

Transport Committee

Oral evidence: [Rail investment pipelines: ending boom and bust](#), HC 575

Wednesday 2 July 2025

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[Watch the meeting](#)

Members present: Ruth Cadbury (Chair); Mrs Elsie Blundell; Alex Mayer; Baggy Shanker; Rebecca Smith; Laurence Turner.

Business and Trade Select Committee: Sarah Edwards.

Questions 207–246

Witnesses

I: Dawn Badminton-Capps, Head of Rail Partnerships, North East Combined Authority; Mal Drury-Rose, Executive Director, West Midlands Rail Executive; and Liz Goldsby, Head of NPR and High Speed Development, Transport for Greater Manchester.

Written evidence from witnesses:

- [North East Combined Authority](#)
- [Transport for Greater Manchester](#)

Examination of witnesses

Witnesses: Dawn Badminton-Capps, Mal Drury-Rose and Liz Goldsby.

Q207 **Chair:** Welcome to this morning's fourth evidence session on the rail investment pipeline inquiry. During our first panel we will hear from representatives of the regional authorities. During our second panel we will hear from industry experts, including a former Rail Minister.

I ask our first panel of witnesses to introduce themselves.

Dawn Badminton-Capps: Good morning, everybody. I am Dawn Badminton-Capps. I am head of rail partnerships at the North East combined authority.

Mal Drury-Rose: Good morning, everybody. I am Mal Drury-Rose. I am the executive director for the West Midlands Rail Executive. I also lead rail matters for the West Midlands combined authority. It is worth just saying that, Chair, because they are two roles—I don't get two salaries, to be clear—but in terms of the responsibilities, the West Midlands Rail Executive is responsible for a wider geographical area in the west midlands. We also jointly manage the West Midlands Trains contract for the West Midlands Railway area.

Chair: Those different structures may well be pertinent to the answers to some of our questions.

Liz Goldsby: Good morning, everybody. I am Liz Goldsby, head of Northern Powerhouse Rail, NPR, and high-speed rail at Transport for Greater Manchester.

Q208 **Chair:** Could I ask each of you to explain how your organisations feed into the process of planning railway renewals and determining which enhancements should go ahead?

Liz Goldsby: From a TfGM perspective, we clearly have our 2040 strategy. That sets out what we are looking to achieve for public transport, active modes and the rail network. In our role, we are obviously responsible for Metrolink, Manchester's light rail system. We then engage with Government, Network Rail and industry through a range of different forums.

It is fair to say that we are a stakeholder in that space rather than a co-specifier or a direct partner. A key area that we are very keen to take forward, through both major rail programmes and the rail network generally, is that partnership approach and ability to co-specify as the mayoral strategic authority.

Q209 **Chair:** Mal, for both organisations.

Mal Drury-Rose: First of all, we are very proud of the tradition and the history that we have had in the west midlands in local input into rail investment. The West Midlands Rail Executive has a long-term rail



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investment strategy. Clearly, some of our investments are already happening on the ground. A number of those stations are being built locally. We also have input into the national schemes, such as the midlands rail hub. That has recently been committed to. I would say we have a lot of good involvement in the rail system at the moment.

Q210 **Chair:** So is it right that you own stations and run services, whereas in Greater Manchester you do not?

Mal Drury-Rose: To clarify, we actually have one station—believe it or not—that we own in partnership with Worcestershire, which is Bromsgrove. We are building other stations, but ultimately they will transfer to Network Rail. In terms of train services, we are co-clients with the Department for Transport to manage the West Midlands Railway part of the service that operates in the west midlands, hence the West Midlands Rail Executive's responsibilities.

Q211 **Chair:** Dawn?

Dawn Badminton-Capps: It is slightly different in the north-east with us being a much newer combined authority. Our mayor has just had her first anniversary in May. We are very much still in the process of working with industry and the DFT in a consultation kind of approach. If opportunities arise, we are invited to consult on that and then we will seek to be a part of that process.

We have our eyes on our two colleagues here and what they are doing in their areas. We are very keen to support the partnership agenda and how we start to work with DFT, Network Rail and GBR, once they stand up, so that we can start to make the improvements in our region that we are so desperate to do.

Q212 **Chair:** Ultimately, who is it who decides if a major programme of renewals or enhancement goes ahead in your patch?

Dawn Badminton-Capps: For us, at the moment, it is DFT. For renewals and upgrades it will be what Network Rail get through their CPs, and what they are going to deliver in their areas. We will be asked to consult on that, but again the ultimate decision lies with Government and Network Rail.

Mal Drury-Rose: It is the same for us in the west midlands, Chair. I would add a bit to that, though. We are very keen to work with Network Rail, going forward to GBR, to understand more about the renewals plan and what opportunities there are to align that funding with our own funding, also making sure that we are using renewals to improve the network and make it more resilient for our communities.

The answer is, no, not right now, although we do have, similar to the north-east, some involvement. Longer term there is an opportunity to align better.



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Liz Goldsby: I agree with my colleagues. Decisions ultimately sit with Network Rail on renewals and with Government on major investment, but as we move forward we are very keen—as my colleagues set out—for that partnership approach and to have far greater involvement given the strategic importance of rail to our area.

Just to come back on your stations point, as part of the rail reform, we are also very keen to have greater oversight in the stations within Greater Manchester as well.

