

Strategic Transport Forum
15th September 2017

Agenda Item 6: National Investment Programmes - Rail

Recommendation: It is recommended that the Forum:

- a) Seek the earliest possible announcement by Government in relation to funding for the delivery of the Western Section of East West Rail.
- b) Agree that the outstanding strategic issues it wishes to have considered by Network Rail (over and above the delivery of East West Rail) are:
 - Addressing capacity constraints on the Didcot – Oxford corridor;
 - Addressing capacity constraints on the 'Cambridge corridor'; *and*
 - Realising the opportunities to improve north-south connectivity on the Northampton – Milton Keynes – Bletchley – Aylesbury – High Wycombe – Old Oak Common/Park Royal corridor.
- c) Agree that there is an urgent need for those involved in developing the East West Rail infrastructure to assess the implications of the Mayor of London's draft Transport Strategy, in particular the potential provision to accommodate additional freight movements.
- d) Seek reassurance from the Department for Transport that the Forum will be involved in discussions relating to the future allocation of capacity on the West Coast Main Line post-HS2.
- e) Agree to seek early discussions with potential operators of the West Coast Partnership franchise.

1. Purpose

- 1.1. A key focus for the Strategic Transport Forum, agreed with the Department for Transport, is providing strategic input into national investment programmes. For the rail sector this means providing inputs into the infrastructure investment programme (delivered by Network Rail) and the passenger franchising process (overseen by the Department for Transport). This paper provides an update on both aspects of the Forum's role.

2. Infrastructure Investment - High Level Output Specification

- 2.1. Since privatisation, investment in rail infrastructure has been managed through Control Periods – 5-year investment programmes – that cover maintenance, renewals and enhancements. The current Control Period (CP5) runs until 2019.

- 2.2. Work for the next Control Period (CP6 covering 2019 – 2024) is underway. Indications are that commitments carried forward from CP5 mean that the amount of funding available for allocation to new projects within CP6 will be limited.
- 2.3. Key documents in the process for determining the investment programme have been the High Level Output Specification (HLOS) and the Statement of Funds Available (SoFA).
- 2.4. The Department for Transport published the [HLOS](#) in July. This set out that the Government's approach to investment will be different for CP6. The HLOS (notably more condensed than on previous occasions) focuses on maintenance and renewals. The intention in future is that enhancements will be announced when the Business Case for the investment has been made and approved.
- 2.5. It is worth bearing in mind that at the end of 2016 the Secretary of State announced his ambition to secure more third party funding towards the cost of delivering enhancements. The Secretary of State's initiative in respect of East West Rail is an example of this ambition. The Forum, using the work of the East West Rail Consortium, must continue to press for the earliest possible announcement in relation to funding for the delivery of the Western Section .

3. Strategic Infrastructure Investment Priorities

- 3.1. In parallel with the changes set out above being taken forward, Network Rail is devolving greater responsibility to its individual 'routes' when it comes to developing business plans for managing, maintaining and enhancing the infrastructure.
- 3.2. For the Heartland the focus on Network Rail 'routes' runs the risk of reinforcing the bias towards primarily considering rail corridors in terms of into/out of London. A number of 'routes' bisect the Heartland, however the National Infrastructure Commission's Interim Report highlighted that improved connectivity (particularly east-west) is critical to enabling the Heartland to realise its economic potential.
- 3.3. Increasingly the Forum's relationship with Network Rail is through their System Operator – the role of this team being explicitly to provide the strategic overview across the entire network.
- 3.4. Regular liaison meetings are held with officials from the System Operator, over and above their involvement in both the Transport Officer Support Group and this Forum. A key role for the System Operator is to understand the key strategic (rail infrastructure) issues.
- 3.5. Delivery of East West Rail as a project – both Western and Central Sections – remains the Forum's key priority moving forward: it should also be noted that the East West Rail consortium has also been working with the Department for Transport on opportunities to improve connectivity beyond Cambridge – the 'Eastern Section'.
- 3.6. Whilst East West Rail remains the number one strategic rail infrastructure priority, it is important that the Forum identifies other issues that are of strategic importance. These will be developed in more detail as work on the overarching Transport

Strategy is taken forward. However based on our current understanding, the strategic issues that need to be considered in order to support delivery of planned growth and improve overall connectivity of immediate strategic importance are:

- Addressing capacity constraints on the Didcot – Oxford corridor (which would need to be considered alongside issues associated with the parallel strategic road corridor;
- Addressing capacity constraints on the 'Cambridge corridor'; *and*
- Realising the opportunities to improve north-south connectivity on the Northampton – Milton Keynes – Bletchley – Aylesbury – High Wycombe – Old Oak Common/Park Royal corridor.

