

## **Appendix 1 to Executive Member for Environment and Transport's Decision Day, 11<sup>th</sup> July 2017**

### **Draft Rail Position Statement - July 2017**

#### **Introduction**

Rail has an increasingly important role to play in helping Hampshire address its transport, economic and environmental pressures. Whilst Hampshire is expected to remain heavily dependant on its road network, the modal share for rail which was 4.7% in the 2011 Census, is set to rise and has increased from 3.5% in 2001. Around half these commuter journeys are to / from London. Nationally, the number of rail passenger journeys and distance travelled by rail has more than doubled in the last 20 years, and has increased by around 50% just in the last 10 years.

This upward trend is already beginning to be reflected in Hampshire. For example in 2014/15 over 38 million passenger journeys were made from railway stations in the county and this marks a 120% increase over the last two decades. Rail freight is also increasingly important in Hampshire and wider economy, particularly for the movement of containers and automotive traffic to / from the Port of Southampton and delivery of aggregates, essential for local infrastructure and development projects.

Although Hampshire County Council does not have any direct statutory role or responsibility for operating rail services or delivering rail infrastructure enhancements, as a Transport Authority it has a strong interest in securing rail improvements. For many years it has worked closely with the Department for Transport (DfT), Network Rail (NR) and the train operating companies (TOCs) to influence, secure and deliver improvements to rail services, infrastructure and railway stations. In doing so it has built positive relationships which it will wish to sustain and further develop.

This Position Statement is timely given this year will mark a number of important developments for rail industry in Hampshire. On 20th August 2017, First MTR will take over the operation of the South Western franchise from Stagecoach. This covers mainline services between Hampshire and London Waterloo and the County Council is encouraged by the service enhancements planned by First MTR.

Over the next 16 months the Government's priorities and funding for Network Rail beyond 2019 will be finalised. The process will start this summer with DfT publishing its High Level Output Statement (HLoS) and Statement of Funds Available (SOFA) for Control Period 6 (CP6 2019 - 2024). These will give an overview of planned investment for renewals and enhancements required from 2019 and will inform Network Rail's own consultation process about its Strategic Business Plans, in terms of what it proposes to deliver during CP6 and how much it will cost. This consultation, expected anytime before the end of this year, will provide an important opportunity for Hampshire and Transport for the South East (the Shadow Sub National Transport Body) to inform Network Rail's prioritisation. Following that, the ORR (The Office Rail Regulator) will scrutinise the Network Rail's plans to ensure they meet government requirements. The Regulator will then carry out its

own consultation in June 2018 before making its final determination in October 2018 as to what funding Network Rail will receive for CP6 and the outputs it must deliver.

It is worth noting that whilst maintenance and renewals will remain on fixed five year programmes, e.g. Control Period (i.e. 2019 – 2024), from 2019 rail enhancements are expected to move on to a rolling investment programme.

In addition the Government will be finalising its Airports National Policy Statement on new runway capacity and infrastructure at airports in the South East, following its consultation earlier this summer. Working through TfSE and with local MPs there may be further opportunities to press the case for improved rail access to London Heathrow from Hampshire.

Furthermore, Hampshire County Council continues to take a full and active role in the development of the shadow Sub National Transport Body for the South East - Transport for the South East (TfSE) which held its first formal board meeting last month. TfSE, which is developing a Transport Strategy for the whole of the South East and seeking statutory status, should provide Hampshire and other South East Transport Authorities with a strong mechanism to influence rail investment decisions and future specifications for rail passenger services.

This Rail Position Statement sets out Hampshire County Council's vision and priorities to help improve physical connectivity both within and beyond its county boundaries which is considered critical for Hampshire's future growth and economic prosperity. It is designed to aid external discussions and will be reviewed and updated on a regular basis, to reflect ongoing developments within the rail industry.

## **Making the case for rail improvements**

The County Council will work to secure rail improvements through active work with rail industry partners and other transport authorities. Specifically it will: :

- Work through TfSE to secure appropriate strategic infrastructure investment in the rail network;
- Work through TfSE to influence the specification of future rail franchises;
- Continue to work closely with rail industry partners, including:
  - Network Rail;
  - Train Operating Companies, particularly First MTR;
  - Rail freight operators;
  - Department for Transport; and
  - Community Rail Partnerships.

The County Council has had an excellent working relationship with rail industry partners over many years, both on its own and through existing partnership arrangements, such as Solent Transport.

