

Manchester Airport Connections, Funding and Future Development

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IARO/HSRA Webinar - Friday 18 June 2021



Part 1 - the journey

- ▶ From green fields to a major international airport
- ▶ Ownership and investment context
- ▶ Political and regulatory influences
- ▶ Evolution and development of the rail network and infrastructure

Manchester Airport

The airport is located 9 miles south of Manchester city centre in the northwest of England

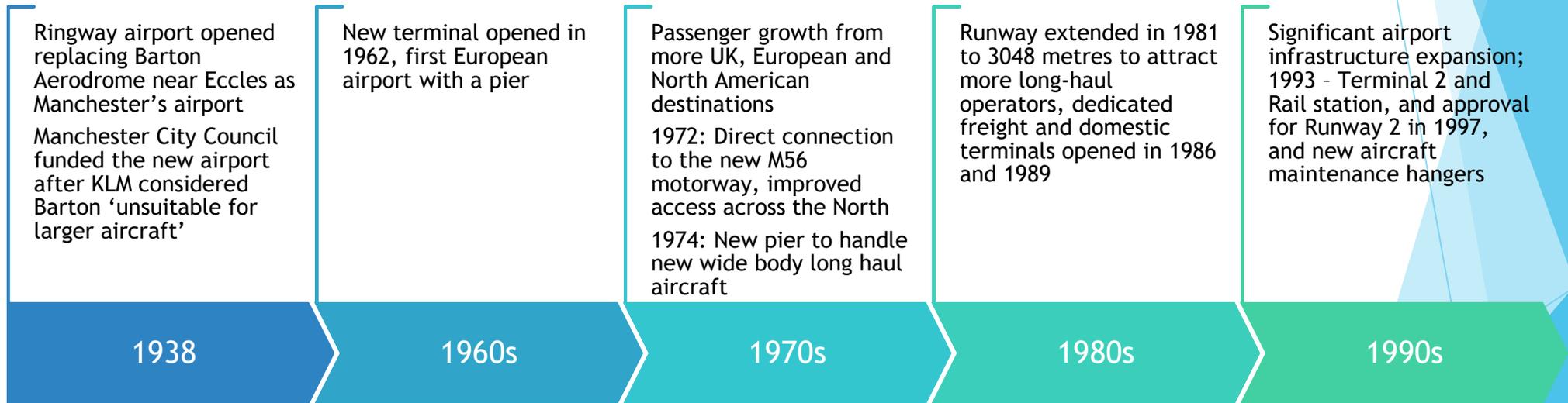
Manchester is the regional centre for the 10 districts of Greater Manchester: Population 2.837 million

Major airport for northern England: Population 15.514 million

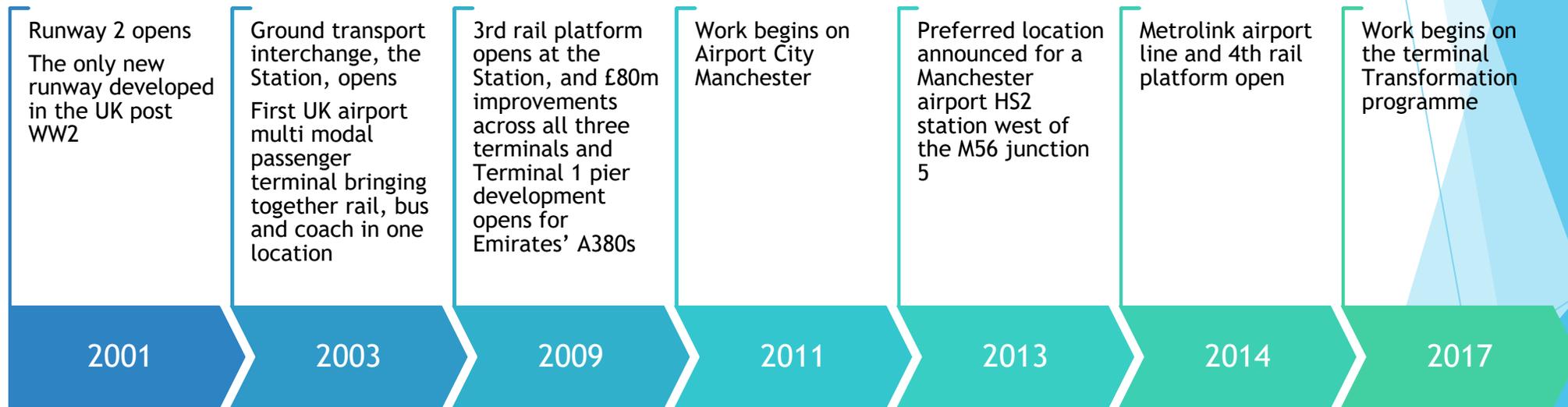
Largest airport outside of London and the southeast of England

2019 throughput: 29,374,282 passengers and 8,780 tonnes cargo

Key development timeline



A 21st century airport



Investment: ownership and funding

- ▶ UK airports were historically developed through public ownership and investment
- ▶ The 1980s Conservative government initiated a programme of privatising publicly owned organisations
- ▶ Manchester Airport, unlike BAA airports, was privatised as a 'plc' in 1985 whose shareholders were the 10 Greater Manchester authorities. Independent executive management team with no direct investment from the shareholders
- ▶ 1997 Labour government relaxed the rules for investment for 'public private airports' enabling borrowing and acquisitions of other airports
- ▶ Manchester Airports Group formed when East Midlands and Bournemouth airports were acquired from National Express
- ▶ Stansted Airport purchases in 2013. IFM Investors taking a 35.5% stake in MAG: Manchester City Council holding 35.5% and 29% held by the other nine Greater Manchester authorities

Regulation

- ▶ The Civil Aviation Authority (CAA) regulates UK airport and airline operations
- ▶ Historically it regulated the fees and charges airports made to airlines at larger airports because of their market dominance
- ▶ Five-year reviews determined the scale of airline fees and charges and the airport's return on capital
- ▶ Leaving airports free to maximise non regulated income such as retail and car parking
- ▶ Manchester was deregulated by the CAA in 2009
- ▶ Airline consultation on capital investment plans

Developing rail to Manchester Airport

Strong passenger growth through the 1980s generated sufficient passenger throughput to create the right market conditions for direct rail connection

After intense lobbying Government approved funding for British Rail to build a rail 1.5-mile spur into Manchester Airport from the Manchester - Styal - Crewe line running east of the airport

Majority £28 million capital funding through British Rail. Manchester Airport funded the Skylink high level traveller links to Terminals 1 and 2

The line opened in May 1993 as a north facing twin track spur leading to a two-platform terminus station located between Terminal 1 and Terminal 2