4. **A Rail Strategy for the Chilterns and East West Rail**

- 4.1. At the end of July Network Rail published its rail strategy for the Chilterns and East West Rail – a [summary](#) of the strategy is attached as Appendix 1. As the emerging Sub-national Transport Body, the core programme team contributed to the preparation of the strategy – the first opportunity to do so.
- 4.2. The rail strategy is an important document in terms of setting out the opportunities for rail to support economic growth. The document reflects the opportunities for East West Rail to improve connectivity along the Oxford – Milton Keynes – Cambridge axis.
- 4.3. Forum members' attention is drawn to the next report on this agenda (the [Mayor's draft Transport Strategy](#) for London) which potentially has implications for East West Rail (see below).
- 4.4. Returning to the Network Rail rail strategy, this also identifies the strategic importance of improving north-south connectivity along the Northampton to Old Oak Common/Park Royal axis. Delivery of East West Rail infrastructure, in combination with the opening of HS2 (providing relief to the current West Coast Main Line) provides the opportunity to improve connectivity along an axis that links up a number of urban areas that are centres of economic and housing growth.
- 4.5. Of equal strategic importance is the opportunity to create a strategic connection with the Old Oak Common/Park Royal Development Opportunity. Again, Forum member's attention is drawn to the next item of this agenda in this regard.
- 4.6. The identification of the strategic importance of the Northampton – Old Oak Common/Park Royal corridor is to be welcomed. Improved connectivity across the Heartland area is essential if the economic potential identified by the National Infrastructure Commission is to be realised.
- 4.7. We will use the content of the Network Rail rail strategy as an input into the development of the overarching Transport Strategy. In the meantime the core team will ensure that the wider strategic opportunities (north-south) provided by the East West Rail infrastructure and delivery of HS2 are realised.

5. East West Rail – Western Section

- 5.1. Good progress continues to be made with the Western Section. A further round of consultation as part of the preparation for the Transport and Works Act (TWA) has recently concluded. As agreed at the last meeting, the Forum provided a strategic response to the consultation - copy attached as Appendix 2
- 5.2. The consultation identified a number of issues where there is a need to find a solution. The East West Rail core team, on behalf of the East West Rail (EWR) Consortium, are working closely with the Department for Transport, Network Rail and the shadow East West Railway company to respond to these issues.
- 5.3. Whilst work on the TWA Order continues, the primary mechanism for delivering the Western Section will be the use of permitted development rights.
- 5.4. The EWR Consortium continues to work closely with the Department for Transport, Network Rail and the shadow East West Rail Limited on taking forward the Secretary of State's initiative to speed up delivery of the Western Section and reduce its cost. The work associated with the what is referred to as the Secretary of State's 'cost challenge' is extensive and on-going.
- 5.5. A key issue has been the need to press hard the EWR Consortium's position that delivery of the link to Aylesbury and delivery of the initial improvements to the Bletchley to Bedford section remain integral to the scope of the Western Section. This remains an issue on which the Consortium team continues to press.
- 5.6. As noted above, this meeting is also considering the Mayor's draft Transport Strategy for London. Of relevance to East West Rail is the Mayor's desire to see inter-regional freight services (currently using the rail network within London) to be redirected to strategic corridors in the surrounding areas. Delivery of the East West Rail infrastructure could act as an alternative for such movements. However, this would be in addition to the current planning assumptions in respect of freight paths.
- 5.7. It is worth noting that some of the advance environmental mitigation works associated with the Western Section are now on-site. The Secretary of State's position remains that he is looking for a start of main works at the earliest possible opportunity – with the ambition that this should be in 2018.

