Rossendale Council officer support.

#### **COMMENTS FROM STATUTORY OFFICERS: SECTION 151 OFFICER**

6. At this stage the financial impacts of Rossendale officers and members taking part in the stakeholder lobby group would be minimal and managed within the existing revenue budgets.  
6.1

**7. MONITORING OFFICER**

7.1 There are no immediate legal implications arising from this report.

**8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT**

8.1 Consultation has taken place with the interested stakeholders as part of the CEBR study as well as the Corporate Management Team. If the SOBC case is proven then full consideration to equalities, appropriate consultation and community engagement would be undertaken for any significant impact of the adoption of this policy.

**9. CONCLUSION**

9.1 This report and the CEBR early strategic case for investment report outline the rational and narrative to support the Rawtenstall to Manchester rail link.

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>
<b>CEBR early strategic case for investment report</b>	<b>Annex to Council report</b>