Services on opening were 4tph - two Manchester local shuttles and one hourly to Scarborough (North Yorkshire coast 125 miles) and Blackpool (Lancashire coast 60 miles)



Manchester Airport circa 2003

Early experience

Passengers preferred direct services against ones that require a change of train in Manchester

Highest loads were on the Scarborough trans-Pennine service that included stops at Leeds (55 miles) and York (80 miles) where Manchester had a strong market share

Relatively less demand for the shuttles into Manchester reflected Manchester's wider passenger catchment and that it was already the major airport for northern England and thus less reliant on the city Centre than capital city airports

Regular hourly with early and late services on trans-Pennine services generated passenger confidence

Train operator focus was then on adding more direct services to key airport markets in the north of England, but this exposed the capacity limitations of the two-platform station

Developing the network and infrastructure

Early experience demonstrated the value of rail to competitively access more distant markets, and to take airport traffic off the road network

The commitment to enhancing public transport was an important factor in securing approval for Runway 2

Driving up public transport use through investing in infrastructure on airport

Developing the rail station as a multi-modal interchange and creating space for additional heavy rail platforms and for the Metrolink Airport line

Supporting train operators with airport market information to identify opportunities for new services and timetable enhancements



Understanding the benefits of rail

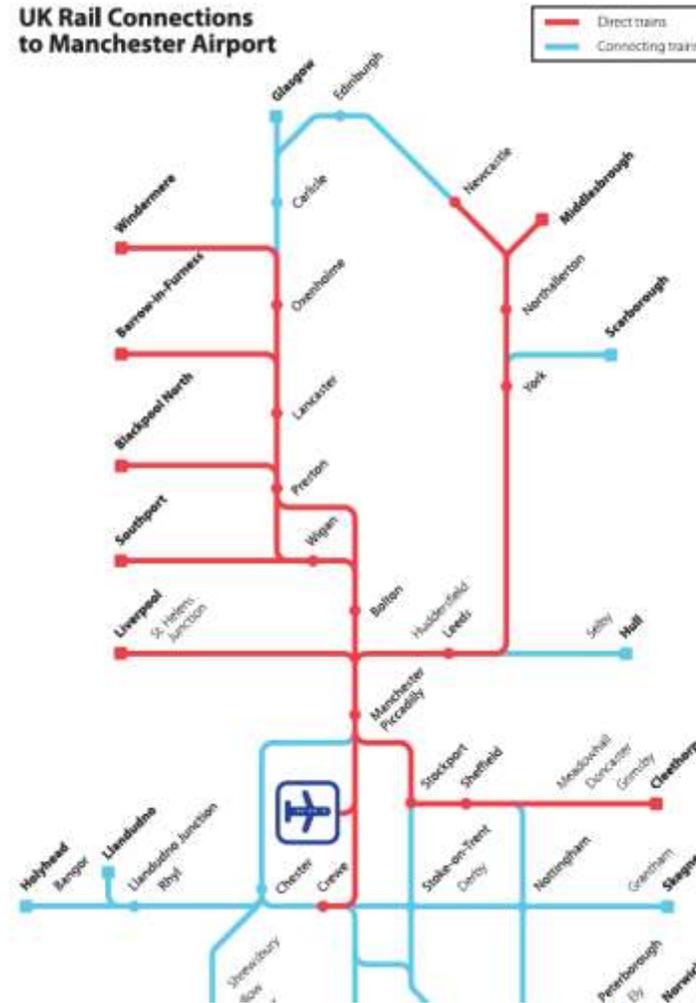
- ▶ Studies to inform the business case for developing rail services and the Ground Transport Interchange
- ▶ These identified that rail is most effective where
 - ▶ Manchester Airport volumes are high >100,000 passengers per annum
 - ▶ The destination is a significant distance from Manchester Airport >30 miles
 - ▶ Relative road/rail journey times favour rail
 - ▶ Rolling stock is high quality
 - ▶ Services are frequent at least 15 times per day including weekends
- ▶ Reducing travel time effectively increases the catchment area and generates additional passengers

An expanded network

The original service pattern of just four trains per hour on opening in 1993 grew to nine trains per hour by 2000 offering direct hourly rail services to major towns and cities in northern England

All the north bound services pass through Manchester Piccadilly providing eight trains per hour service to central Manchester, and taking 15 - 25 minutes

A south facing chord opened in 1995 and enabled an hourly shuttle between airport and Crewe enabling connections to the Midlands



A decade of continuous improvements - the ground transport interchange

The new millennium marked start of a period continuous improvement of Manchester Airport's infrastructure and its rail network and services

The Ground Transport Interchange project (the Station) was a partnership project to bring together rail, bus and coach, and Metrolink light rail (tram) services into a dedicated terminal at the centre of the airport

Manchester Airport was the majority funder of the £60m scheme which also included a dedicated check-in area, new retail and catering and a six-storey office block above the bus and coach facility

However, the Station opened in June 2003 without either the addition rail platform or the work starting on the Metrolink Airport line because of funding constraints for Network Rail and Greater Manchester Passenger Transport Authority

The capacity crunch

The rapid expansion of services over the first 10 years stretched the station's operating capacity beyond its original design specification

Rail funding constraints had deferred construction of a 3rd platform as part of the interchange project

By 2005 it was evident that reliability of airport trains was suffering and eroding passenger confidence

Works to upgrade the West Coast Main Line (WCML) had impacted Crewe services, and the Manchester - London 3tph timetable planned for 2009 would remove airport services because of capacity limits in Manchester

A threat, but also a window of opportunity

A win-win solution

The 2009 WCML timetable included new direct trains between Manchester and Scotland and the requirement to turn trains round in Manchester was restricting capacity for airport trains

An additional airport platform would enable these services to turn round at Manchester Airport and remove some of the congestion at Manchester Piccadilly

Platform 3 safeguarded the existing services, added new direct airport services to Glasgow and Edinburgh and restored service levels by significantly reducing cancellations and delays.