Q213 **Chair:** Dawn, the one bit of rail that is owned and controlled locally is the metro in Newcastle.

Dawn Badminton-Capps: Yes. It is controlled by Nexus, which is arm's length to the CA at the moment. Again, for renewals and maintenance we still have to apply to Government for funding pots so that we can maintain that network. We are in the process of trying to work out how we upgrade signalling. If we had a more consistent and reliable pipeline of funding coming through to support that package of works, we could plan better and integrate it into the network more effectively.

Chair: Talking of pipelines, Baggy?

Q214 **Baggy Shanker:** From our previous sessions and written evidence from various stakeholders, there are several reasons why establishing a stable pipeline of railway investments has been really challenging. Could you give us an example of how this has had an effect on your organisation and your objectives?

Dawn Badminton-Capps: For us in the region, first and foremost, if we look at something like the timetabling for the east coast main line, that has been a significant ongoing piece of work for the region over the last four or five years. Throughout that, it is almost like it has been done to us as a region. Because it has taken so long for that piece of work to be completed, it has almost throttled us from starting to work out how we plan for the future, what we want to do and how we start to integrate our local connectivity.

It also poses problems for us in that, because it is such a significant piece of infrastructure that we have high-speed rail running from London to Scotland, we have a lot of branch lines and connections moving on and off that line. In a region, when we start to look at partnerships, how do we align that? We want to be able to move our people around the region and out of our region, and therefore a very fast train just moving through the region is not something we would necessarily think to support first and foremost.

Mal Drury-Rose: I can give an example. We have a brand-new fleet of electric trains worth over a billion pounds operating in the west midlands. If you have had the pleasure of seeing them, they are really a game changer in providing our passengers and customers with a great experience. However, they do not have a dedicated train facility. They



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have retrofitted some maintenance depots in the west midlands, but they do not really have a home. That has really come out of the planning processes over the last few years through rail reform and the changes to rail franchising and contracts subsequently since the covid pandemic.

We are very keen—and that is where we step in—to say that we need the maintenance of a dedicated facility for a billion-pound fleet that will serve the west midlands for 30 years. It is a huge investment that has been made, and to make the best of it in terms of planning we need to align better how we do rolling stock going forward, obviously with the fleet strategy as well, and new trains.

Liz Goldsby: From my perspective, there is high-speed rail and Northern Powerhouse Rail. We clearly had the cancellation of HS2. However, since then, as yet, we are unclear as to the proposals for how we deal with the capacity issues on the west coast main line and that north-south connectivity, which is an essential link and key to long-term growth. We await a view from Government as to how that might be addressed and whether, indeed, the Government are interested in taking forward the proposals for enhanced connectivity between Birmingham and Manchester with our colleagues in the west midlands as part of the private consortium that came together after Network North's announcements.

Likewise, with the Liverpool-Manchester railway as part of Northern Powerhouse Rail to provide that crucial enhanced connectivity east-west across the northern cities, Liverpool-Manchester is again part of NPR and has been part of the integrated rail plan. It has been in conception for many years, but as yet we are still unclear as to how that moves forward.

That brings us a lot of uncertainty, both in how we can take forward our growth plans and the implication on the local transport network as well as the growth from the connectivity directly delivered by those schemes and the released capacity on the railway. That is alongside, as you can imagine, all the uncertainty it brings around skills, staffing and the lived experience of working through those long periods of uncertainty.

Mal Drury-Rose: May I add a further point to the pipeline? I do not think you can look at a pipeline in rail investment in isolation. My colleagues would say the same. Integrated transport is really important to keep things moving in our city regions. Pipelines also have to align to priorities for other modes of transport, whether that is bus franchising, bus partnerships or light rail metros, which we all have. In that respect I think the planning should not be in isolation. There is a risk with the rail system, going forward, that sometimes it operates in silos. I can say that, by the way, from a long-term rail career. I would say there is much more we can do to integrate the system better.

Liz Goldsby: If I may build on that point, yes, it is absolutely around the integration, but it is also how the local transport network and local investment can enhance and maximise the value that we get from



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strategic investment as well. That is a really key part. It is about spreading the benefits of the major investments in nationally significant rail schemes. That is an equal part and a focus of why, in our view, we need to take major schemes forward at local government partnership to meet both national and local strategic objectives.

Dawn Badminton-Capps: I would completely echo that. We have had some successes in the north-east with the Northumberland line. That is a hugely successful project, but again that was funded and came through pots of money. We now have that experience, and we want to build on that. We have projects like the Leamside line, which run alongside the east coast main line.

Logically for us in the region, we are saying, "Here we are." Locally, we want to do something for the region, but actually that could alleviate some of the capacity on the east coast main line. How can we work together in partnership with Network Rail, GBR and so on to bring that to fruition?

Baggy Shanker: I was going to ask for specific examples and what would make things better, but I think you have covered all that.

Q215 **Rebecca Smith:** Dawn, you mention in your written evidence the challenges caused by incremental investment in the Tyne and Wear metro. Would you be able to elaborate on this, please?