The establishment of a Sub National Transport Body (STB), Transport for the South East (TfSE), initially in shadow form, provides an opportunity for Transport Authorities to formally work together with a common voice to secure strategic improvements to rail services and infrastructure from Government.

Train service specification is defined through the rail franchising process. Although the DfT undertakes a consultation on the specification of new franchises, there is no guarantee that the views of local authorities will be incorporated. The first STB, Transport for the North (TfN) has taken direct responsibility for tendering and managing the Northern and Trans Pennine franchises. It is unlikely that TfSE would want to take on this level of responsibility but it should seek to secure an integrated role, working directly with DfT Rail, to define the specification of new franchises.

The South Western franchise is the most important within Hampshire. This covers main line services to / from London, together with a number of main line and local services linking key destinations within Hampshire. First MTR is due to take over operation of the franchise on the 20 August 2017. The County Council has built up an excellent relationship with the current franchisee, Stagecoach South West Trains and should continue this with First MTR.

The County Council will continue to work with and maintain good relationships with all rail industry partners, in order to deliver train service and infrastructure improvements. This includes train operating companies, Network Rail, the DfT and Community Rail Partnerships.

### **Improving Hampshire's Connectivity to Key Hubs Beyond the County**

Rail is primarily for longer distance journeys. Whilst national travel data shows that over two thirds of all journeys are under 5 miles in length, almost two thirds of all rail journeys are over 25 miles in length and most rail freight movements are generally only competitive over longer distances.

Rail is particularly important for longer distance passenger and freight movements which connect Hampshire to key industrial / economic and transport hubs beyond its boundary. These links are essential for Hampshire's business and leisure economy. Key issues to consider include:

- Passenger journeys to / from London, including commuter, business and leisure trips;
- Passenger journeys to / from major airports including London Heathrow and London Gatwick;
- Passenger journeys to / from other parts of the UK;
- Freight movements to / from the Port of Southampton and the Midlands and the North;

### **Passenger Journeys to / from London**

Hampshire County Council will press for improved rail connectivity to / from London, including:

- Implementation of appropriate infrastructure improvements in the short and longer term to provide additional capacity to accommodate predicted increase in peak period demand for commuter journeys between Hampshire and London; and

- Measures to reduce generalised journey times to / from London.

NR's London and South East Market Study predicts that main line peak period commuter journeys to / from London Waterloo will increase by 40% between 2013 and 2043. Taking account of existing capacity shortfalls, there is a requirement to increase high peak hour seating capacity by 60%, compared to current levels.

NR's Wessex Route Study has identified the infrastructure improvements that would be necessary to accommodate increased high peak capacity on the South West Main Line. Funding is already committed in the current investment programme to deliver capacity improvements at London Waterloo, including re-opening of the former international platforms to domestic services.

In the short term in CP6 (2019 to 2024), the Wessex Route Study identified the following essential infrastructure schemes:

- Capacity improvements between Clapham Junction and Waterloo; and
- Grade separation and additional platform at Woking.

The following infrastructure improvements as having potential benefit in CP6, although no development work is currently underway, so their implementation is more likely in the medium term, post 2024:

- Grade separation at Basingstoke (also necessary for freight capacity); and
- Guildford Station capacity.

The following infrastructure improvements were identified and recommended in the Wessex Route Study to deliver longer term high peak capacity:

- Delivery of Crossrail 2, which would release significant capacity east of Wimbledon;
- Digital signalling / automatic train control east of Woking; and
- Southampton Central Station capacity

In terms of reducing generalised journey times to / from London, the new First MTR South Western franchise is proposing a reduction in journey times of 5 minutes between Portsmouth and London and 8 minutes between Southampton and London from December 2018. There are also proposals for more frequent services across the network.

### **Passenger Journeys to / from Major Airports**

Hampshire County Council will support improved rail accessibility to Major Airports.

For London Heathrow, the County Council will support delivery of:

- Western Rail access proposal;
- Southern Rail access proposal; and
- Provision of direct rail services or high quality interchange to / from Hampshire

via the Western and / or Southern access proposals;

For London Gatwick, the County Council will support:

- Increased service frequency; and
- Reduced journey times for rail journeys to / from Hampshire.

Both Heathrow and Gatwick Airports are important to Hampshire residents, with 1.77 million and 1.97 million passenger trips generated respectively per annum.