Funding the Station and platform 3

Manchester Airport funded the £60m Station development of the rail station which started in 2001

The design development safeguarded location for future rail and Metrolink platforms

The rail station was built and funded through British Rail. Manchester Airport purchased the station buildings from Railtrack (the then owner) and agreed a lease with Network Rail for the platform

The presumption was that the majority funding for an additional platform(s) would then come through the rail industry programme for enhancements

There was government support for the additional platform it would not directly fund through the £8 billion WCML project and instead use 'local funding'

The scheme estimate was £15.5m

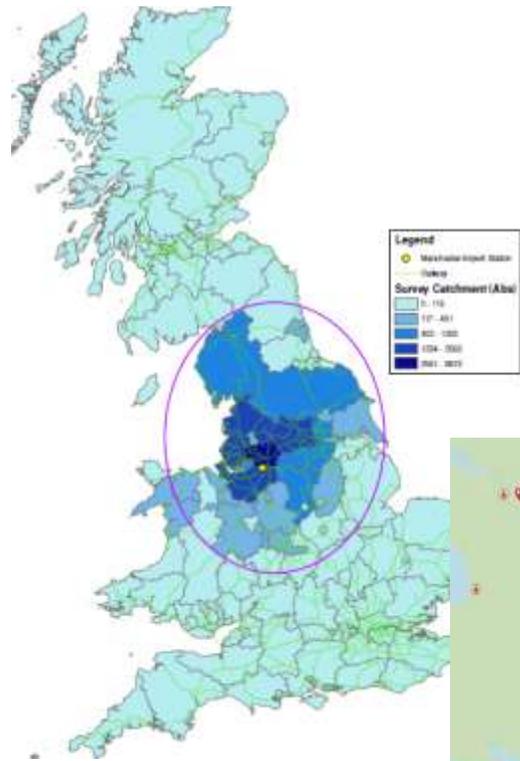
The deal

- ▶ Manchester Airport initiated the project on behalf of Network Rail by commissioning design feasibility studies to scope the project prior to an investment decision
- ▶ Delivery partners Network Rail, GMPTE, and North West Development Agency
- ▶ Separate feasibility studies determined the railway benefits and the economic benefits from improving airport access through better performing rail services
- ▶ £5 million funding contributions from each partner
- ▶ Network Rail from improved performance, and NWDA from the impact on increased regional economic GVA
- ▶ MA funded design development work, and secured EU trans-European Networks grant funding. In total MA secured €4.4 million TEN-T funding for the Interchange and 3rd rail platform

Rail - 3rd Platform

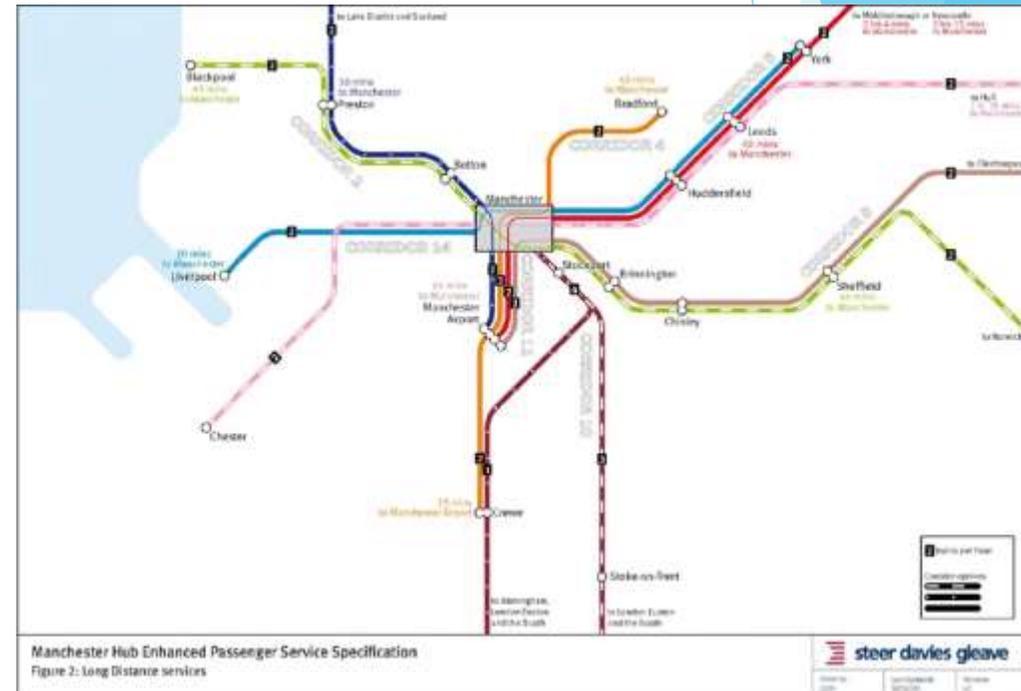
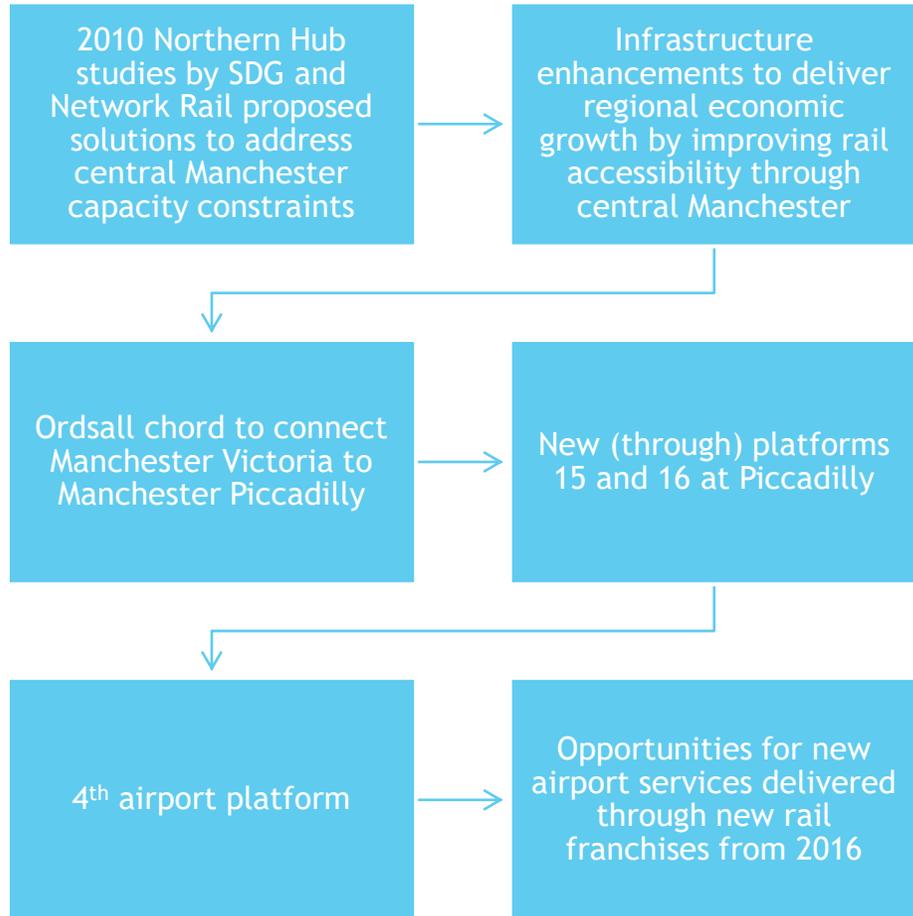
- ▶ £15.5 million project, opened on time and on budget
- ▶ Funding GMPTE, Network Rail, Northern Way and EU Trans European Networks grant
 - ▶ Opened 4 December 2008
- ▶ Enabled enhanced Airport timetable working around WCML 3 x hour Manchester London trains.
 - ▶ Journey time savings on Blackpool, Sheffield
 - ▶ Half hourly local shuttle to Manchester Piccadilly
 - ▶ Hourly Glasgow/Edinburgh
- ▶ Improved performance, reduced delays and cancellations. Cancellations down 29%
- ▶ Rail modal share up from 5% in 2004 to 10% in 2009
- ▶ 2.5 million rail passengers





