

North West England: *realistic regional rebalancing*

April 2025

1. Overview

There have been two major infrastructure projects hovering over North West England for a while now: High Speed Two and Northern Powerhouse Rail.

Regional advocate, Mayor of the Greater Manchester Combined Authority, Andy Burnham, has actively championed both. But the multiple-£bn funding needed has not been forthcoming.

With weak business cases, the Department for Transport sought to bind the two mega projects together, proposing a shared alignment from a joining point in rural Cheshire onwards into central Manchester.

Transport for the North (TfN) has supported this approach saying that the “two flagships...are being designed to complement each other and trains will run between the two networks and onto the wider railway system.”¹ Northern Powerhouse Rail and HS2 were said to be ‘integral to the North’s future rail network’.

But in October 2023, HS2 Phase 2 was cancelled, potentially stranding this concept: there would be no rail connection from the south for HS2 trains to join the new, combined, tunnelled route into Manchester. Conjoining these two projects has proven to be unwise, conflating risks arising from changes in one of the projects’ specifications to the other.

We visited this problem in our earlier report on the North West in October 2024² and showed how a series of incremental improvements to the existing network could be a better proposition than east-west new-build, HS2-style.

On April 1st this year, key opinion formers met in Liverpool (at the Heseltine Institute at Liverpool University) to discuss this proposition and to explore what should happen next. The essential linkage between regional economic growth and a decent public transport system was the central theme.

The need for committed political support, of the type that London Mayors provided for the Crossrail/Elizabeth Line, was noted as being crucial.

Instead of a single mega project designed to provide a new route *between* the major cities of the North, there emerged to be support for the view that it is the rail networks *within* the major cities, and in Manchester in particular, where the biggest challenges lie.

2. A lost decade

Northern Powerhouse Rail (**NPR**) was floated as part of the ‘Northern Powerhouse’ economic vision in 2014. This would see the major cities of the North inter-connected by high-speed rail, with enhanced east-west connectivity to complement the north-south orientation of HS2.

Eleven years ago when then Chancellor of Exchequer George Osborne launched NPR, he said, in answer to a question on funding: “the money will be found”. But in the years since, the funding has *not* been found, and DfT’s Accounting Officer for the project has posted a gloomy prognosis of its business case.

As for HS2...

¹ <https://www.transportfornorth.com/northern-powerhouse-rail/>

² <https://www.greengauge21.net/why-rail-projects-need-a-regional-plan/>



HS2 has been the subject of successive cut-backs, now pruned to an Old Oak Common-Handsacre core.

What has survived are the planning consents granted through Parliamentary Powers, not only for Phase 1 *but also*, separately, for Phase 2a. This is the section of alignment between Handsacre Junction in Staffordshire and Crewe in Cheshire – the key link between the West Midlands and the North West.

Phase 2a Parliamentary Powers were duly acquired four years ago. But while a high proportion of the property needed to build it have been purchased, construction has been put on hold.

Where does that leave the North West?

In a study last year, the City Mayors of the West Midlands and Greater Manchester suggested that a lower top speed and lower cost version of Phase 2a could be implemented instead of the full-blooded HS2 version. This study was generally welcomed: it kept alive the hope that HS2 might still be able to deliver the extra network capacity it was designed to create.

Without either the original Phase 2a scheme, or a scheme adapted to use its planned right-of way more cheaply, HS2 will deliver no extra train paths for the north of England, and so no capacity gain (except to the south, between Birmingham and west London).

With no extra trains running to/from the North on the network, the case for a new line onwards from Crewe into Manchester fades away.

and for NPR...

Powerfully advocated alongside HS2 since 2014, NPR has been seen as the means to underpin the Northern Powerhouse, creating an economic counter-weight to London. It is seen as a network, with a core route that links Liverpool-Manchester-Leeds-Newcastle (a route to which Bradford was later added).