Rail access between Hampshire and Heathrow Airport is currently very poor. It requires an interchange with coach services at Woking or Reading or an extended journey via Central London. As a result, rail has a very low modal share.

The Government's Draft Airports National Policy Statement recommends that a third runway should be provided at Heathrow. However, there is a requirement that proportion of journeys made by public transport should increase to 50% by 2030 and at least 55% by 2040. Heathrow Airport Ltd's own Surface Access Strategy, submitted as part of the Airport Commission submission, identified that Western Access would be required by 2035, but Southern Access would only be desirable.

In its response to the Draft National Airports Strategy, the County Council has indicated that delivery of both the Western and Southern Rail accesses should be considered essential to support expansion at London Heathrow and that higher targets for the modal share of public transport should be set. Working through TfSE, the County Council will continue to press for the delivery of the Western and Southern Rail access schemes, including through services to / from Hampshire. Southern Rail Access also has the potential to provide wider connectivity benefits, with through services to Old Oak Common and London Paddington, connecting into HS2 and Crossrail. This is considered below.

The County Council notes the Heathrow Southern Rail Ltd proposal to privately fund the Southern Rail Access. This would be consistent with the Government's desire to seek alternative funding for rail infrastructure projects.

Rail access to Gatwick Airport is currently better, with direct services from South Hampshire and other parts of Hampshire having rail access via a single interchange at Clapham Junction onto the Brighton Main Line. The County Council will support further improvements to rail access to Gatwick Airport, including improved service frequency and reduced journey times.

### **Passenger Journeys to / from other parts of the UK**

Hampshire County Council will support improved passenger rail connectivity to / from other parts of the UK, including necessary infrastructure improvements. Specifically, this will include:

- Improving Cross Country links to / from the Midlands and the North, including electrification and completion of East / West Rail;
- Improving Great Western services to / from Bristol and South Wales;
- Seeking a Regional Plus option for Crossrail 2 to provide direct rail services between knowledge clusters in North Hampshire and Cambridge / Stansted;

and

- Seeking direct services between Hampshire and Old Oak Common via Heathrow Southern Access, to provide a direct connection to HS2 services.

Rail provides important connectivity between Hampshire and other parts of the UK. This currently includes inter-regional services to the Midlands and North (operated by Cross Country Trains), Bristol and South Wales (operated by Great Western) and along the South Coast (primarily operated by Go Ahead GTR).

Services to the Midlands and North are currently operated by the Cross Country Franchise. These run on the Bournemouth main line to Reading via Basingstoke. Whilst train service frequency is generally good, overcrowding is a significant issue, as train lengths are shorter than equivalent Inter City routes to / from London. The new Cross Country franchise is due to start in 2019 and provides an opportunity to secure significant service enhancements. These should include:

- Increased capacity to address existing overcrowding problems and future growth;
- Seeking opportunities for new services, including opportunities provided by new infrastructure. For example, East West Rail will provide direct access to the West Coast Main Line and Midland Main Line, allowing through services to destinations not currently served by the Cross County franchise (e.g. Milton Keynes). The completion of HS2 towards the end of this franchise period will release capacity on the West Coast Main Line;

The County Council will continue to support other relevant infrastructure, including the Electric Spine project, which would enable electric operation of a significant part of the Cross Country network.

Great Western currently operates services to from Bristol and South Wales. A generally hourly service to / from Portsmouth is supplemented by infrequent services to / from Brighton. The new Great Western franchise is due to start in 2020 and opportunities should be sought for improved train frequency and better rolling stock on this corridor. Provision of an hourly service to / from Brighton would significantly enhance connectivity between South Hampshire and the Sussex coastal towns.

Transport for London (TfL) is currently developing proposals for Crossrail 2, which would run from Wimbledon on the South West Main Line to Alexandra Palace and Tottenham Hale in North / North East London. Crossrail 2 offers significant capacity benefits on the South West Main Line into London Waterloo. However, it is currently anticipated that in the South West, Crossrail 2 would only serve inner suburban routes. The County Council would like to see consideration of a Regional Plus option. This would, for example, allow through services to operate between the knowledge clusters in Basingstoke / Farnborough and Cambridge / Stansted.

As noted in the previous section, Heathrow Southern Rail Access has the potential to deliver wider connectivity benefits. The private sector led Heathrow Southern Railway proposal envisages through services between North Hampshire / Surrey to Old Oak Common and London Paddington. Old Oak Common in particular will be a

significant hub with HS2 and Crossrail Queen Elizabeth services and the County Council would support such connectivity improvements.