Dawn Badminton-Capps: Apologies but I will refer to my notes here because, as I mentioned before, Nexus is arm's length to us. Essentially, we have chased grants to do a lot of the maintenance and renewals work that we needed to do on a failing infrastructure. The metro came into being over 40 years ago. It was done fairly cheaply just so that we could get it done. We have very old trains that we have inherited. We have had to do things where we are chasing pots of money. That approach has not allowed us to sit back and say, "We know that we're going to need new trains in five years' time, so how do we build that into it? We know that we're going to need to upgrade signalling, so how do we deal with that?" Because we cannot package up those works, it then presents a problem for us. Potentially, we may never get value for money because of it as we are always waiting for that money to come online.

Q216 **Rebecca Smith:** The recently reopened Northumberland line is an example of a combined authority working with Network Rail and industry to deliver an enhancement scheme. Could you describe how that process worked and whether you think it has been successful?

Dawn Badminton-Capps: That project came online. It is another one of our projects that we have wanted in the region for a significant number of years. It was actually our colleagues in County Durham because it happened before our mayor came into power.

Again, it was almost that the stars aligned. The Restoring Your Railway funding became available. Colleagues in Northumberland worked very



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closely with the Restoring Your Railway team, Network Rail and DfT on that project to work up the business case that was being funded and invested. The line opened in December last year to fantastic success. It is real evidence that if you can work on a project and consider what the outcomes will be for people in that place and in that region, as opposed to how much it will cost and how much you need to bring into the region, it will have a greater impact and, I believe, a bigger return on investment.

Q217 Rebecca Smith: Is there anything that your organisation would have done differently in that project?

Dawn Badminton-Capps: If we had been able to build that into a pipeline of investment so that we could have spent more time considering how that business case would come together, we might not have been in the position we are at the moment where we do not have all six stations open. It is like any construction project: until you put spades in the ground, you do not always know the details of what is going to spring up. The fact that we have got it opened means that people can travel from Ashington into Newcastle; we have been able to align ticketing into that. We have been able to start making those moves to integrate into the system, which, as I say, was a precursor to our mayor coming in. We now have that as an example of where else we can do that in the region. In the north-east, our geography is huge. We are more akin to the size of Wales. Mass transit through rail becomes more of an option and an opportunity for us because we need to move people greater distances sometimes.

Q218 Mrs Blundell: Good morning, everyone; thanks for being here. This is a question for Liz because it is related to Greater Manchester. As an MP with a constituency in Greater Manchester, I know about the intention to expand the Bee Network and bring the eight lines and 96 stations, I think it is, eventually under your control. You will tell me in a minute if I am wrong. I think that is a really exciting prospect, as long as the city region has the resources and the autonomy that it needs to be able to get on with it.

What do you think are the benefits of this, and acquiring those assets, in securing future investment in the lines being brought under local control?

Liz Goldsby: I would be happy to provide more detail to the Committee in writing after the session. It is not my programme, so I am not necessarily across the very detailed aspects. The fundamental aspiration is to improve local customer service so as to encourage more people on to the railway and therefore drive greater revenues. By bringing the lines under greater local control, we would like to be in a position to co-specify the services on those lines as well as the investment in the stations and the integrated transport solutions. This would integrate the services with the rest of the Bee Network in terms of ticketing, branding and the overall customer experience and accessibility to make sure that we are driving towards an integrated transport system, as my colleagues have



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already touched on, which can help drive more people to choose public transport and therefore drive the benefits that that brings.

Q219 **Mrs Blundell:** Do you believe that at Greater Manchester combined authority level the expertise and self-governance mechanisms are already in place for them to take on a different role in relation to these lines? I am thinking in the context of rail reform and Great British Railways.

Liz Goldsby: I think we have a very strong track record in Greater Manchester. We have a very strong delivery track record from my personal experience of the Metrolink days. We are advanced in terms of the mayoral combined authority.

Clearly, this is a proposed changed way of working. Coming back to that point about an investment pipeline and rail reform, it is about enabling both the industry to prepare for future services and change but also for us locally to be able to build that capability, build that resource, and plan ahead. It comes back to our view of the partnership approach and, through the mayoral combined authorities, having a statutory role in terms of rail reform that gives us the ability not only to influence industry and help us to meet our local needs but to prepare, and helps us to support industry. It is very important that we focus on this as very much seeking a co-specifying partnership approach.

Q220 **Mrs Blundell:** Finally from me, and a little more specifically, once the lines are brought under TfGM's control, what role do you see Network Rail, and in future Great British Railways, playing in terms of their maintenance and enhancement?

Liz Goldsby: I will refer to my colleagues who are more directly involved in that and come back to you. Again, we would see that principle of partnership working being developed through the process. As to enhancements versus renewals, it is probably about who is most appropriately placed to do that, but I will seek further advice from my colleagues and come back to you on that one.

Q221 **Chair:** I want to go slightly off piste, away from investment. While we are on the subject of local control and management versus national, do you have any thoughts about how you fit that in with the opportunities around freight and getting freight through, while also thinking about your population and their passenger travel needs? How does that work, or how might it work in the future with GBR?

Dawn Badminton-Capps: For us, in the region, I think we are a little behind colleagues. First and foremost for our mayor, growth and inward investment is at the front of her mind. We are very lucky that we have the Port of Tyne, Nissan, IAMP and real opportunities for us to look at how we move freight around the region. In our region, predominantly, we put freight on the road; we do not put it on rail. We would really need to work very closely with colleagues at Network Rail and DFT to say, "How can we actually deliver a freight opportunity and move it around the



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region correctly?" Certainly, those conversations are being had and we want to work in partnership on how we do that.