The 2009 rail network shows how it has evolved to fit the airport's main catchment area

Northern Hub - unlocking central Manchester capacity



2014 to 2017 - moving forward

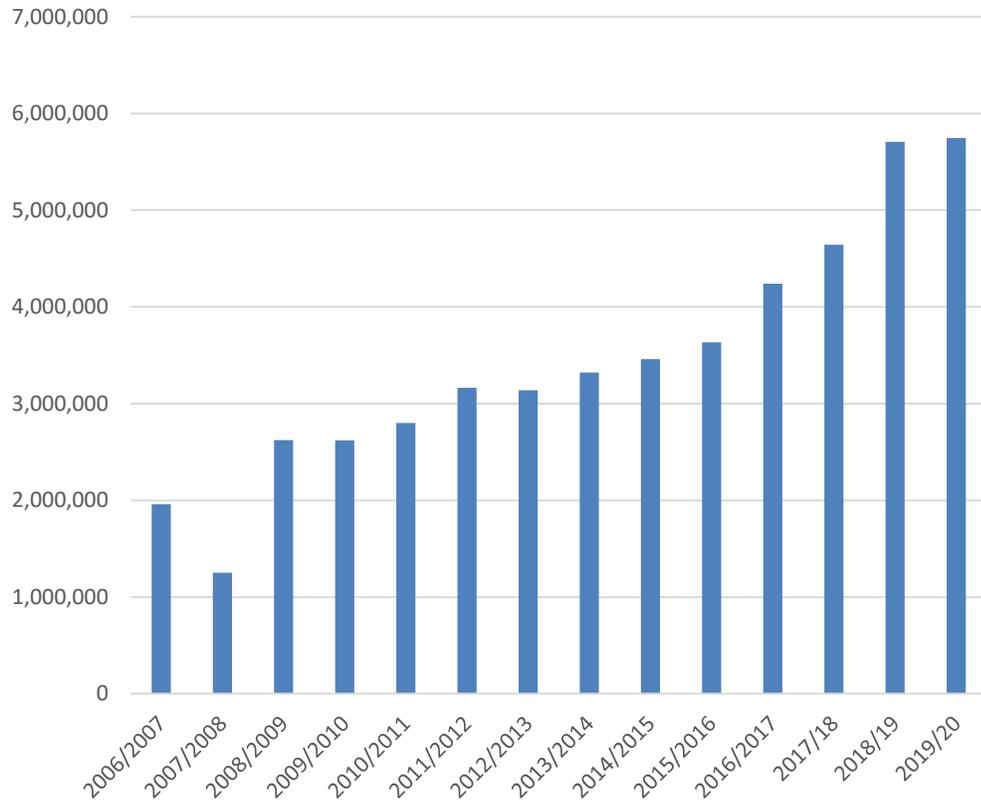
- ▶ Network Rail opened platform 4 in late 2014, works were coterminous with TfGM's completing the Metrolink Airport line
- ▶ Ordsall Chord opened December 2017 enabling Airport north trans-Pennine services to run through Manchester Victoria
- ▶ New Transpennine Express and Northern franchises to deliver more airport connections and new rolling stock
- ▶ Completing electrification and network upgrades in the North West, but
- ▶ Development work on new platforms 15 and 16 at Manchester Piccadilly was stopped...



Part 2- The way ahead and new challenges

- ▶ Strong growth so far
- ▶ Network congestion remains a problem
- ▶ A new political and rail governance environment
- ▶ Developing the high speed network - HS2 and Northern Powerhouse Rail
- ▶ Challenges and future plans for Manchester

Rail Passengers



Growth in rail travel

Increase in number and range of rail services since 2015 has resulted in increased patronage

External constraints are affecting growth

Expected growth was stifled by failure to develop infrastructure as expected - reliability & punctuality declined

May 2018 timetable update proved disastrous - reliability & punctuality become ever worse as more trains were brought into service

Government involvement - bad press - loss of customers & goodwill

External
factors
influencing
airport rail
development

Williams-Shapps Review

Manchester Recovery Task Force

Transport for the North (TfN) and
Northern Powerhouse Rail (NPR)

HS2

Metrolink Western extension

Williams - Shapps Review (May 2021)

“We will bring the railways back together, delivering more punctual & reliable services”

Fundamental change in the way Britain’s rail network will operate

The WHOLE rail system will be under a single, national leadership

Manchester Recovery Task Force

Established in January 2020 to address the unacceptable levels of train performance in the North West

Specific problem with the central Manchester corridor - severe impact on long-distance services to the airport.

Extensive consultation with national and local bodies together with train operators

Task Force - likely outcomes

Reduction in direct services to the Airport

Thinning out of peak time services through central Manchester

Loss of passengers due to “double whammy” of pandemic and reduced services

Background to TfN & NPR

TfN is a Sub-National Transport Body
(established 2018)

Identifies & promotes investment
priorities working directly with
Network Rail and Highways England

Acts as one voice for the North -
develops a strategic transport plan

Background continued...