NPR's roots lie in an economic development vision. It drew on references to successful economies abroad: the Dutch *Randstad* region (Amsterdam/Rotterdam/the Hague/Utrecht) and Germany's *Rhine-Ruhr* region. In these two European examples, the role of high-speed rail is minimal (*zilch* in Rhein-Ruhr), and in Holland, a high-speed line only links 2 of the 4 key Randstad cities. Most of the envied European urban cluster inter-connectivity is in fact provided by conventional regional and inter-regional trains, in each case well integrated with urban LRT systems. And that's what NW England needs.

As of today, NPR has no Parliamentary powers. Its prospects seem to diminish as the Trans Pennine Route Upgrade (**TRU**) progresses, eating into its projected benefits. The choice between an upgrade option (here, TRU) and new-build (NPR) – is always challenging because adverse impacts of construction fall so differently. Here the choice has already (in effect) been made.

The TRU is funded by Government, and as its title indicates, instead of new-build alignments, it seeks to make the existing railway better able to support fast frequent and reliable services, and to accommodate railfreight, over a fully electrified version of today's main trans-Pennine route.

As is the current vogue, its progress is gradual – in stark contrast to the West Coast Route Modernisation programme of twenty years' ago, for example.

Unlike HS2 and NPR, TRU isn't left hovering over North West England because the first key development needed, electrification of the principal Liverpool-Manchester line, was completed ten years ago. Electrification onwards from Manchester to Stalybridge followed with electric services starting in December last year, and larger-scale capacity works are currently in hand, between Huddersfield and Dewsbury in Yorkshire



But just as with HS2 and NPR, the extra rail services that TRU can bring risk adding to the capacity problems of the rail network of the North West across central Manchester.

3. The view from Westminster

Right now, rail is on the politician's naughty step. Projects that over-run (HS2 most obviously but also Great Western Main Line electrification) dent Ministerial confidence.

Other rail investments intended to support new connections have been a let-down. Expected service frequencies (over the Ordsall chord in Manchester; Thameslink in London) are found instead to be inoperable with their intended service frequencies, alongside all the other service commitments.

Thank goodness for the Elizabeth Line, enthusiastically greeted after it went through its own implementation challenges of delivery timescale and budget!

If there is a positive message from this experience it's this: the single-minded support of successive London Mayors for Crossrail/Elizabeth Line that sustained it through difficult periods is crucial. It is so important to have a long-term project champion. For the North West too, the role of high-profile Combined Authority Mayors is going to be crucial.

No doubt HM Treasury would also point to London having financial 'skin in the game' – through its funding contribution to Crossrail, and other rail investments. But city authorities in the North and their business communities are unlikely to be able to match London's financial strength and ability to co-fund infrastructure investment. Indeed it's at least partly to address this regional inequality that major rail proposals in the North are so needed. The goal of reducing regional inequality almost inevitably means backing schemes with weaker business cases in areas with a more limited tax base.

It's not quite a stand-off, but the absence of meaningful local or regional funding doesn't exactly enthrone HM Treasury to lend support for major rail investment. The National Infrastructure Commission got it right in its Needs Assessment for the Midlands and North of December 2020, allocating national investment funds regionally on a *per capita* basis.

A Prime Ministerial View

When at the end of March this year, the Prime Minister found himself visiting Huddersfield ahead of this Spring's local elections, he was conveniently located to point to the major renewal and expansion of the rail system there, as part of the Trans Pennine Route Upgrade. As expected, he didn't announce any new transport funding³, but it's worth noting what he did say on the condition of the North's transport services:

“For far too long, working people ...hamstrung by a transport system that no longer works for them....delays or cancellations...lead to insecurity and instability for working people”

“...thriving industries, unlocking growth in key sectors like ...cutting-edge life sciences in Liverpool....support leading universities left hamstrung by poor connectivity”

And this:

“The North will no longer be held to ransom by a broken transport system”.

³ Prime Minister, Sir Keir Starmer speaking on 28/3/2025, when he mentioned various funded rail projects: “£415m for rail: Manchester-Huddersfield-Leeds-York (*this is TRU*); a new Merseyrail station in the Baltic Triangle...[to be] complete by Spring 2028..[and]..Bury Interchange redevelopment [£80m].