Mal Drury-Rose: Freight is clearly important in terms of moving and improving the road situation in the regions and, of course, the climate as well, so we are very keen on freight. To answer your question on partnership working, we would want to have that with Great British Railways in the future because obviously freight is a commercial entity. It does not get subsidy. We would want to work with Great British Railways to ensure that the freight sector gets its fair share. I do not think it is about not being freight-friendly—we certainly are—but there are trade-offs in terms of what capacity is available and what we can do to make the best use of that.

Q222 **Chair:** Liz, I know you have some constrained pathways as well.

Liz Goldsby: Absolutely. I would echo my colleagues on partnership working. Again, the investment in the railway is one of the reasons we are pushing so hard for Northern Powerhouse Rail and the Liverpool-Manchester railway, and the opportunity to look strategically at the network and plan how we can utilise the capacity to best effect. A key part of that is being able to arrange the services so that we have stronger freight links through the Liverpool-Manchester railway line. There would be access to Peel Ports. In Liverpool there is the airport. There is a really huge growth opportunity there, but we need the investment and the capacity with that joined-up approach locally and nationally to make sure that we utilise that.

Q223 **Laurence Turner:** Good morning. One of the topics that we are interested in is what happens after a proposal for an enhancement has been identified. In contributing to appraisal and business cases, how does that work in practice for your organisations at the moment?

Mal Drury-Rose: We all had to do business cases for investment—you would expect us to—to demonstrate value for money, and that is positive. Whether that is local or national, that has to be done. Then it is for local leaders to decide whether they want to prioritise that investment in that particular project.

I would say, though, that there are a number of different business case processes that you have to go through, whether that is at the local level, DFT or Network Rail. You do wonder, I have to say, whether there is a better way of aligning those business cases to one version of the truth to get everyone on the same page. But, yes, you are absolutely right. We have to do a business case. Clearly, it is up to local leaders, though, to decide how to prioritise that investment.

Dawn Badminton-Capps: At our level, we spend an awful lot of time doing business cases and then almost gift them to DFT and Network Rail. We might be told that we will get that funding or that it has been parked. Sometimes it feels a bit like a merry-go-round as we wait for schemes to



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come online. Newcastle to Northallerton is a maintenance renewals project that we want. It seems to have been doing that merry-go-round for some time. We want that in the region so that we can move traffic up the east coast main line. We are prepared to invest in that and support those works, but then it is not in our gift to decide how that works after that point.

Q224 Laurence Turner: Picking up on Mal's comments about whether there could be consolidation of these different processes, what would that look like in practice? Do you think that should be primarily locally led or is that perhaps a slightly artificial distinction?

Mal Drury-Rose: You could say, I suppose, where is the money coming from? If it is locally driven funding, you could argue that it is going to be a local business case. If it is national funding, and the midlands rail hub is a good example of that which has recently been committed, it is a national scheme. Clearly, we are partners to that and so the business case will go forward now. That is an example where you have the distinction between national and local, but it does not mean the principles cannot be the same. Certainly, the governance could be looked at. There will always be different governance between our respective organisations, but it does not mean that we cannot work together and understand what those milestones will be. I think there is work we could do on that.

Liz Goldsby: I will come in on the nationally significant schemes. Particularly in our area we are interested in the Liverpool-Manchester railway. There is a very clear drive to do things differently and to learn the lessons from HS2. We are very keen locally that we take a far greater role in helping to develop the case and to make a robust and strong case. We believe we have a huge amount to offer Government in that space. Indeed, the Mayors of Liverpool City Region and Greater Manchester have come together to form the Liverpool-Manchester Railway Board. It is chaired by the two mayors with membership of all the local authorities along the route to provide that really strong, local base to help Government build the case for Liverpool-Manchester and NPR.

As to the specificity on who leads, that needs to be considered probably on a case-by-case basis. Is it led locally? Is it led nationally or centrally? Is it a joint team? I think that is a conversation we are really keen to have with Government about how the major infrastructure schemes come forward. In principle, we are absolutely well equipped to help build the case for the scheme and, therefore, make sure we have a scheme that helps us to meet our local and national growth objectives.

Q225 Laurence Turner: Picking up on something you just said about the case-by-case approach, do you think in an integrated transport mode such as rail there will always be a need for national approval at some level, but that the process could be more collaborative? Am I on the right lines?

Liz Goldsby: I think so, yes. Ultimately, if Government are investing, it would be reasonable to expect that Government will need to have some



governance over schemes, but it is about making sure that that is appropriate and proportionate for the scheme itself. Again, that local partnership is critical in making sure that we take forward schemes in the right way. We can help Government in terms of that clear drive and a shared objective to deliver and we believe help to make delivery more effective in that space.

Q226 Laurence Turner: I have one more question on this area. We are all digesting the changes that have been announced to the Treasury Green Book. I was just wondering what your view is of those changes and whether it will make it more likely that enhancements will get through the appraisals and business case stage.

