

LGA submission to Williams Rail Review

18 January 2019



About the Local Government Association (LGA)

The Local Government Association (LGA) is the national voice of local government. We work with councils to support, promote and improve local government.

We are a politically-led, cross party organisation which works on behalf of councils to ensure local government has a strong, credible voice with national government. We aim to influence and set the political agenda on the issues that matter to councils so they are able to deliver local solutions to national problems.

Summary

Local government has a vital role to play in serving the people and places across the country, with a pivotal role in supporting businesses, creating the conditions for local growth and supporting residents in their everyday lives. Councils wish to see a successful rail industry that supports local growth and is properly connected with the fabric of local economies. Many councils feel that the relationship between rail and local government should be stronger. With the changing local government landscape, councils continue to be very good at organising themselves to engage with national agencies, such as Network Rail and Highways England.

The Williams Rail Review therefore provides an opportunity for improvements in the way local government and the rail industry can work together for benefit of passengers, local transport networks, and local economies as well as for taxpayers. We therefore welcome this invitation to respond.

We have a main crosscutting point that applies to all areas where the review is seeking input and that is in regard to how rail industry structures interact with localities. We would seek further engagement in how structures could be reformed to allow local government to interact with all levels of the rail industry successfully.

We believe it is for the rail organisations and the Government to decide on the most appropriate structures for the rail industry. Our response is focused on what a successful rail industry would look like from the perspective of local government. We have set out our views and some of our key issues under some of the headings highlighted in the terms of reference for the review:

Commercial models for the provision of rail services that prioritise the interests of passengers and taxpayers.

- Councils role in suburban rail and devolution

Rail industry structures that promote clear accountability and effective joint-working for both passengers and the freight sector.

- The use of surplus rail land
- The role of stations in wider regeneration projects

Submission

- Improving stations
- Entirely new stations
- Funding from outside bodies
- Crossing the railways

A rail sector with the agility to respond to future challenges and opportunities.

- Community engagement

The issues highlighted share a number of themes in common and a successfully operating rail industry would acknowledge these issues and seek to improve upon them in the following ways:

- All parts of the rail industry engaging constructively with local government as partners
- The rail industry and especially the owners and operators of stations and land assets to recognise and understand their role as place shapers
- More effective outwards communication at all levels of the rail industry
- More tolerance of a culture of risk and entrepreneurialism in non-safety focussed areas of rail industry management

Detailed Response

Interaction with the changing local government landscape

Local government continues to evolve - in recent years more combined authorities have emerged, many with their own ambitious plans for improvement to local transport networks. We now also have sub-national transport bodies (STBs) emerging that cover nearly the whole country. These bodies have a role to examine every option for improving major transport infrastructure in their regions to help transform regional and UK gateways. All local authorities are also members of sub-regional economic partnerships – Local Enterprise Partnerships (LEPs). Over the coming years LEPs will have an important role in driving forward local industrial strategies. The success of these will have an impact on the rail industry, including demand for rail travel.

It is important that the rail industry understands and works with evolving local government landscape. We would hope that the review is able to examine the current lack of engagement with local democratic institutions and how this could be addressed. We would welcome further engagement with the review on this point specifically.

Commercial models for the provision of rail services that prioritise the interests of passengers and taxpayers.

Councils' role in suburban rail and devolution

Some local authorities have sought a greater role in the direct provision of rail. Light rail has been run successfully by eight different combined authorities and transport passenger authorities in England. Some suburban rail lines in London are run directly by Transport for London, with bids for more sweeping devolution rejected by the Secretary of State. Much has previously been written on the benefits of a devolved approach to suburban rail especially by the Urban Transport Group, a group representing a network of city-region transport authorities.

Their report '[Rail Devolution Works](#)' demonstrated that a more devolved approach has led to more investment, more frequent and reliable trains, new

stations and new routes, more effective integration with wider public transport networks and greater responsiveness to local challenges and opportunities.

Where authorities seek more active roles in rail provision it is clear that it has been beneficial but this will only ever be a partial solution as only a handful of city regions will ever be able to support a viable suburban rail network. Whilst we recognise that national governance models will continue to be necessary for intercity rail, the LGA is supportive of member councils' bids for greater influence on the rail industry through devolved mechanisms.

Rail industry structures that promote clear accountability and effective joint-working for both passengers and the freight sector.

Use of surplus rail land

Network Rail controls a large amount of land across the UK. Some is historic railway land which is no longer needed and much exists on key growth corridors. Network Rail is required to fund railway improvements through generating some of its own funds. There is an obvious alignment of strategic priorities with the rail industry seeking to dispose of land to fund improvements and the desire of local authorities to secure additional land for housing and economic growth. Housing in rail corridors can be particularly appealing from a local authority point of view as it already comes with pre built transport infrastructure and connections - not just rail connections but also other public transport options are often integrated with rail routes. Given these obvious strategic alignments local authorities would set a high priority on clear communication from rail land owners on their sites, their plans for sites and when development opportunities arise the need for an understanding of how the development process works in order to facilitate successful partnership working.

Given the historic focus of rail asset owners has been focussed on the maintenance and development of the rail asset it is not clear whether the rail industry has sufficient institutional knowledge to take on large scale development in house. This is something that local authorities would be well placed to partner with the rail industry on if given the opportunity.