6. East West Rail – West Coast Partnership

- 6.1. A key issue for the medium/longer term remains the use of capacity on the West Coast Main Line post the opening of HS2.
- 6.2. A key issue for the Strategic Transport Forum will be the importance of strong linkages between Milton Keynes and Bletchley - an issue which is important in terms of the longer term planning for growth in the Milton Keynes area.
- 6.3. Whilst the current West Coast Main Line timetable is being used as the basis for work associated with the Western Section, there is a need for the Forum to press harder the importance of ensuring that the post-HS2 timetable is used as an opportunity to examine from first principles the allocation of capacity.

- 6.4. Work on letting the West Coast Partnership franchise is underway. This will cover the period up to and immediately after the opening HS2.
- 6.5. Given the strategic importance of the allocation of capacity on the West Coast Main Line post HS2 for the realisation of the wider strategic ambition for the economy identified by the National Infrastructure Commission, it is essential that the Forum looks to work closely with both the Department for Transport and prospective franchisees.
- 6.6. The Department for Transport has recently announced the short-listed operators for the West Coast Partnership, with invitations to tender due to be issued later this autumn. It is proposed that the Forum engage with the short-listed operators.
- 6.7. There is likely to be a need to commission specialist advice that can be used to press the need to reallocate capacity on the West Coast Main Line post-Hs2. This will be taken forward by the Officer Group if required.

7. East West Rail – Central Section

- 7.1. Work on developing the proposal for the Central Section continues to be taken forward – funded by the additional monies committed by Government in response to the National Infrastructure Commission’s Interim Report.
- 7.2. The next meeting of the Central Board is scheduled for later in September at which the EWR Consortium members will receive an update on progress.

8. The Rail Franchising Map

- 8.1. Alongside the need to engage with Network Rail on the identification and delivery of investment in rail infrastructure, the Forum also has a key role to play in ensuring that the franchising programme managed by the Department for Transport supports the strategic objective of improved connectivity across the Heartland as a means of enabling the acceleration of planned growth (economic and housing).
- 8.2. An initial overview of the current state of affairs suggests the following:
 - Great Western – the introduction of Crossrail (Elizabeth Line) services requires the transfer of some train paths in the Thames Valley to Transport for London – leaving a mixture of longer distance (inter-city) services and ‘semi-fast’ services.
 - Chiltern – the current franchise (which was uniquely a long-term 20-year franchise) will shortly come to an end.
 - East West Rail – with work on delivering the Western Section shortly to begin there is an urgent need to consider how the provision of new services might relate to other existing franchises.
 - West Coast Main Line – reference has been made above as to the urgent need for the Strategic Transport Forum to develop its position in respect of its priorities for the use of capacity on the West Coast Main Line in the post-HS2 world.

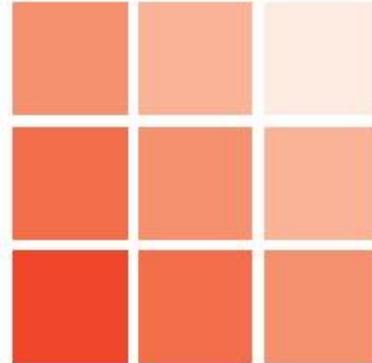
- London Midland – inter-linked with the need to develop a position on the use of capacity on the West Coast Main Line, mindful that within the current franchise period services within the West Midlands will operate as a discrete business unit.
 - East Midlands – the Group has considered the issues related to the re-letting of the current franchise, however in looking forward it is important to begin thinking of how the delivery of East West Rail infrastructure might impact on subsequent franchises.
- 8.3. What this initial overview shows is the importance of the Forum taking an early view on whether – as a matter of principle - the current rail franchising map is capable of supporting the strategic objective of improved connectivity to support the delivery of accelerated growth.
- 8.4. In seeking to develop a position on its expectations of the rail franchising framework, it will be essential to ground our arguments in the need to support the realisation of the economic opportunities identified in the National Infrastructure Commission’s Interim Report.
- 8.5. Given the nature of the task it is proposed to commission specialist advice from consultants that will provide a foundation for a subsequent discussion by the Forum early in the new year.
- 8.6. It is envisaged that the initial commission will be a relatively short piece of work, specifically designed to form the basis of a wider debate. In this regard it will also contribute to the evidence base feeding into the development of the draft principles and objectives for the overarching Transport Strategy. It would also provide the basis for an informed engagement with the rail sector more generally as part of the commitment to strengthen the relationship between the Forum and public transport operators.
- 9. Collaborative Working**
- 9.1. Ensuring that the rail system realises its potential to enable the delivery of planned growth is of interest to all local partners – local transport authorities, local planning authorities and local enterprise partnerships.
- 9.2. The approach set out in this paper identifies a number of discrete areas where specialist advice needs to be sought. Working through the Transport Officers Support Group the core team will work with partners to identify opportunities to combine work, focused on local issues to be incorporated within the work to be commissioned.