Dawn Badminton-Capps: I could not give you the details of those changes, but certainly, to date, the Green Book has not been as helpful for us in the north-east when we start to look at things like BCR; so if we are moving in that direction to make it easier for Government to understand what we are trying to achieve, with a more outcomes-based focus, that would certainly be welcome. It would certainly make it easier for us to bring those projects forward, and make the changes in our communities that we are looking to make.

Mal Drury-Rose: I am sure you will come on to revenue funding, and obviously the business case would look at that, but as to train service provision and who has the money, and what it is going to cost, that is a challenge for us all—in terms of investing in infrastructure, as well. You have to link the two. I think, again, that there is more work we could do with Government on that.

Liz Goldsby: I agree with my colleagues. A concern that has been covered in many reviews of high-speed, such as Oakervee, is the current appraisal system, which very much drives us, in looking at traditional transport benefits. Particularly with the major investment in transformational schemes, it is about how we take that place-based approach and take proper account of those wider benefits that are key to delivering the growth that we all aim to achieve. So, again, we would be in a similar place.

Chair: Did you want to come in, Rebecca?

Q227 Rebecca Smith: Yes, I suppose this is a wider piece. I represent a constituency in the south-west. We look at what goes on in the north and hear lots about the north and midlands, and you refer to what is going on as significant infrastructure, and that sort of thing. Who is your competition, nationally? I am a massive HS2 sceptic, because, frankly, who gives a flying monkey's if a couple of minutes are shaved off the journey between London and the midlands when you can't even get around in the south-west? It makes me quite cross. Who is your competition for that significant infrastructure?

It sounds to me as if you have a pretty good system already, and are



now looking to make it even better, when other parts of the country do not even have a metro system, for example. Who is your competition, and what could other regions learn from you, to make sure they keep up? The Green Book probably was not very good for anybody. You got Restoring Your Railway money. My constituency did not. The Government are not interested at all in creating that link across the far south-west. That, to me, is a significant infrastructure project. Who would your competition be, and what could they learn?

Dawn Badminton-Capps: Our mantra is that the north-east has been under-recognised and under-invested in for a significant amount of time. We have had one win. The difficulty is that, looking at the north, depending on where in the country you live—and if you are based in London—the north can mean very different things to you. HS2 does not bring a lot to the north-east. The Transpennine Route Upgrade, another significant one, does not bring a lot for us in the north-east. There are huge pots of money around that are not doing the things we need in the north-east. I completely understand your feelings on that front.

Our competition would be my colleagues to my left. We want some of the money that you have been getting. It would also be the south and south-east. It often feels as if BCR investment is happening around sheer population numbers. In the north-east, we are never going to match the population—we have 2 million people—and our geography is more akin to that of Wales. We have to turn around the thinking so that we can do what we need to do in those communities.

Q228 **Rebecca Smith:** So you are essentially saying that the south-west could, effectively, learn from the north-east, because we are probably—

Dawn Badminton-Capps: Our door is open to working with colleagues from all over the country. Certainly, we have a lot of links with my colleagues to the left of me, who have been doing this for nearly eight years: what can we learn from you, and what are the mistakes, and how can we make the improvements?

Mal Drury-Rose: I will come in briefly, to help. The Urban Transport Group of course brings together all the local authorities and combined authorities, so best practice can certainly be shared there—and probably should be. Our door is open. We are stronger together, not apart, is what I would say, in terms of local needs and bringing control and ownership to the local level. We can definitely help, as a group, and a UTG is one way of doing that.

“Competition” is an interesting word, isn’t it? You could say that the car is competition, from a transport perspective; but there is also competition within the transport sector, such as incentives to align with what we might want to do, with a private or public operator. It is quite complicated in rail and bus, and we are moving towards making it simpler and maybe reducing that competition. Really, I think for all of us competition should be putting the passenger first—and how we deliver.



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Liz Goldsby: I agree about putting the passenger first. I do not think we would necessarily use the word “competition”, because, as we all do, we would look to the south and London, and East West Rail; we do not begrudge that investment, which is important for the country as a whole, but that does not mean we do not need the investment too. It has been well documented, around rebalancing the economy, that parts of the UK economy do not perform as well as they should, looking at our European counterparts.

Yes, there is a need to invest in the infrastructure. Some of the schemes that we look at, in terms of major rail investment, are about the economy as a whole. They are not necessarily just about the north-west. It is about enhancing connectivity, and the agglomeration benefits of bringing people closer together.

There is a story that is often lost, about investing in the capacity of the rail network for wider connectivity across the region. We are a well-established mayoral combined authority, but we are all on a devolution learning curve. That is where the partnership approach can give support. I can imagine that the same frustrations felt in the south-west are very much felt across the north—including, certainly, in the north-west.

Chair: Alex, I do apologise. I jumped ahead.

Q229 **Alex Mayer:** No, don’t worry. Liz, you said earlier that one of your main objectives was to get more people on to trains and grow the revenue. Just so that I understand: who is getting that revenue at the moment? Who gets the money from the tickets?

Liz Goldsby: At the moment ultimately that revenue would go to Government. Our increasing the revenue through better services is an opportunity to reduce Government subsidies, which would be a positive; but, clearly, we are looking for a new funding model, and an opportunity to have more devolved funding, and that value share space as well.

Q230 **Alex Mayer:** At present do you feel that there is clear accountability between mayoral combined authorities and Network Rail, in terms of delivering enhancements?