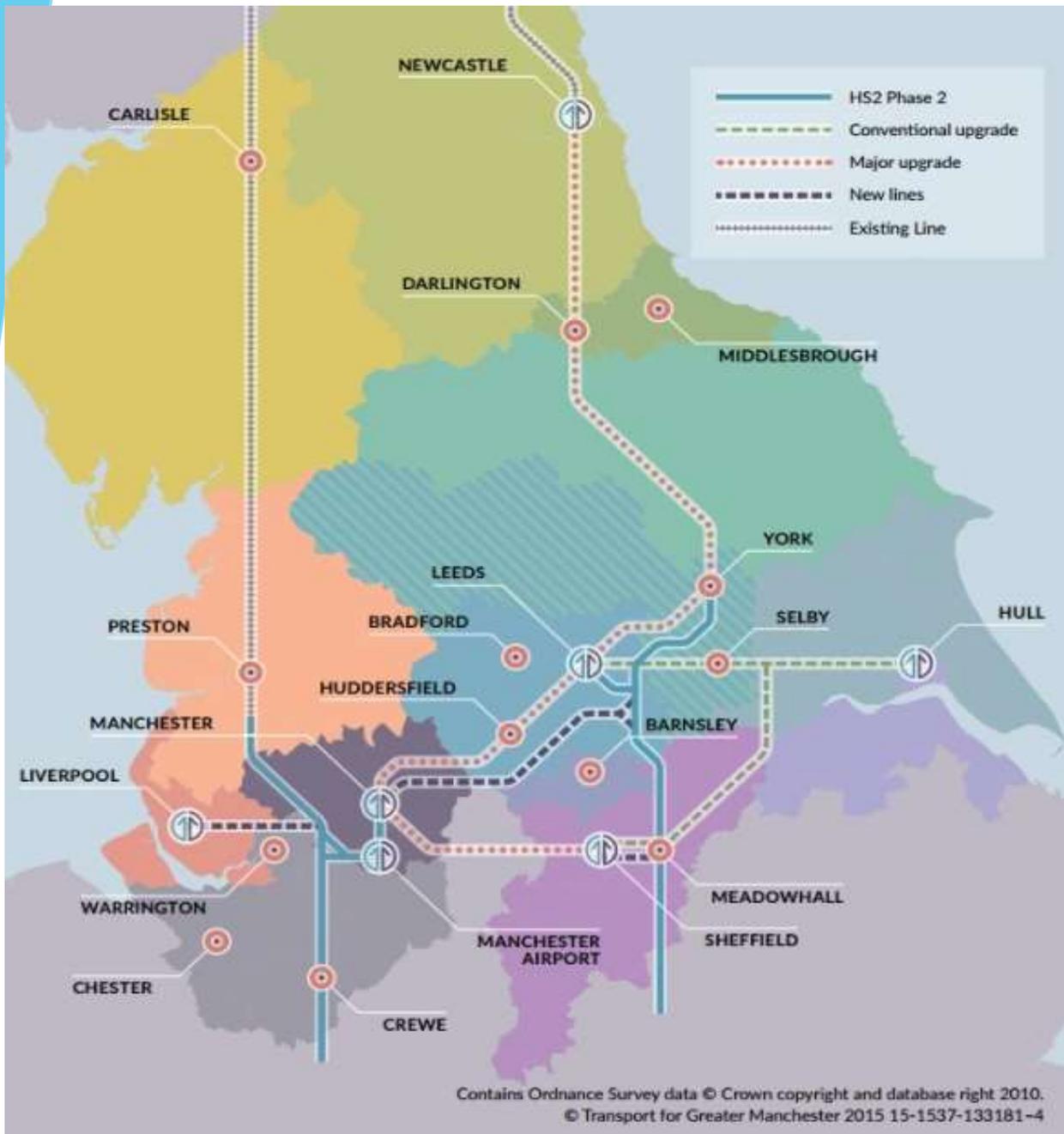
NPR is a major strategic rail programme

Links the North's six major cities - Newcastle, Sheffield, Hull, Leeds, Manchester and Liverpool - as well as Manchester Airport

“...to better connect the key economic areas & cities of the North”

Linked with HS2 route

NPR + HS2 will provide a step-up in capacity and frequency of service



Northern Powerhouse Rail (NPR)

source: Rail Technology Magazine

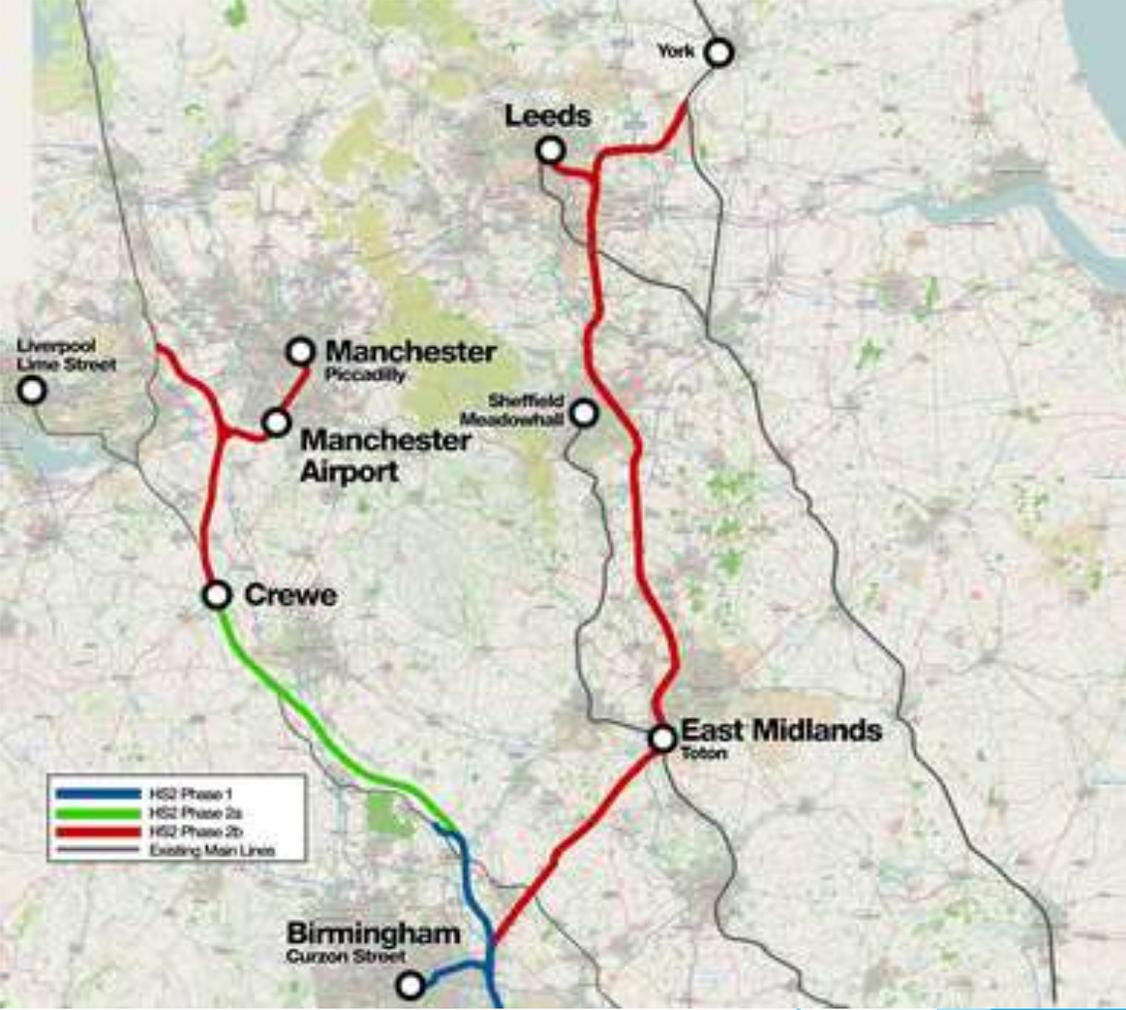
What would HS2 offer MAN?