Martin Tugwell
Programme Director
September 2017

Chilterns and East West Rail Strategy Summary

Enabling progress and facilitating growth

A rail strategy for the Chilterns and East West Rail



More seats, on faster
journeys, to more
places



A new railway serving
new communities

Ready to benefit
from HS2





The railways across the Chilterns are crucial to the region providing a mix of services. They serve passengers travelling long distances; commuters into London Marylebone; freight to and from all corners of the country; and provide vital connections between the Chilterns and the key urban centres of Birmingham, Oxford and London.

They play a critical role in connecting people to jobs, and businesses to markets along with supporting economic growth. This document outlines an industry developed strategy to accommodate growth forecast for the next 10 to 30 years.



Rail growth supports economic prosperity

Growth

The number of passengers using the railway across the study area has increased substantially over the past decade, and further growth is forecast. London Marylebone saw passenger numbers increase 20 per cent between 2011 and 2015.



Access to High Speed Two (HS2) at Old Oak Common

With Royal Assent granted for Phase 1 in February 2017, HS2 is set to deliver new high speed services between London, Birmingham, the East Midlands, Manchester, Leeds and beyond that will act as a catalyst for change in cities and regions.



Access to HS2 at Old Oak Common is a central part of the Chilterns strategy, offering up to four additional trains per hour into Old Oak and Park Royal, an area of considerable regeneration in West London. This destination also offers key connectivity links to high speed, inter-city and Crossrail services.

Devolution

Government is encouraging policy to be set locally to drive forward economic growth. England's Economic Heartland are bringing together transport authorities, businesses and Network Rail to identify targeted transport investment to support jobs, housing and the economy.



East West Rail

In the Autumn Statement 2016, the Government announced the intention to establish a private company to develop and deliver the scheme, beginning with the Western Section, a new rail link connecting Oxford and Aylesbury/London Marylebone with Bedford/Milton Keynes.



Approach

This document sets out a rail strategy for the Chilterns. A number of upgrades to the network have been identified as **choices for funders** in order to meet and facilitate forecast demand.

These options are presented alongside the timescales for when interventions would be required. Funding will need to be identified in order to progress development further.

The full details of the strategy and choices for funders can be found in the [West Midlands and Chilterns Route Study](#).

Digital Railway

The Digital Railway is a rail industry-wide programme to benefit Britain's economy by accelerating the use of digital technology on the railway. These include train operation, capacity allocation, passenger experience, infrastructure, and stations that will facilitate future growth.



Chilterns Strategy

A changing geography

The Chiltern route provides an important commuter route into London, which continues to grow, and evolve with economic hubs expanding beyond the traditional City. Marylebone Station is approaching its maximum capacity, in terms of train numbers and passengers with any expansion of the station likely to be expensive and disruptive owing to its constrained location. With growing towns with major housing development planned at Aylesbury, Bicester and Princes Risborough, a link to Old Oak Common would provide more services and increased journey opportunities.



1,000 extra seats into London Marylebone in the peak hours

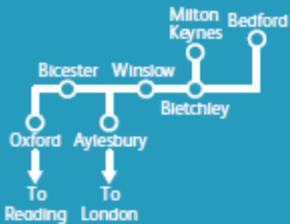
By 2024



Station upgrade at Marylebone

Longer platforms at key stations

East West Rail Phase 2



New railway between Oxford and Bletchley



New journey opportunities to bring communities together



Supporting economic growth



Access to new housing



New station at Winslow



Providing an alternative to journeys by road, reducing traffic congestion and emissions