Dawn Badminton-Capps: As a newly formed combined authority we got a trailblazer deal and we have set up our first north-east rail partnership board, which our mayor chairs. Members include senior representatives of GBR, the DFT and Network Rail, as well as Transport for the North. That will be a strategic board, and we expect that as it develops we will be able to sit with those partners and start to plan what we need in the region and how it aligns with national ambitions. We expect the GBR partnership framework that is being developed to be a tool that we can use with that, and that it will sit alongside our local transport plan and allow us to do the more strategic planning. That is still in its infancy and we have a long way to go, and we still need to understand how GBR will be set up, how the partnership will work, and all



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the other points that were made about how it will fit into the mesh or framework.

Mal Drury-Rose: In West Midlands we have a very strong relationship with Network Rail, which has been built over many years. For example, it is currently helping us to deliver five new stations, with early development of another. We have a close relationship with it on many levels. Also, there is an opportunity for all of us to work more closely with Network Rail in a transition to Great British Railways, and to start to bring together the key objectives going forward. On the investment side, we are quite keen to have a joint plan with it, anyway. If GBR was not happening tomorrow, we would still have a joint plan with Network Rail, because it makes total sense to try to work together closely on how we invest in the railways.

Liz Goldsby: Likewise. Part of the opportunity around rail integration and integrated settlements is enabling us to look at the local need—to consider stations, ticketing etc.—and enabling Network Rail and industry to focus on the reliability of services. That is the key point in trying to get and keep people on the rail network and grow the patronage and, therefore, the revenues.

Q231 **Alex Mayer:** Do you think there is any danger that you might, sort of, be treated as a bank? The Government do not have enough money to do one thing or another, so they come to the mayoral combined authority to top it up.

Dawn Badminton-Capps: Without knowing yet how that is all going to work, there is potential for that risk—but we do not know the mechanisms of how it will work. Certainly, the announcement of CRSTS2, or TCR, as it is being called, is amazing for our region, and we fully want to use that money to look at how we work in partnership and co-invest, but it would be unwise for us to take on the responsibility to do national works over what we need to do in our region for local people.

Mal Drury-Rose: That is a very good question. I do not see it as a bank of West Midlands. I would say that there is an issue about public money. It is all public money. The rail system as we all know has been in decline, in terms of revenue, since the covid pandemic. Trying to reverse that, or to make better use of funding, is a headache for all of us. So no, I do not think we are a bank for Government, but I would say be careful what you wish for. In my career we have had assets transferred from Network Rail and the Government, and getting the right deal on that transfer is really critical to combined authorities and to anyone who is taking on asset liabilities. It is a high-risk strategy, when partnership may well be better. If you actually want the Government to fund the asset, rather than funding it yourself, there has to be a strong narrative and policy decision.

Chair: I am conscious of the time, so feel free not to give a response, if you feel that the question has been covered by a colleague.



Q232 **Mrs Blundell:** I would be interested to know if anyone on the panel has thoughts on the English devolution White Paper and especially what it means for local transport authorities seeking more control over rail investment in their area.

Dawn Badminton-Capps: I cannot give specifics, but we certainly welcome it, and want to understand how we can work through it and deliver more for our region. I cannot give more detail than that.

Liz Goldsby: Clearly, we welcome wider devolution; Greater Manchester is part of the trailblazer process. It is a clear advantage of the integrated settlement that it gives us the ability to look locally at how we invest strategically in a manner that meets local needs.

To go back to the funding point and how you get to funding settlements—touching, if I may, on the question about being a bank—when we invest in infrastructure it is important that we understand who the beneficiaries are and how we can tap into some of the value that is created. That requires a longer-term programme, looking at how you fund infrastructure investment, and a co-investment approach. Clearly, you have to look at both the core infrastructure and the complementary infrastructure that is needed to maximise the value, be that local connectivity measures, or the costs associated with bringing forward development.

The key thing is making sure that the right controls and mechanisms are in place, so that there is the right level of local control where there is either a co-investment or local funding, and the right understanding of where the revenues go. I think that the devolution White Paper touches on that investment, and on the need for longer-term investment to drive growth; but it is part of the broader package. You cannot just talk about how you fund something; it is about how all the funding works, and how the control and delivery mechanisms around that work.

Q233 **Mrs Blundell:** I am going to ask each of you this question, which is broad but really important. When it is established, what relationship should Great British Railways have with strategic transport authorities?

Dawn Badminton-Capps: Partnership, partnership, partnership. There is a need for regular, consistent, open and transparent dialogue, so that we understand what GBR is setting out to achieve, and we can look to challenge or align; then, how do we move forward and deliver on that?

Mal Drury-Rose: I will just add to that rather than repeat it, because it is all very valid—partnership, but local accountability and recognising the local accountability for the transport system. Rail's role in the integration of transport is critical.

Liz Goldsby: The same word—partnership. The only thing I would add is that Greater Manchester is very keen and has offered to help to co-design the role of the mayoral strategic authorities in GBR rail reform, which, I



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think, embeds that whole partnership approach that we are looking to secure.

Q234 **Mrs Blundell:** Can you talk in a little more detail about that and what it entails?