Now we know that HM Government knows there is a problem to be solved in the North. The view from Westminster coincides with the view of rail travellers in this part of the country

Some of the service unreliability to which the Prime Minister, speaking in Huddersfield, referred is due to long-running IR issues and driver shortages and these must also be addressed going forward by GBR.

4. A new Railway Board

Combined Authority Mayoral leadership in the North West has established a new Board “to maximise the economic and social benefits of a new railway between Liverpool and the city of Manchester.”⁴ In October 2024, former Rail Minister Huw Merriman was appointed to chair it.⁵

The suggestion is that a new line between the two cities would free up capacity on existing lines for better services. But the concept has weaknesses.

In seeking to use the planned HS2 Phase 2b tunnelled alignment into central Manchester, it follows an indirect route *via* a new station in Warrington. So:

- services will be no faster between the two main cities (being unable to match the timings available on the near straight line of the original Liverpool Manchester railway across Chat Moss); *and*
- its ‘planned HS2 station’ is only near, not at, Manchester Airport. So any would-be airline passengers must rely on taking a connecting bus link to complete surface access journeys into the airport. Existing rail services, including those from Liverpool, use Manchester Airport train station (which is connected directly into the airport terminal),

Nonetheless, Mayoral leadership of this type is fundamental to success, just as it has been for London. But the initial thought on what shape infrastructure investment should take needs more thought. Nationally the skies are darkening for the public finances and it might be best to regard the suggested new line as a metaphor for the ambitions of the two cities’ leaders for now.

In any event, judging by the rate of progress delivering HS2 Phase 1, it would be c2050 before such a mega scheme could be completed.

5. The rail needs of North West England

In Autumn last year, an assessment of NW England’s rail needs, co-authored by Greengauge 21, was published by the UK 2070 Commission, a planning review group established by the late Lord Bob Kerlake.⁶

The analysis of the North West England economy was carried out by Heseltine Institute Professor Ian Wray, and needn’t detain us here except to point out that the southern part of NW England uniquely has economic characteristics similar to South East England.

Wray referred to the ‘Northern Arc’⁷, a concept swiftly adopted by the Metropolitan Mayors for Liverpool and Greater Manchester. Its prosperity is based on many factors including excellent international air links, two successful cities each prospering in their complementary ways, and strengths across key economic sectors including defence, life sciences, culture/media, university-based research and nuclear power. It has the potential to rival Government’s Oxford-Cambridge Arc in the south. Enough, it

⁴ <https://www.greatermanchester-ca.gov.uk/what-we-do/transport/liverpool-manchester-railway-board/>

⁵ <https://www.greatermanchester-ca.gov.uk/news/former-rail-minister-to-chair-liverpool-manchester-railway-partnership-board/#:~:text=The%20appointment%20of%20Huw%20Merriman,be%20announced%20in%20due%20course.>

⁶ This report is available on the Greengauge 21 website at <https://www.greengauge21.net/tag/north-west/>

⁷ <https://www.liverpool.ac.uk/heseltine-institute/blog/thecaseforthenorthernarc/>

can be suggested, to prompt HM Treasury to be supportive of the kind of investment needed to overcome what the Prime Minister has just identified as a regional weakness in its transport services.

So the question becomes this: what should be done to overcome the weaknesses in the region's rail system, on which the recent Prime Minister's comments are so pertinent?

Given the unappealing timescales and high capital costs in the apparently favoured option of a new Liverpool-Manchester line, what should be done instead?

6. The regional comparator

The scale of continuing infrastructure investment, all in London/South East, is striking. Announcements this year of extra runways (at Heathrow, Luton and Gatwick), new Thames tunnelled highway crossings, and East West Rail (now with the added appeal of the 'Project Nectarine' UK theme park near Bedford,) have no counterparts in the North West (or the wider North).

A call for a new railway line to connect the two major cities in NW England to rectify the imbalance might sound like an appropriate response. But it has serious limitations as noted above, and we will show better approaches are available, as discussed at the Heseltine Institute seminar.

The London/South East rail system is a joined-up and effective network. Service frequencies are good, and the ticketing systems operate securely across travel modes and routes. Travel is not cheap, but if there is a problem on one line, there will usually be another way to complete the journey – to get to work, to college etc.