Fast link to London and the Thames Valley, journey time 63 mins (vs 135 mins currently)

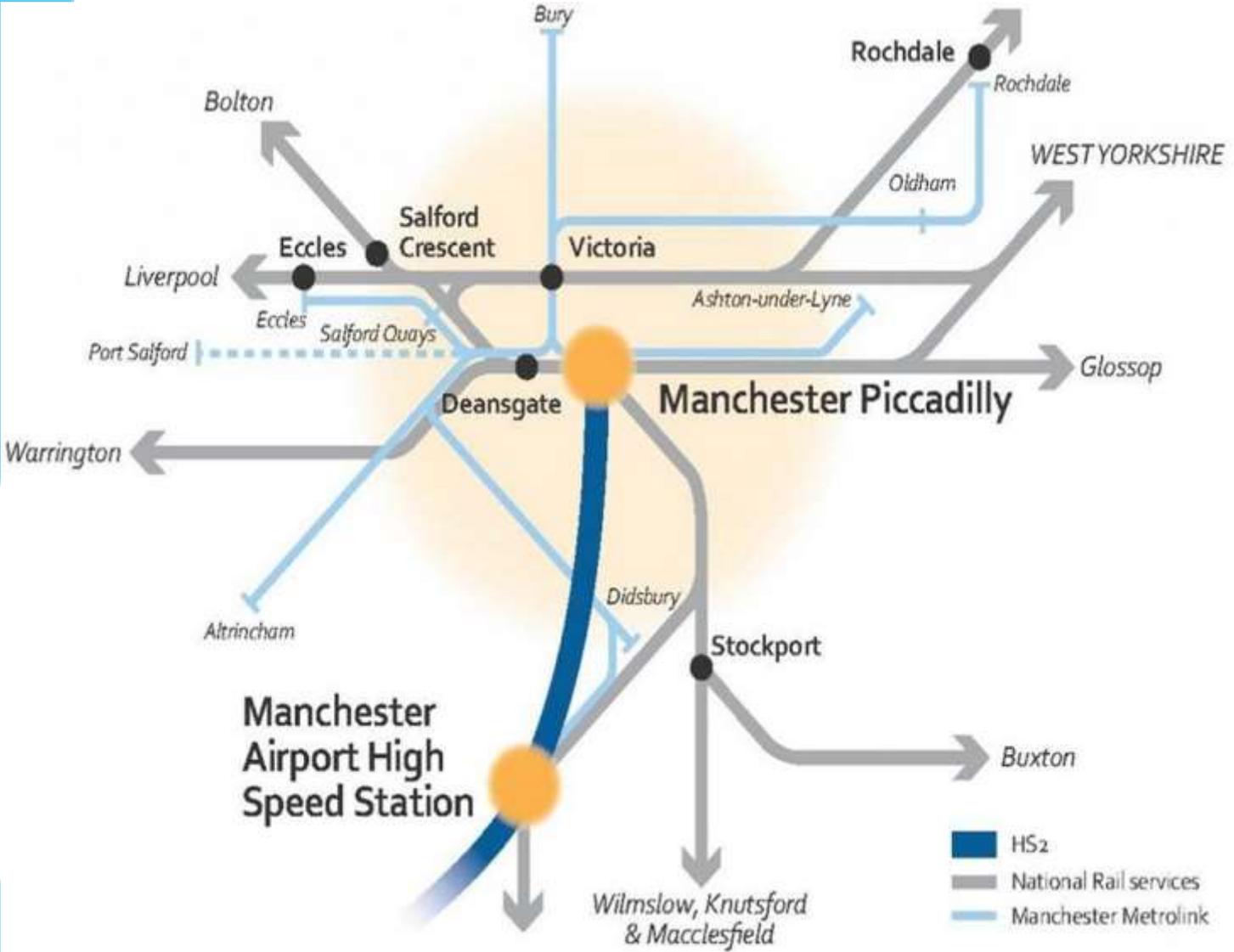
Massive increase in catchment area so MAN becomes attractive to more passengers

Supports NPR development

HS2



HS2



HS2



Metrolink Western extension

Fast people mover between the Station and Terminal 2

Increase in public transport catchment area to attract more passengers to travel on public transport

Attractive link to hospital / research facilities removing cars from the road network

New link back to city centre



Metrolink western extension

Other future activity

Ongoing development of Airport City North (ACN)

Redevelopment of the Station - 3 discrete phases - improve customer experience

Feasibility study to extend station platform length and upgrade signaling

Ongoing campaign to incentivise airport workers to use public transport



Airport City North



Planned redevelopment of the Station

- ▶ Customer complaints regarding queuing times and poor facilities prompted a thorough review of how we present our public transport hub.
- ▶ Three separate workstreams were identified, the first being a short term revamp of the main atrium which would offer:
 - ▶ Better information on rail departures
 - ▶ More retail points for ticket purchase
 - ▶ More staff to assist passengers
 - ▶ A joint venture with rail operators and local authorities
- ▶ Further improvements identified included new waiting lounges, retail outlets and a business centre.

