

ANGUS COUNCIL

DEVELOPMENT AND ENTERPRISE COMMITTEE – 18 NOVEMBER 2014

EAST COAST MAINLINE AUTHORITIES CONSORTIUM

REPORT BY CHIEF EXECUTIVE

ABSTRACT

This report informs members of the work of the East Coast Mainline Authorities consortium and of the council's involvement in the group. The report sets out the findings of the Consortium's recently published prospectus and recommends the continuing involvement and support to the group's work.

1. RECOMMENDATION(S)

It is recommended that the Committee:

- (i) note the background to the establishment of the East Coast Mainline Authorities (ECMA) consortium and the involvement of Angus Council in the organisation to date;
- (ii) agree the continued involvement of the council in the consortium in partnership with TACTRAN, the regional transport partnership;
- (iii) agree that the findings and priorities of the ECMA prospectus should be taken account of and incorporated in the Angus economic development strategy and delivering related activity.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/COPORATE PLAN

This report contributes to the following local outcome(s) contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- We have a sustainable economy with good employment opportunities
- Angus is a good place to live in, work in and visit

3. BACKGROUND

The East Coast rail line runs from Aberdeen in the north via Dundee, Edinburgh and major urban settlements in the north and east of England to its southern terminus at London Kings Cross. In Angus the line is utilised by ScotRail, Cross Country Trains, several freight operators and the cross border operator East Coast. The Consortium of East Coast Main Line Authorities (ECMA) is a unique collaboration between Scottish and English local authorities and Regional Transport Partnerships throughout the area served by the East Coast Main Line, both those on the line like Angus, and those whose areas are adjacent to it. It is hosted and serviced by York City Council on behalf of all partners. The chair of the Consortium currently is Cllr James Alexander, Leader of York City Council.

The East Coast mainline is an infrastructure asset of enormous importance to Scotland, and to the UK as a whole. The many strategic decisions that need to be made about rail connectivity over the next few years mean that the ECMA has a vital role in representing all the communities served by the line, particularly in terms of raising awareness of the line's economic and social significance and in lobbying for the investments needed to maintain and develop the ability of the route to contribute growth in the local economy of every community served by the line. The Consortium is working in partnership with both Governments, the rail industry and business to deliver the investment that is needed to enable economic growth.

The East Coast Main Line is a key piece of infrastructure connecting local and regional economies with each other, to the national economy and to Europe and consequently is of considerable strategic importance to both the national and regional economies. However, its ability to fully realise this economic value is currently constrained and the Consortium intends to make the economic case for influencing investment to enable the delivery of solutions by the rail industry that release these constraints.

Specifically, ECMA seeks to:

- set out the economic benefits of investing in the line;
- raise awareness about the continued need to invest;
- ensure that decision makers have all the relevant evidence before they make choices; and
- create a strong partnership with the rail industry.

Angus Council in common with all Scottish Councils along the line has been a participant in the ECMA since 2012 alongside TACTRAN and the other regional transport partnerships.

The Consortium sought a financial contribution from each member to enable a substantial study of the line's role in the UK economy and the potential growth in Gross Value Added (GVA) that could be released by investment in the line. Angus Council paid a subscription of £4,000 using officer's delegated powers to confirm its membership and participation in the group in 2014/15.

The Consortium has utilised this income to fund lobbying activity targeted at Network Rail and other rail industry organisations, the UK and Scottish Governments and leading decision makers on both sides of the border. Most significantly the commissioned independent, specialist research from JMP Consultants and Albion Economics to provide a complete view of the growth potential of economies linked by the East Coast Main Line. Through this report the Consortium demonstrates the case for further investment in the East Coast Main Line and in the services (both passenger and freight) that use it, so that all economies and communities connected by the route can fulfil their potential and achieve significant economic growth. This research has been published in the form of a "Prospectus" document, copies of which have been made available to elected members in the Information Hub.

The research shows that they contribute over £300 billion per annum GVA to the United Kingdom economy, not including London. This work has shown that investment in the East Coast Main Line corridor and its rail services stands to bring benefits to all of the local economies along the length of the corridor –

- to London and its airports, for finance, government, business and international connectivity;
- to Edinburgh as a centre of government, and finance and business;
- between London, Edinburgh and other important centres of finance and business;
- between North & North East Scotland, the Tay, the Tyne, the Tees and the Humber for renewable energy, and the North Sea and gas industry;
- between growing centres of life science and biotechnology businesses along the length of the corridor;
- to centres of applied and advanced manufacturing excellence;
- to all areas for emerging digital and creative sectors and a diverse tourism industry; and
- to freight routes and East Coast ports.

However, in spite of the demonstrable importance of the economies served in the East Coast corridor to the UK economy the Consortium's work has confirmed that East Coast Main Line has not always enjoyed the level of investment it warrants. This has resulted in some significant capacity constraints and pinch points on the East Coast Main Line which limit the pattern of passenger services and available freight paths, and stifle innovation in service provision, resulting in:

- slow journey times, particularly in Scotland and northern England;
- poor service reliability, an issue critical to business;
- poor connectivity to other key destinations, particularly in northern Scotland, and to northern destinations from southern England; and
- inconsistent quality of rolling stock and stations.

In Scotland the research suggests the focus should be on enhanced Anglo-Scottish services where journey time improvements and targeted service extensions, particularly northwards to Aberdeen and Inverness, would bring benefits to both Scottish internal services and Anglo-Scottish services and provide more cross border options.

4. CURRENT POSITION

The Consortium is now starting to make the case for further investment in the East Coast Main Line based on the evidence contained in the Prospectus. It needs to continue to do this over the next few years to ensure that the investment required is made by both Governments and the rail industry. The case needs to be made for both immediate funding before 2019 in the current rail investment plan over and above the sums already allocated, and increased investment in the future so that the economies along the route including Angus can reach their full potential. The Consortium has agreed that lobbying of key decision makers to raise awareness of the economic case for investment in the line should be a priority for the period ahead.

In terms of funding experience to date suggests that ECMA activities of lobbying and research costs about £160,000 per year. The most recent Consortium meeting in September 2014 agreed that the Consortium's budget should be set at this figure and that a short life working group should be established to agree a funding model for use from 2015/16.

The Consortium meeting also agreed that each member organisation should be asked to endorse the Prospectus, incorporate its findings and priorities into its own economic development strategy and support the planned lobbying activity designed to achieve the required investment.

5. PROPOSALS

The Committee is recommended to agree that the ECMA prospectus is endorsed given its relevance of this key rail route to the maintenance and development of the Angus local economy and to the economy of Scotland as a whole. It is also recommended that the Committee agree that Angus Council should remain a member organisation of the ECMA and be an active participant in its work in so far as this is perceived to advantage the achievement of the council's priorities for economic development in Angus.

6. FINANCIAL IMPLICATIONS

To date the council has expended £4,400 in support of the ECMA's work funded from the Economic Development revenue budget. Costs into 2015/16 overall are expected to increase as the group's work develops, but cannot be confirmed at present until the short life working group mentioned above reports. The current proposal supported by Scottish organisations in membership is that rather than each council subscribing, the regional transport partnerships should pay a subscription recouped from the councils in its area. If this is agreed, the costs to Angus Council may well be less than the £4,400 paid in 2014/15 but in any event the costs will be met from within the existing budgets available.

7. CONSULTATION

The Strategic Directors for Resources and Communities and the Heads of Legal and Democratic Services and Corporate Improvement and Finance have been consulted in the preparation of this report.

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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