Connecting to Old Oak Common



Up to 4 additional trains per hour, with more travel options into London



Regeneration at Old Oak and Park Royal with 65,000 new jobs and 25,500 new homes



Access to High Speed Services



New station at Old Oak Common



Reduced cost and disruption compared to upgrading Marylebone



Upgraded route linking the Chilterns with Old Oak Common

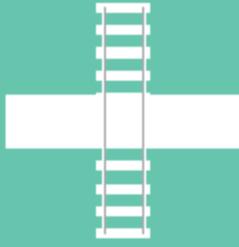
Towards 2043



Upgraded route between Princes Risborough and Aylesbury



Better and faster journeys



More track capacity



New train fleet



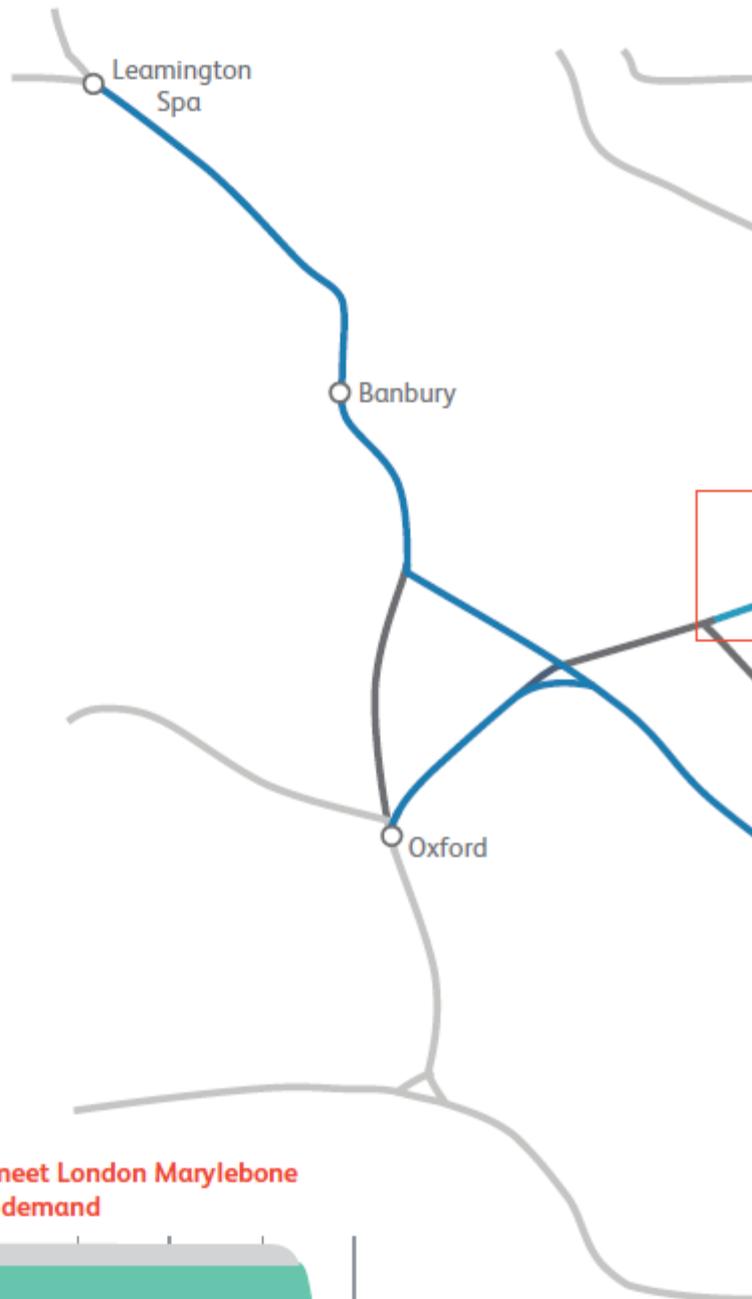
Electrification



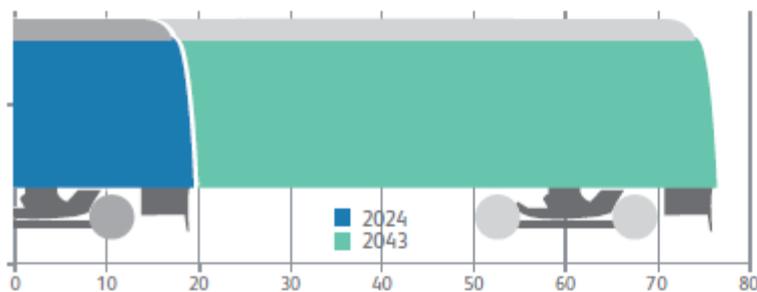
Rollout of Digital Railway

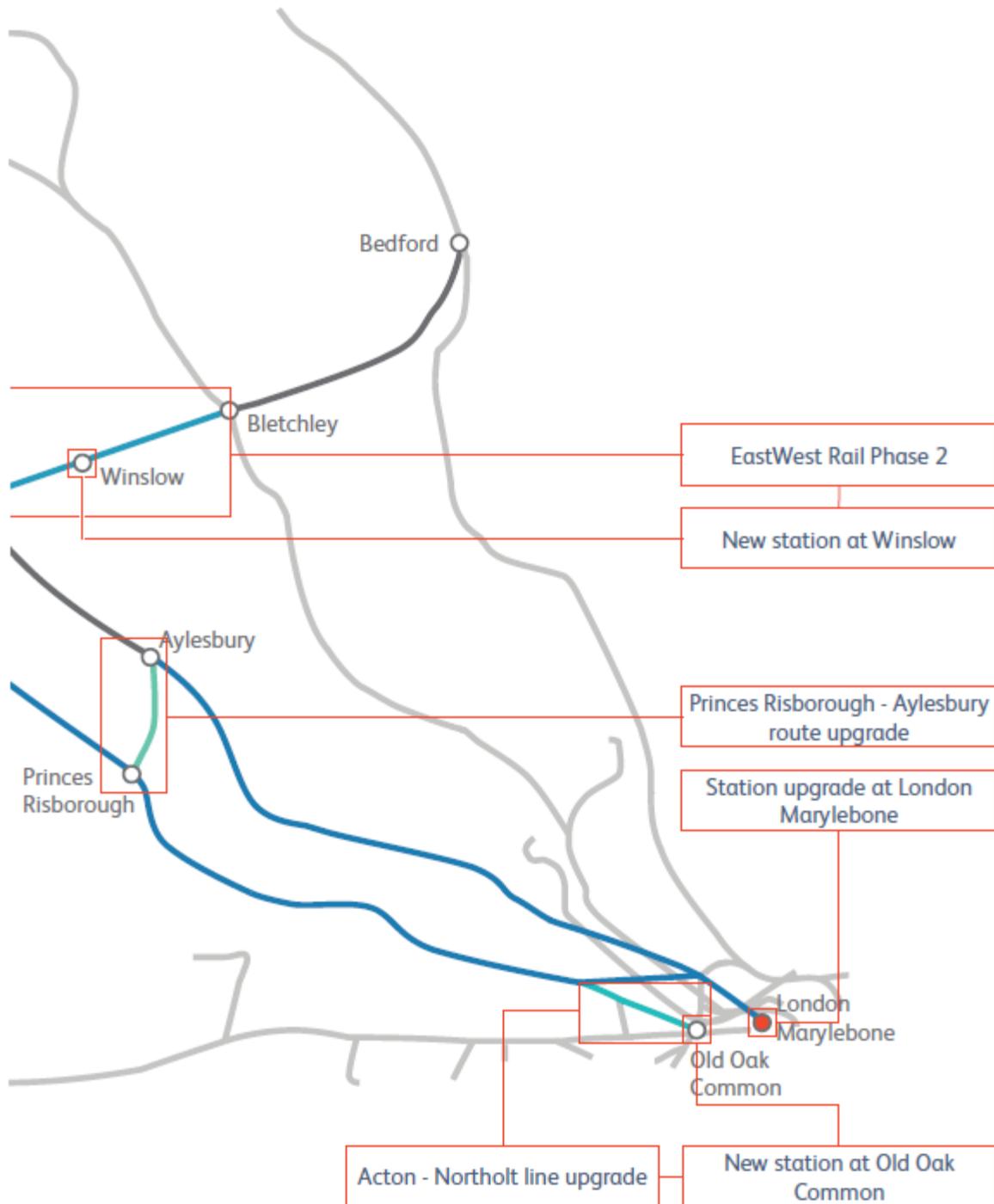
Chilterns Strategic Map

- Map Key**
- Upgraded station
 - Longer trains
 - East West Rail
 - Old Oak Common upgrade
 - Upgrade towards 2043