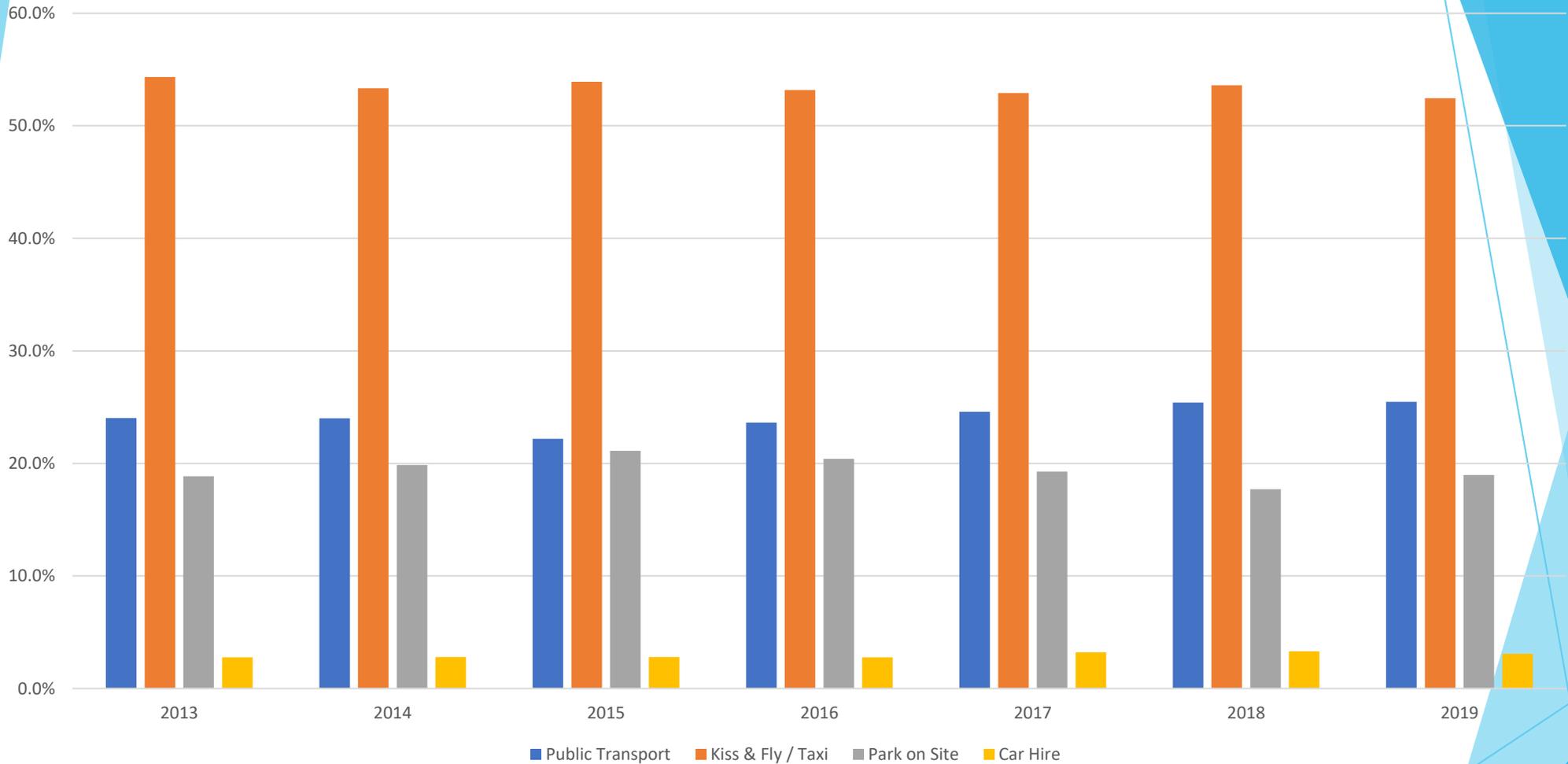
Modal share

Rail share of air passengers has remained static in recent years in percentage terms
- absolute numbers have increased

Increase in use of taxis, prompted by Uber - decline in “kiss & fly”

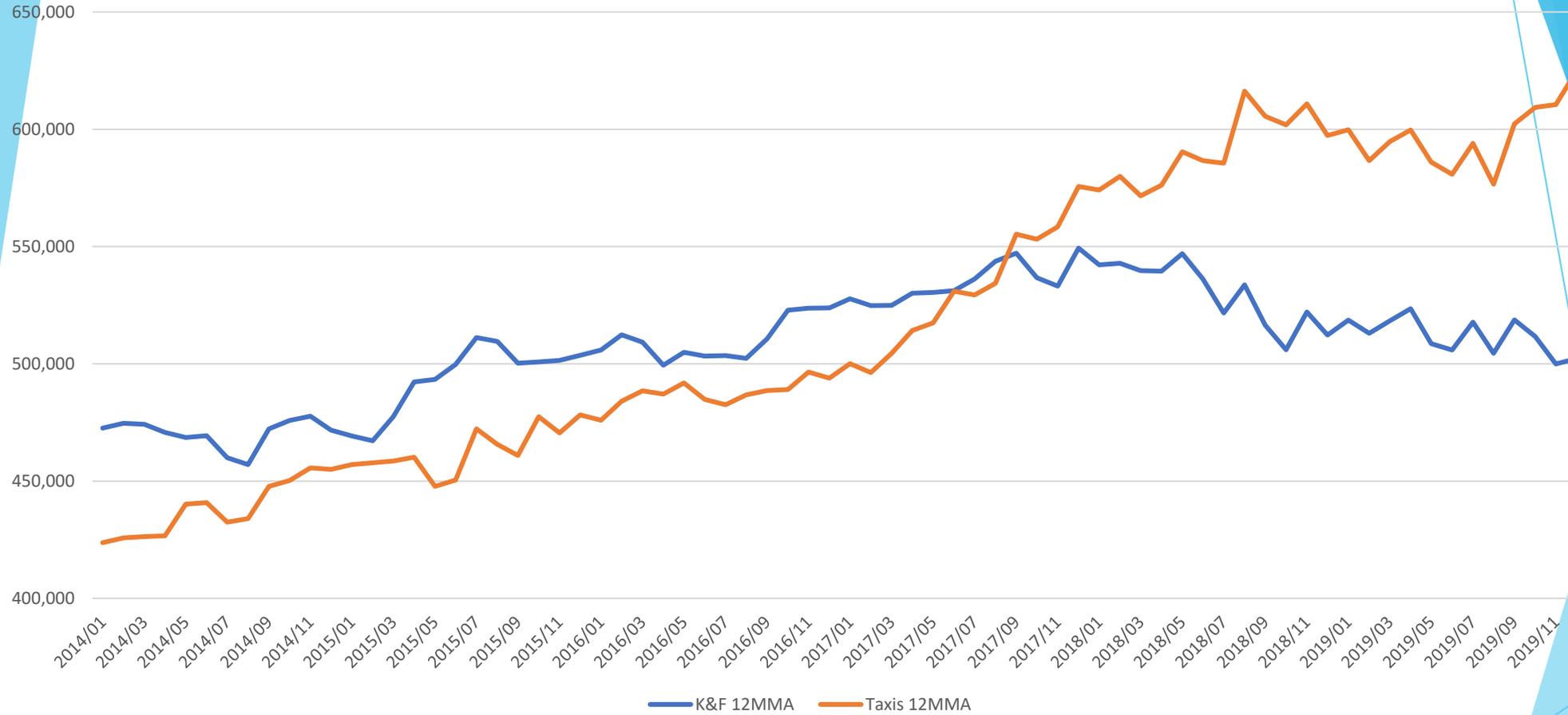
Long distance coach travel has increased