While London/South East has a functional network, North West England has.... a set of lines. People get to work in the South East one way or another; in the North West, the more likely option given a train cancellation is to go back home or get the car. It would be good to know the cost to the regional economy.

In North West England, services frequencies are low and there is often no viable way to negotiate around train cancellations. *It doesn't function as a network.*

A single scheme such as a new Liverpool-Manchester line won't solve this problem. But the expansion of the two main city region networks, with the adoption of tap in/out fares regimes applicable across the public transport modes (the Bee line network in Greater Manchester) as now being pursued, is a great start to address this issue. We know how much demand stimulus comes from radical simplification of ticketing from the London example⁸ and how it could provide those living in the North West with what has been enjoyed in the South East for several decades now.

Of course, more is needed. Besides better rail services – as discussed below – but also better modal integration which becomes viable with Bee-line style all-travel modes ticketing.

Reflecting successes with London's Super-Loop express bus network in the outer reaches of the metropolitan area which rail serves poorly, cross-connecting limited stop bus services serving urban centres and rail stations on radial routes might also be tried, to help provide network connectivity that rail can't provide on its own.

The combination of devolved Mayoral powers – with appropriate funding allocations – the reform of bus (de-) regulation and the creation of Great British Railways together are providing a window of opportunity.

⁸ See <https://www.greengauge21.net/fare-britannia/> Greengauge 21 report, page 17

7. The Strategic Questions

The economic development prospects for the North West couldn't be much better, as discussed at the April 1st seminar at the Heseltine Institute. Here, housing remains affordable for young and skilled first time buyers who need access to the key employment centres (and will never be able to afford a £1m terraced house in Cambridge). These include the city centres of Liverpool and (especially) Manchester, each in their own way offering a cultural buzz, with research bases centred on universities and flourishing central business districts.

Each city has created valuable city region rail-based networks created in the Passenger Transport Executive (PTE) era: the Mersey Electrics in Liverpool and Manchester Metrolink in Manchester.

The Mersey Electric network is today the recipient of a new train fleet transforming network access, with the prospect of level boarding at stations along the 1970s-built 'loop and link network'. Its investment need is in the city centre, at the key interchange station, Liverpool Central, which is due to be transformed; nearby to the south a newly regenerated 'Baltic quarter' is being created.

The Manchester authorities have long had ambitions to extend the Metrolink network further. There are limitations on the existing cross city centre tram network that would need to be addressed, but major shifts such as incorporating South East Manchester's commuter rail network remain possible.

The economic growth ambition is clear. Cities cannot grow without an expanded commuting capacity, a long-understood weakness of our major regional cities in comparison with European equivalents.⁹

The strategic questions are simple, however, requiring a collaborative approach to identify and assess:

- weaknesses in the rail network in NW England that undermine performance on a daily basis
- network capacity limitations
- the timescale over which results are needed.

These three questions are part of what appears to be a missing stage: a strategic discussion at a regional level.

The timescale question is readily answered: the North West surely cannot wait the 25+ years or so it seems to take to get a major new railway line from conception to reality, whether high-speed or not. Instead a programme of progressive enhancements, focussed on getting better access into and across Manchester and Liverpool city centres is needed, with staged improvements coming much sooner.

That sounds remarkably like, on the one hand, TRU (for better east-west connectivity) and Network Rail's *Trilink* project (to bring the West Coast Main Line north of Crewe up to scratch, replacing its 50 year old assets). But this falls short of what's needed to create a reliable North West regional rail network, South Eastern-style.

The Trans Pennine Route Upgrade as currently defined ignores the elephant in the room, or what Rob McIntosh, Chair of the TRU project has described as: "the big ugly Manchester question". In other words "how to re-design the acute crunch point in the city's Victorian rail network, the effects of which ripple out across the entire northern region."¹⁰

Greengauge 21's work for the UK2070 Commission in Autumn 2024 came to the same conclusion. ***It is the network nodes (in city centres) not the network links (between them) that need fixing.***

⁹ <https://www.centreforcities.org/wp-content/uploads/2020/03/Getting-moving-transport-infrastructure-in-cities-2020.pdf>

¹⁰ Jennifer Williams, Northern England correspondent for the Financial Times, 3rd April 2025. See also: [The big, ugly Manchester question - Manchester Evening News](#)

Manchester is the big one, and not just for TRU but for the wider rail network. Equivalent needs arise, but are more readily fixable, at Leeds, Liverpool and Sheffield.