Stations role in wider urban regeneration scheme

In many town centres rail stations act of a gateway to their wider town centre as well as a focal point at the centre of a place. The immediate environment around a station will often be a visitor's first impression of a place and will set the tone of a visit. Increasingly redevelopments of stations often involve making them as retail destinations in their own right and so they can occupy a key strategic partner of council's wider plans. It is imperative that major works to stations are done in co-ordination with local regeneration programmes. We are aware of existing good work in this area – for example as highlighted in the report [*Regenerating Britain's railway stations: a six-point plan*](#). Councils across the country are leading the response to the significant structural changes that are taking place in retail and shopping habits and their town centres. It is important therefore that this work, and lessons learned, is spread across all areas and the rail industry engages with councils on supporting town centre rejuvenation efforts through station improvement plans.

Stations also occupy an important space as community buildings which can be relatively easily accessed. With the ongoing impact of council budget cuts reducing the amount of publically accessible space increasing the utility of railway buildings is mutually beneficial. There are a number of successful models with

railway buildings being used as community hubs. Accessing these kind of underused assets forms a key part of many council's strategies for dealing with continued budgetary cuts.

Improving stations

The vast majority of UK railway stations are operated by the train operating companies (TOCs) that run the franchise for the line that the station serves. For a local authority, especially from a local growth perspective, this can lead to challenges as more than one company can operate stations within the same local authority area and they may find that station improvements are focussed on the short term operational requirements rather than longer-term local growth outcomes.

The long term ownership of stations belongs to Network Rail and the franchisee who operate the station can be making decisions focussed on the period they will be running the station. This can make it more difficult to engage in discussions with operating companies who may not be as focussed on the long term management of a station asset and its role within wider place making.

Local authorities can have difficulty in engaging in long term discussions about the role of a station within its locality if other partners have an uncertain long term stake in the area. We need a greater focus from all areas of the industry on station assets which can be crucial for place making and the public realm within towns and cities.

Funding from outside bodies

As part of Network Rail's five year funding envelope (the next control period), Network Rail's improvement works will not be fully funded which means they will have to seek alternative sources of funding. Some funding will come from land disposals but other amounts will come from other public bodies like local authorities where schemes meet local strategic priorities. Councils have access to other funding which is available for larger transport schemes and can be crucial partners in unlocking wider funding streams for the rail industry. However the funding processes concerned with railway investment are much more complicated than those associated with other local transport investment even when local authorities are effectively trying to give money to the railway system. Councils have been asked to complete strategic assessments which, although standard in the rail industry, can be extremely complex and technical. If the rail industry is open to collaboration with partners it needs to ensure its processes do not make co-operation difficult or impossible.

Councils have been seeing central government funding reducing for most of the past decade. This has meant that local government has been forced to become more entrepreneurial and focussed on generating income. The rail industry could learn lessons from the cultural changes the local government sector is currently going through in order to generate additional funds for improvement.

Entirely new stations

The DfT has provided a £20m fund for the building of new stations. So far this has led to the creation of 10 new stations in 2 different tranches. These stations reflect the need for greater rail infrastructure in order to secure areas for future housing growth. There are however significant difficulties in building new railway stations - despite the need for additional rail capacity and the need to catalyse housing growth. New stations are often not in the interest of TOC as extra stops increases the time taken by existing services and these new smaller stations are often less

lucrative than existing stations. In common with other investments in additional capacity the rail industry needs to be open to collaboration and ensure that it does not use its processes as a barrier to progress.

Crossing the railways

There are around 6,000 level crossings on our rail network and most are part of the local road network. The interaction of local roads and the rail network can often be a point of controversy. Network Rail has a legal duty to assess and reduce risk at crossings and over the last ten years they have closed over 1000 level crossings. Their preference would be to have no level crossings over the national railway network and have all crossings by a bridge or tunnel.

However this is not currently a realistic solution given the amount of investment that it would require. Network Rail often come into conflict with local authorities as their preference is to close crossings whereas it is often the preference of local authorities to keep level crossings, which are mostly on the local road network, open. The responsibility for maintenance of the highway rests with the local authority whereas ownership and maintenance of the crossing itself is a Network Rail responsibility. These differing priorities and governance structures can complicate maintenance of our highway assets. Even where the crossings have been redesigned to use a bridge the different ownership of the assets can be problematic for maintenance programmes and requires clear and effective communication.

A rail sector with the agility to respond to future challenges and opportunities.

Community engagement

As community leaders, our members are often confronted by a variety of different issues concerning local stations and rail lines. One common issue facing them is their ability to engage with someone at the correct level who could take action. The focus of TOCs is often limited to their rail corridor and not focussed on their wider community impact. It is not always obvious that all levels of the rail industry view community engagement as high on their list of priorities and issues that should be able to be solved at a local level often have to be elevated to a higher corporate level by councillors. The rail industry could learn from some of the cultural changes that have taken place at Highways England since the formation of that company. Whilst engagement with Highways England is not uniformly at a high level across the country, the LGA has noted that their renewed corporate focus on serving its customers has begun to lead to better engagement with local government and better outcomes for road users and tax-payers.

Conclusion

The LGA would be happy to engage further on any of these issues we have highlighted and more generally on developing a better understanding and relationship with local government. The issues highlighted share a number of themes in common and a successfully operating rail industry would acknowledge these issues and seek to improve upon them through the following ways:

- All parts of the rail industry engaging constructively with local government as partners
- The rail industry and especially the owners and operators of stations and land assets to recognise and understand their role as place shapers

- More effective outwards communication at all levels of the rail industry
- More tolerance of a culture of risk and entrepreneurialism in non-safety focussed areas of rail industry management