Passenger Modal Share



Surface Access MAN - modes of travel

Kiss & Fly vs Taxis -
12 month moving average



Surface Access MAN - modes of travel

Challenges at MAN

Increased use of taxis - the advent of Uber - issues in local neighbourhoods

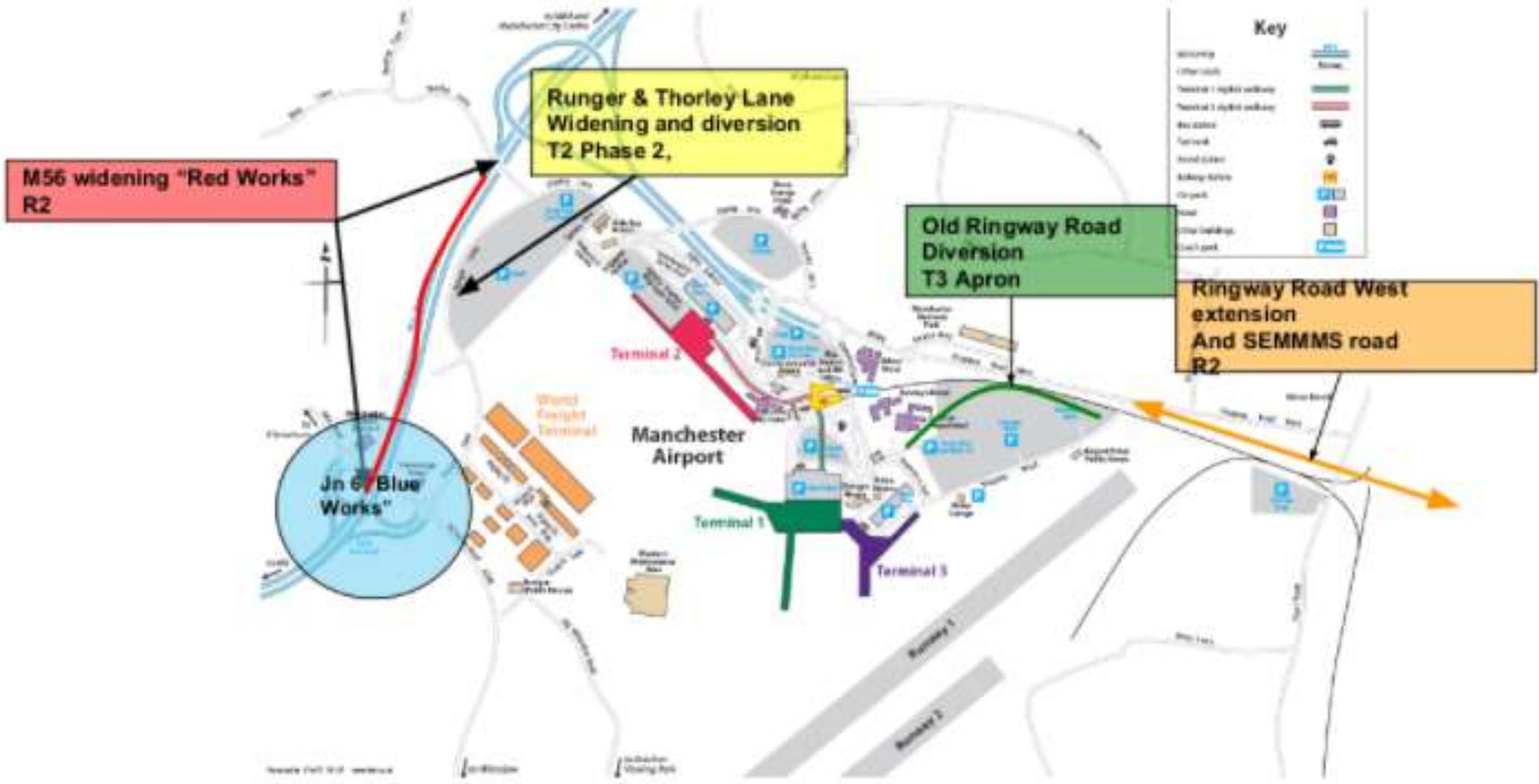
Road congestion increasing despite new relief road in 2018

Car parking capacity is an issue - additional spaces provided 2019-20

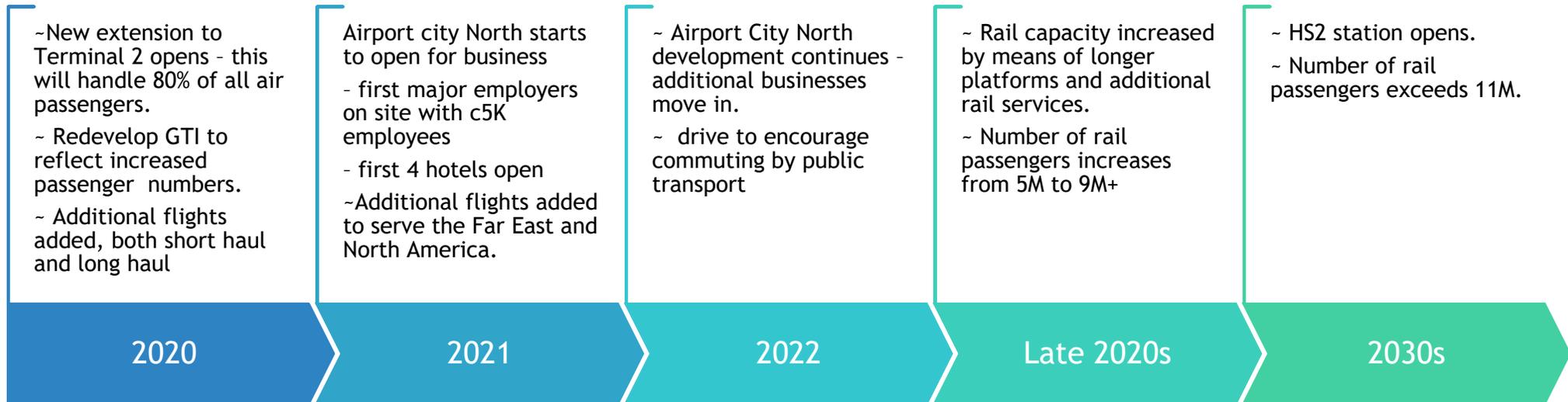
As passenger numbers return to previous levels, there will be an attendant increase in staffing levels - further impact on parking spaces and access

Drop-off charges introduced in 2018 have not improved road congestion significantly - the problem has moved elsewhere on campus.

Road Layout



Pre-Covid 19 expectations of growth



Thank you