The Network Rail *Trilink* project is funded for renewals. But in the absence of HS2 from Staffordshire *via* Crewe to Golborne, bypassing Warrington, there is a pressing need to seek out incremental line of route enhancements on this national trunk route too.

Renewals projects are disruptive, but adding in cost-effective enhancements can be highly cost-effective, as well as helping to retain the customer base (both freight and passenger) through an inevitable period of disruption.

And, south of Crewe, to meet HS2 at Handsacre, a new section of line, probably built to less ambitious standards than HS2, using all or part of the established Phase 2a alignment, remains essential.

8. Fixing Manchester

Our assessment for UK2070 of the North West's rail needs, based on economic opportunities, noted that there were three competing railways¹¹ linking Liverpool and Manchester – the direct (*ex* L&NWR) line across Chat Moss that already forms part of the TRU project and is now electrified; to the south, the *ex* CLC line *via* Warrington Central; and to the north, the remnants of the *ex* L&YR route, partly electrified and nowadays artificially severed, requiring passengers to de-train *en route* at Kirkby Headbolt Lane.

The Chat Moss line is well set up for inter-regional services (fastest city-city time today, 31 minutes); the Warrington Central line with its commuting 'both ways' capability would have been electrified years ago if it was in the South East; and over the third line, the technology exists to extend Mersey Electric services onwards to Manchester, providing improved access and connectivity for intermediate places such as Skelmersdale, Wigan and Bolton to both of the major city centres.

These are three highly valuable routes which can get NW England much closer to the network coherence of SE England, with the opportunity to increase service frequency and connectivity *via* an improved Liverpool Central hub station, and for commuters to switch routes if needs be. But without major investment, this opportunity gets dashed on the rocky approaches into central Manchester.

What the North West needs is a solution to the central Manchester rail network problem, just as Network Rail's Rob McIntosh is calling for. Adopting a tunnel from the south into Manchester as per HS2 Phase 2b to create a new (fourth) Liverpool-Manchester railway line doesn't solve the rail tangle in central Manchester.

Here, a strategic approach is needed. It will be costly and disruptive but absolutely worthwhile, the key mechanism for the North West's economic regeneration. It's a path taken by other great European cities, such as Zurich, Copenhagen, Berlin (in a N-S direction) and Stuttgart. And with smart and careful planning, there is every chance of regenerating key parts of the city centre too.

It requires a coming together of city region, regional and national stakeholders. It will be a test of the new regime under a unified GBR working alongside the Mayors of Combined authorities. The rail network in Greater Manchester is the geographic focus, but the problem is to produce an overall approach that meets the needs of the city, the wider city region, the North West region, the North as a whole and the nation.

Once established, with transformed rail access in and across the centre of Manchester, it would make sense to re-visit propositions such as the road user congestion charging systems for Manchester that

¹¹ The acronyms refer to the competing Victorian-era railway companies that built these three lines: the London and North Western Railway (L&NWR), the Cheshire Lines Committee (CLC) and the Lancashire and Yorkshire Railway (L&YR).

can be used to manage scarce urban highway capacity – and generate a future income stream for the city region authorities.

While our focus has been on NW England, any examination of Manchester’s rail system needs also to take into account its wider inter-regional connections and those across the Pennines to Yorkshire/the Humber in particular. With TRU focussed on upgrading the link to Leeds *via* Huddersfield, it would be a mistake to ignore the importance of the Manchester-Sheffield link, where it appears that limitations at Sheffield (Midland) as well as in Manchester are inhibiting the expected service improvements following investment along the intervening Hope Valley corridor.