Liz Goldsby: At the level of principle it is about recognising that we have local priorities and needs, and strategic objectives, and that there is clearly a national network that we need to tie into. As was covered in a previous session, not all local community rail lines sit within the GM boundary. It is about working together; I think Andrew Haines talked about the tension between local and national needs. That is why that collaboration is so important—as well as to enable us to support industry, and industry to support us. I would be more than happy to share with you the consultation response that we recently submitted to the Government, on rail reform, and will happily ask my colleagues to provide you with further detail if that would be helpful.

Mrs Blundell: I think we have seen the response, but thank you for the offer.

Q235 **Baggy Shanker:** This is a question for Liz, really. In your written evidence you mentioned the Greater Manchester transport strategy 2040 as your guiding document to future pipelines. Do you think that the Government should have a similar document and, if so, what would it look like?

Liz Goldsby: Yes, that guiding strategy is vitally important, and that ties back to previous discussion that the Committee has had on what a pipeline is, and what the short, medium and long-term aspirations are. From the GM perspective, we have looked to set that out through our 2040 strategy. There is clearly greater detail on those short-term programmes—or programmes that are closer to delivery—but focus on longer-term outcomes is equally important. That ties into the pipeline, how you can deliver growth, skills, capability and the industry that you put into achieving it.

A key focus, in looking at the 2040 strategy, is that it is part of a broader ecosystem connected to housing, regeneration, growth, skills and health. The Greater Manchester transport strategy sits underneath the Greater Manchester strategy. That linkage, with transport as an enabler for growth, means that you have to have the connection back to those wider aspirations. That is a key part of the core principle needed in any transport strategy. Clearly, we would absolutely welcome that at a Government level. A common theme throughout today is that we would look for that to be developed in partnership, regionally, so that we would get the right balance of local and national.

Q236 **Baggy Shanker:** Dawn or Mal, do you have anything to add to that?

Mal Drury-Rose: It was a very comprehensive answer. I am happy to endorse it.



Chair: Let us move on to funding sources, then.

Q237 **Mrs Blundell:** At the moment, setting aside reforms to devolution funding settlements, are local transport authorities able to fund rail investments such as station upgrades themselves?

Mal Drury-Rose: We can, yes, and we are doing it. It is a combination of funding, for the majority of our stations, but absolutely the West Midlands combined authority, Transport for West Midlands and a number of other partners are investing in our stations, as you probably know. Perry Barr for the Commonwealth Games was transformational as an interchange station. University has been upgraded—again, led by the combined authority, with six partners. That was quite a complex funding, but it was still all public sector, so that is interesting. Of course, we are building, with partners, three stations—what we call the Camp Hill line: Moseley Village, Pineapple Road and Kings Heath; and for Walsall Borough, at Willenhall and Darlaston—all again led by the combined authority and WMRE.

We are investing already. We should be quite proud about that. It is quite an investment in the transport system, and of course the metro in the west midlands is also being extended through the Government's announcement of £2.4 billion for the city region sustainable transport settlement. There are a lot of good news stories about transport.

Q238 **Mrs Blundell:** In the context of the GBR Bill, then, do you think that more consideration needs to be given to the funding pressures that combined authorities are under?

Mal Drury-Rose: Absolutely. The revenue support, whether for train services or the maintenance of those assets, still comes back ultimately—if we cannot get the revenue to net it off via the operators—to the combined authority. You might say that that is a perverse incentive to invest, for leaders. As well as paying the capital out with all the funding, you are also picking up the tab, potentially, for ongoing maintenance and revenue costs. That is quite a hard sell for some people—leaders—to swallow, and it relies on really good partnership and collaboration with those who operate the stations. Of course, longer term, hopefully, it will be simplified, but that is the key reality in West Midlands today.

Q239 **Mrs Blundell:** Liz or Dawn, do you have any comments on that question?

Liz Goldsby: Clearly, in GM we have a very strong track record of investing and co-investing in the transport network, including in stations and accessibility programmes. There is a need, as part of the Bill, the reform, and the relationship with GBR, for a funding approach and the commercial arrangements that sit around it.

Q240 **Laurence Turner:** In terms of integrated settlements, we are anticipating greater autonomy for mayors and combined authorities, but with a £200 million limit on large transport project investment. What sorts of schemes can you see going ahead, with that greater autonomy,



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that might not have gone ahead before—perhaps thinking about regional priorities—and do you think that the £200 million limit is set at about the right level?

Mal Drury-Rose: I am thinking about the £200 million: on balance, probably. We already have governance at DFT, so where DFT or the Government are funding—and normally, if it is the former city region transport settlement funding, there is governance with the DFT anyway, on milestones and gateways—probably in that respect, whether we like it or not, that is a system already in place.

On the £200 million cap—I cannot speak for the CA on this one although maybe I can follow up in writing—in my personal view it does not seem unreasonable.

Liz Goldsby: I think we have a similar perspective. Clearly, we would like as much devolved responsibility, governance and accountability as possible, but we recognise that for schemes with a national profile there is a need to work in partnership with the Government. It is about having the right governance regimes in place, for the right oversight and governance, and to support the delivery of the programme. I suggest we come back with further detail on that one.

Dawn Badminton-Capps: I do not have anything to add to that.

