

Strategic Transport Forum

28th June 2017

Agenda Item 7: East-West Rail

Recommendation: It is recommended that the meeting:

- i) Confirm that the delivery of the Western Section of East West Rail remains an immediate investment priority for England's Economic Heartland.
- ii) Delegate to the Chairman the sign off for the response to the Transport and Works Act Order consultation.

1. Purpose

1.1. The next few weeks are potentially quite significant for delivery of the East West Rail project – particularly the Western Section:

- Consultation on the Transport and Works Act Order for the 'agreed scheme' is scheduled to begin at the end of June – this activity being on the critical path for ensuring that the scheme is capable of being delivered ahead of HS2.
- Rob Brighthouse is scheduled to present the outcome of his 'cost challenge' to the Secretary of State for Transport .
- The Secretary of State for Transport is required to submit the High Level Output Specification for CP6 to the Office of Rail and Road by mid-July.
- The National Infrastructure Commission will submit its final report on the Cambridge – Milton Keynes – Oxford Corridor in the autumn, ahead of the Budget.
- Local Planning Authorities are preparing their draft Local Plans with a view to submitting them to the Government by the end of 2017.

1.2. Whilst the importance of East West Rail as an enabling piece of infrastructure is understood, the work commissioned by the Secretary of State, whilst welcome, has at the same time created a degree of uncertainty in the short term on some aspects of the project (particularly the Western Section).

1.3. The Joint Delivery Board (Western Section) is scheduled to meet on 27th June 2017. This meeting is expected to see the Board reaffirm its expectations for the Western Section. A verbal update on the outcome of that meeting will be given to the Forum.

2. Context

- 2.1. The East West Rail Consortium has been promoting the restoration of the rail link between Oxford and Cambridge since 1995. Consortium members have always viewed the project as being more than simply a transport scheme, recognising the importance of the link in strategic terms and the opportunity it creates to enable growth to be planned with a view to supporting future growth.
- 2.2. In 2012 the Government confirmed that the East West Rail project was of national significance, as a result of which the Western Section entered the national investment programme and was explicitly identified as a scheme funded for delivery in Control Period 5 with services scheduled to commence in autumn 2017.
- 2.3. Challenges with the agreed programme of investment set out for CP5 led to the Hendy Review, as a result of which delivery of the Western Section slipped back into CP6.
- 2.4. Over the same period of time the estimated cost of the Western Section increased substantially.
- 2.5. Although the primary focus of the East West Rail project is the restoration of infrastructure and services between Oxford – Milton Keynes and Cambridge, there has always been explicit recognition of the fact that the benefit of the scheme extends further west and east.
- 2.6. Moreover there has also been explicit recognition of the fact that the scheme opens up opportunities to improve north-south connectivity – in particular along the Northampton – Milton Keynes – Aylesbury – High Wycombe – Old Oak Common corridor which could be facilitated by the opening of HS2 in 2026.
- 2.7. Delivery of East West Rail was identified as one of the 5 immediate investment priorities for the Heartland in the Forum's 'Planning for Growth' document published in October 2016

3. National Infrastructure Commission – Interim Report

- 3.1. In November 2016 the National Infrastructure Commission published their Interim Report as part of their work looking at the Cambridge – Milton Keynes – Oxford corridor.
- 3.2. The Interim Report explicitly identified East West Rail, along with the 'Expressway' as 'once-in-a-lifetime' opportunities to create a multi-modal spine as part of an ambition to realise the potential of the area to be the UK's 'Silicon Valley'.

- 3.3. Improved connectivity was identified as one of the critical issues that needs to be addressed in order to facilitate this transformational agenda.
- 3.4. In responding to the Commission's Interim Report, the Government allowed £100m of additional funding to be brought forward to ensure that delivery of the Western Section was not delayed by works associated with HS2. In addition the Government confirmed the allocation of £10m of development funding in support of the Central Section.
- 3.5. The Commission is scheduled to submit its final report to the Government this autumn, ahead of the Autumn Budget.

4. Secretary of State's Initiative

- 4.1. In December 2016 the Secretary of State for Transport set out his vision for improving the delivery and operation of rail infrastructure. In doing so he made specific reference to opportunity presented by East-West Rail to develop a new approach to infrastructure delivery and operation.
- 4.2. The Secretary of State appointed Rob Brighouse as Chairman of an embryonic organisation tasked with taking forward his initiative: Phil Verster was appointed as the Chief Executive of the same organisation.
- 4.3. Brighouse submitted his initial advice to the Secretary of State at the beginning of April. For reasons associated with firstly local elections and then the snap general election: the advice to the Secretary of State has yet to be published.
- 4.4. As a separate piece of work the Secretary of State set Brighouse a 'cost challenge': a targeted piece of work designed to explore the opportunity to deliver the Western Section for less. This work is scheduled for completion by the end of June.
- 4.5. It is understood that the Secretary of State will consider the advice from Brighouse at that point, at which point he will take a view on the preferred way forward.

5. Consortium Expectations

- 5.1. It is proposed that the Consortium's expectations should be set out as follows:
 - Construction of a twin-track railway linking Oxford – Bicester – Bletchley, including a twin-track link to Aylesbury;
 - Improvements to the Bletchley – Bedford section (with further substantive works to be undertaken as part of the Central Section); *and*
 - Intermediate East West Rail stations at Bicester Village, Winslow, Bletchley and Ridgmont.

- 5.2. In addition, there is an urgent need to formally identify the land required between Aylesbury and Princess Risborough that safeguards from development the land required to enable twin-tracking of this route. This being consistent with the requirement – identified in the Network Rail Route Strategy – for improved capacity on the north-south corridor linking Northampton – Milton Keynes – Aylesbury – High Wycombe – Old Oak Common.
- 5.3. In terms of delivery, the Consortium remains of the view that maximum use should be made of 'Permitted Development'.

6. Next Steps

- 6.1. The Forum will receive a verbal update on the outcome of the Joint Delivery Board meeting held on 27th June.
- 6.2. As the National Infrastructure Commission has identified, delivery of East West Rail (as part of a wider investment to create a multi-modal spine across the Heartland) is critical to enabling the strategic ambition to realise the economic potential of the Heartland.
- 6.3. More immediately confirming delivery of the Western Section as a short term priority, backed by the required funding, is important to support the frameworks in the emerging Local Plans. Delay in delivery of the Western Section runs the risk of undermining confidence amongst potential investors and may cause doubt to be cast on the ability of the area to deliver the planned level of growth.
- 6.4. Consultation on the Transport and Works Act Order for the Western Section will take place on the basis of the (current) agreed scheme: including investment in the link to Aylesbury and improvements to the Bletchley - Bedford section. Responses to that consultation are required by mid-August.

Martin Tugwell
Programme Director

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