It is the network nodes that matter in Yorkshire too. Here, there is now an equivalent review underway under the chairmanship of Lord Blunkett.¹² It is taking the view that better connectivity should be the main driver and is key to achieving Government goals including for housing growth, and his review will call for an accelerated programme of rail electrification and more capacity at Leeds, Sheffield and York stations – increasing train frequency, and improved service reliability, needed to attract more rail use. This sounds like a good, complementary, development approach.

9. The Way Forward

Today, there will be no shortage of ideas about what’s needed to resolve the weakness in central Manchester’s rail network capability. The Greengauge 21 report ‘Beyond HS2’ of May 2018, for example, pointed to the need for an east-west tunnelled connection across Manchester city centre for longer distance trains.

Much could no doubt be achieved by grade separating junctions in the Ordsall area. A combination of an east-west tunnel for longer distance services (regional, inter-regional) and dedicated use of the crescent-shaped surface link between Victoria and Piccadilly *via* Salford Central, Deansgate and Oxford Road (which could provide an excellent basis for a Thameslink (or *S-Bahn*) style network for the wide commuter catchment of Manchester).

The trick is to look at opportunities arising from (say) further Manchester Metrolink route extensions (including tram train ideas), from freight terminal locations, from the advent of HS2 services, and from the scope to use the three existing links to Liverpool better, all together. Tackled on a workshop basis, backed up with informed views on practicability, it is astonishing how valuable and speedy focused strategic planning can be.

The need is to define the rail problem in Manchester, to look carefully at candidate solutions and achieve a unified voice for a preferred solution: how to redesign the acute crunch point in the city’s Victorian rail network, the effects of which ripple out across the entire northern region and well beyond.

The Castlefield corridor is a long known point of failure in the north’s transport system. Fixing it will be costly. But otherwise, there is a risk the full benefits of TRU, HS2, relocated freight terminals etc, could be squandered, and with opportunities for faster Metrolink services over existing rail corridors missed too.

Our earlier report (of October 2024) also outlined a set of incremental developments that could be developed across the North West in the interim. These include measures to ease a key central Manchester area constraint, such as by converting the existing Manchester Airport terminus station into a through station.

¹² [Case for stronger Yorkshire rail links outlined to Transport Secretary by Mayors > Mayoral Combined Authority](#)

Annex: Manchester rail solutions brief history

In a sense it's payback time for the casual, sequential, abandonment of Manchester's rail termini – Central, Exchange and Mayfield....

In the early 1970s, Tyne & Wear Metro got the funding go-ahead having set its development in the context of a wide-ranging Tyne & Wear Plan, which provided the regional planning context now lacking in the North West (and elsewhere). It left the Picc-Vic link across Manchester unbuilt.

Simpler scheme proposals followed, such as Dr Scott Hellewell's Castlefield curve but it didn't proceed either. Greater Manchester PTE's Tony Young's continuing advocacy of LRT finally won through with the Bury-Altrincham scheme kicking off the successful Metrolink network, favoured over solutions such as a Princess Parkway segregated busway. Meanwhile, the city's central area rail network just got busier.

British Rail added the Windsor link to connect Salford Crescent in 1988, adding value (but also pressure) to the Castlefield corridor that links Piccadilly station to the west.

Twenty years later, the Northern Way, established by John Prescott, asked this question: "what would be the single most important development in transport across the whole of the North – that is North East England, Yorkshire/the Humber and North West England?" Its conclusion, based on the shared view of representatives from across this wide geography, was this: please fix the problem of the rail network in central Manchester, taking account of the needs of rail freight as well as improving passenger rail connectivity. The same question if raised today would likely garner the same response.

But the 'Northern Hub' scheme, as it became known, resulted in only one part of a wider plan being implemented by Network Rail – the Ordsall Chord. Its advocate, Northern Way, along with its constituent RDAs were abolished before construction began, No budget was forthcoming for extra through platforms at Piccadilly or a flyover across the Piccadilly station throat. The new chord at Ordsall cannot be used as the Northern Way intended and the Castlefield corridor remains an unreliable and over-subscribed, mixed traffic, 2-track railway bottleneck with multiple flat junctions at each end.

It is time to look at the major rail problem in Central Manchester anew.

Greengauge 21

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