Extra carriages needed to meet London Marylebone commuter demand





ENGLAND'S ECONOMIC HEARTLAND

“In order to realise the full potential for economic growth of this area, it is essential to improve connectivity, particularly improving the rail and road links from east to west”

Cllr Heather Smith
Leader Northamptonshire CC
Chair EEH Strategic Transport Forum

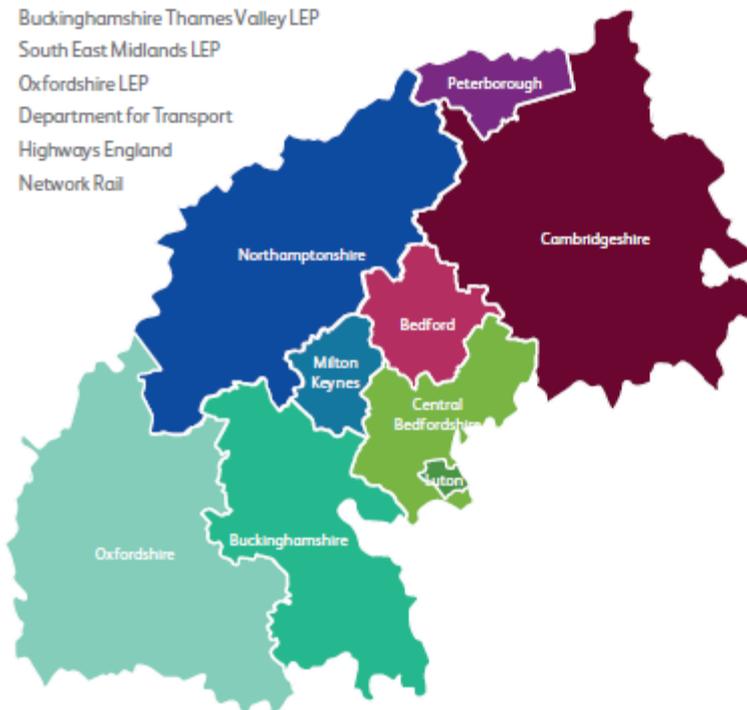
EEH Strategic Alliance

The Alliance provides leadership on strategic infrastructure across the Heartland – a key growth corridor for the UK. The Strategic Transport Forum is leading work on the development of the overarching Transport Strategy and using that to shape future national investment programmes and franchising requirements.

Our priorities for investment are driven by the need to improve connectivity between our main hubs, both physically and digitally.

Heartland Membership

Buckinghamshire Thames Valley LEP
South East Midlands LEP
Oxfordshire LEP
Department for Transport
Highways England
Network Rail



Our Vision

To build on the world-leading and globally competitive innovation and knowledge-led industries, underpinned by shared goals and strong collaboration between the private, public and academic sectors. We want to raise our global competitiveness, grow the economy, and build economic resilience for the country.

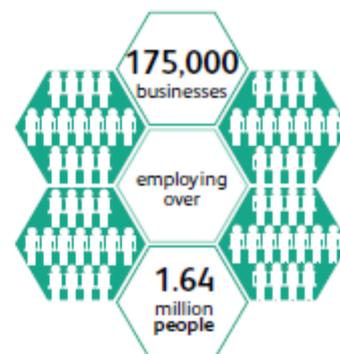
All localities in the growth corridor can and must benefit from sustained and inclusive growth in productivity and employment which will flow from greater connectivity.

A Region of Opportunity

Potential growth between 100% and 200% over the next 30 years, fuelled by our:

- World leading universities/research institutes
- Globally competitive business clusters
- Highly-skilled workers

Investment in transport infrastructure and services is central to realising this potential: East West Rail will create key new corridors of opportunity for rail.



EAST WEST RAIL, WESTERN SECTION TRANSPORT AND WORKS ACT CONSULTATION RESPONSE

England's Economic Heartland Strategic Alliance established the Strategic Transport Forum in February 2016. Membership of the Strategic Alliance covers the area from Oxfordshire, through Milton Keynes and across to Cambridgeshire, and from Northamptonshire across to Luton.