Q241 **Laurence Turner:** Okay, thank you. Following the theme about influencing decisions made in Whitehall, including beyond the DFT, it was perhaps telling that the recent announcement on the midlands rail hub was a Treasury announcement; although I am sure there were lots of conversations between the Departments. When there are those cross-Whitehall discussions, how does that work from your point of view? If the Treasury want clarification of an aspect of a proposal, do they come to you for further details? Are you in the room when those conversations happen?

Mal Drury-Rose: I guess I will lead on that, because you mentioned the midlands rail hub. I think it could be better, to be honest. We do not, today, know exactly the spending review settlement on the midlands rail hub, although we expect to have it soon. Would I prefer us to be in that room—whether it is the leader or the mayor? Probably, because it is a quite fundamental scheme to improve resilience and growth in the west midlands and, potentially, the east midlands. I think we could be better informed at an earlier stage, instead of its being a little guarded and protected from people. It sometimes feels, maybe, that you are not trusted. That could be improved.

Liz Goldsby: I would say the same. At times we feel that we are a stakeholder rather than a partner. That is an important distinction. From the high-speed rail perspective, we do not always feel that we have had the influence or ability to engage across Government Departments. There is an opportunity to look at how you bring different Government



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Departments together, particularly for the transformational schemes where you are looking to secure growth and think beyond just the railway. Again, partly I think that the driver behind the Liverpool-Manchester Railway Board is that it brings the local leadership together to provide a platform for really working with Government, providing the local view and supporting Government in building the case and taking schemes forward, as well as enhancing our ability to be the partner rather than an arm's-length stakeholder.

Laurence Turner: That is helpful. Thank you both for your candour.

Q242 **Chair:** We have been focusing in this session on renewals and enhancements, but I want to ask one other question on investment, about rolling stock. Do you get any say in the commissioning and design of rolling stock, particularly if it is more within the region? If not, or if only a bit, could it be better?

Dawn Badminton-Capps: Not at this point in the north-east.

Q243 **Chair:** Should you have a say?

Dawn Badminton-Capps: We do through Nexus. It is something we would be interested in, not only because we need improved stock in our region, but we also have Hitachi in our region. In looking at how we support businesses in our region, yes, we would like to be involved in those conversations.

Mal Drury-Rose: From the West Midlands Rail Executive point of view, we helped detail a specification for the existing national rail contract for West Midlands Trains for the new train fleet—the new trains I referred to earlier. Subsequently we have an issue about maintenance, in terms of the facility that you may recall I mentioned earlier. Yes, we have had some involvement. Do I think we could have more? Yes. Why do I think that? Because for jobs, supply chain, how it could work for our regions and how we integrate it outside rail with other modes, it makes so much more sense for local inputs in those decisions. Ultimately, somebody has to decide—I get that—and control that, but I do think we should have more say, and we have had some say.

Q244 **Chair:** Also design. You are investing in accessible stations, but presumably level boarding is also therefore a consideration as well.

Liz Goldsby: Absolutely. I would agree with my colleagues about greater involvement.

Q245 **Baggy Shanker:** Obviously there is a lot of talk about GBR. How are you guys feeding into the process of establishing GBR—if at all?

Mal Drury-Rose: I think it is fair to say it is something we do every day. We are very proud of the arrangement we have already. The West Midlands Rail Executive has an agreement with the Department for Transport called a collaboration agreement where we jointly manage the train service. We add value to that. I would say that, wouldn't I? But



there is evidence behind it. As a bare minimum, we would expect that involvement, certainly in transition to GBR, to be maintained. Beyond that, we have so much more to offer. We are talking to GBR and the partnership team about what that could look like for our region. We may not fit one box. That is something with which we are trying to wrestle. Certainly, the politicians and our mayor are keen on local accountability for rail in the region, building on the existing arrangements that we have earned over many years in the west midlands. We would seek to strengthen that going forward, working in partnership with Great British Railways.

Dawn Badminton-Capps: We are also working with the partnerships team to understand what the framework will look like and how, once that stands up properly, we will integrate, work in partnership, co-invest etc. We are doing our utmost to influence that so it will work for our region and, hopefully, similar regions.

Liz Goldsby: I would echo my colleagues' comments. The only thing I would add is that we have also offered resource to help co-specify and co-design the role of the MSAs in that process.

Q246 **Baggy Shanker:** Is that a collective conversation, or are you talking to GBR individually authority by authority?

Dawn Badminton-Capps: We are talking individually, but just recently we have set up with GBR a partnerships team, almost a wider north-east grouping, which includes colleagues from west midlands, Tees Valley and South Yorks, just because it is really around the east coast mainline and the branching of that. It seems a simple grouping, so we are coming together to see how we can share best practice and influence as well.

Mal Drury-Rose: Of course, the legislation is MCA so there will be that individual aspect to it. I guess it is the same for colleagues in Manchester. West Midlands and Manchester previously had a trailblazer devolution deal. We already had a partnership agreement with the former Great British Railways transition team. That is something we have developed. It has now gone into the partnership team. This is not new to us; it is something we have been doing for some time, but I think it is both individual and collective. The Urban Transport Group also represents a number of us as well.

Liz Goldsby: I agree.

Chair: This brings our first panel to an end. Thank you not only for the evidence today but the time you spent preparing for it and the evidence you sent in earlier. If there is anything else you think of that you have not already said or written, do send it in fairly soon.