The Strategic Transport Forum is the focus for a single conversation on strategic transport issues across the Heartland and maintains the overview of strategic investment priorities. The Forum is the emerging Sub-national Transport Body (STB) for the Heartland area.

The Department for Transport's recently published Transport Investment Strategy emphasises the importance of STBs in providing local partners with the opportunity to shape future strategic investment priorities.

The Strategic Transport Forum at its meeting on 28th June 2017 confirmed that the delivery of the Western Section remains an immediate investment priority (one of five) for England's Economic Heartland. The Forum therefore confirms its support for East West Rail (EWR) Phase 2 (the Western Section) as presented at the recent public consultation meetings.

The National Infrastructure Commission's (NIC) Interim Report of November 2016 identified the economic potential of the East – West Corridor to be the UK's Silicon Valley. It further stated that new strategic east-west links provide an opportunity to support this, but to do so the Government should commit to delivering the Western Section of the EWR project before 2024 (the end of the rail industry's Control Period 6).

Improved connectivity was one of two critical issues identified by the NIC as needing to be addressed in order to realise the economic potential of the corridor. This could see the corridor's economy grow by a factor of between two to three times the current value; a scale much greater than previously envisaged: such an agenda is truly transformative and needs appropriate infrastructure.

Moreover the NIC identified EWR (in its entirety) as part of a 'once-in-a-generation' opportunity to create a multi-modal spine along the Oxford – Milton Keynes – Cambridge corridor that will help address the need for improved connectivity and support the preparation of an ambitious long-term strategy for the development of the corridor.

The Forum has also explicitly identified how the scheme opens up the opportunity to improve north-south connectivity – in particular along the Northampton – Milton Keynes – Aylesbury – High Wycombe – Old Oak Common corridor, facilitated by the opening of HS2 in 2026. Network Rail's recently published Chiltern and East West Railway Route Study further highlights the importance of this strategic corridor in the short/medium term. Improved rail access to the growth hub at Old Oak Common/Park Royal is of strategic importance for both England's Economic Heartland and the London Mayor.

The Forum's support is conditional upon the full scope of EWR Western Section - as articulated in the Consortium's 2011 Prospectus - being delivered as the minimum infrastructure. This includes

the upgrading of the Line between Aylesbury and Calvert Junction; the provision of a new station at Winslow; train services stopping at Winslow and Aylesbury Vale Parkway; and delivery of enhancements to the Marston Vale Line necessary to enable train services from Oxford to Bedford.

All these critical elements of rail infrastructure must be delivered in one go as a single enabling piece of infrastructure. This is necessary to provide the confidence in EWR that allows Local Plans to be prepared with greater certainty and gives confidence to private sector investors that they can plan their developments on the basis that EWR will be there. It is also worth noting that an added value of delivering EWR at the earliest possible opportunity is to provide rail based access for construction activity related to HS2.

Confidence in the scheme being delivered is particularly important to enable Local Planning Authorities prepare their draft Local Plans with confidence and to support them in the subsequent stages (examination in public) where the availability of strategic infrastructure will be a key consideration in determining the soundness of the draft Local Plans.

The Forum supports the EWR Consortium's position that the train services put forward in their 2011 Prospectus should be provided as an absolute minimum. It is essential that in taking the scheme forward the design enables future expansion of the infrastructure to accommodate higher levels of service at marginal cost. In addition, the Forum emphasises the importance of ensuring that the infrastructure delivered has the capability to be upgraded at marginal cost should there be a case for providing additional freight paths.

The Forum strongly encourages Network Rail and the Department for Transport to work with the EWR Consortium to explore the potential to deliver a Bletchley Eastern Entrance (as an enabling piece of infrastructure delivered at marginal cost) and the potential to realise a transport hub at Ridgmont (in support of potential growth identified in the draft Local Plan).

Finally, the Forum is very much aware of the work commissioned by the Secretary of State tasked with seeking to deliver EWR faster and at less cost. The Forum welcomes this initiative as further evidence of the Government's commitment to deliver EWR at the earliest possible opportunity. It welcomes the way in which the Department for Transport works closely with the EWR Consortium in achieving what is a shared objective.