## **Freight Movements to / from the Port of Southampton**

Hampshire County Council will support infrastructure improvements to increase the proportion and volume of freight carried by rail to / from the Port of Southampton.

Freight services in Hampshire are dominated by container and automotive traffic to / from the Port of Southampton. These primarily run to / from the Midlands and North via Basingstoke, Reading, Oxford and Banbury. Previous investment, particularly gauge enhancement work, has significantly increased rail freight's modal share for container traffic. Given the long distance of many freight services, infrastructure improvements are required along the whole corridor, extending outside Hampshire.

The County Council will support ongoing and further infrastructure investment to allow an increase in the proportion and volume of freight traffic to increase. The Wessex Route Study has identified a number of short and longer term interventions that will be required to achieve this and the County Council supports the delivery of these in a timely manner. These include:

- Completion of infrastructure enhancements to allow 775m length trains to operate;
- Grade separation at Basingstoke;
- Provision of dynamic passing loops between Basingstoke and Winchester;
- Completion of East West Rail to provide direct access to the West Coast and Midland Main Lines from Oxford;
- Provision of alternative gauge enhanced route to bypass Reading to Basingstoke route, if this is unavailable; and
- Delivery of the Electric Spine project to allow electric operation of freight services.

## **Improving Links within Hampshire**

### **Improved Rail Connectivity in Southern Hampshire**

Working through the Solent Transport Partnership and Transport for the South East, the County Council will seek to secure improvements to rail connectivity in Southern Hampshire, including:

- Improved frequencies for local rail services;
- Improved East West connectivity between Portsmouth and Southampton, including better rail accessibility to Southampton Airport from the east;
- Examining more radical options for improving rail connectivity, including the scope for tram train operation;
- Re-opening stations or lines to passenger services, where a Business Case can be made;
- Integrating local rail services with other public transport modes, to provide seamless journeys;

- Seeking opportunities for rail based Park and Ride schemes; and
- Working with local partners to provide station and interchange improvements.

The 2011 Census data shows that rail currently has a relatively low modal share (4.7%) for the Journey to Work within Hampshire, although this has increased from 3.5% in 2001. Even where rail routes do exist on key commuter routes, train frequencies for local services are often relatively poor and unattractive, with many local services only running on an hourly basis. However, there is also clear evidence that where train frequencies are better and / or journey times are competitive compared to congested parallel road corridors, rail usage levels are much higher.

In South Hampshire, where the proportion of rail journeys to / from London is much lower, some example of above average levels of rail usage include Brockenhurst (9.5%), Eastleigh Central (9.1%), Havant Town Centre (8.2%), Emsworth (7.3%), Fareham North (6.9%) and Hedge End Grange Park (6.8%). The consistent factors that are driving these higher levels of rail use are good quality train services (i.e. frequent and with competitive journey times) to major employment centres, including, for example, Portsmouth, Southampton and Winchester. This clearly demonstrates that given the right conditions, rail can have a much higher modal share and that extension of these conditions to other parts of the Hampshire network will drive further growth in rail usage.

Whilst full details are still awaited of the service enhancements proposed by First MTR for the South Western franchise, improving the service frequency of local services is key to increasing their attractiveness. It is possible that more radical solutions, such as tram trains, may provide a more attractive option than conventional rail services.

Within South Hampshire, East to West connectivity is relatively poor, with uncompetitive journey times between Portsmouth and Southampton and the lack of direct services from the east to Southampton Airport. First MTR is proposing a new Portsmouth to Weymouth service, which could improve connectivity, although full details are still awaited. Further improvements in journey time and frequency will be necessary to make rail more attractive for east to west journeys in South Hampshire.

In terms of new stations or lines, these could be appropriate, if it can be demonstrated that the usage levels can demonstrate sufficient Value for Money to justify the additional investment required to bring the services forward.

Improved connectivity with other modes is important, as rail often forms only one leg of a multi-modal journey. First MTR is proposing more smart ticketing, although full details are awaited.

Park and Ride may also provide an opportunity to intercept car based trips before they enter a congested urban area, where rail services can have a competitive journey time advantage.

Finally, the County Council will continue to work with rail industry partners to secure station and interchange improvements across Hampshire. This will build on a number of successfully implemented schemes.



## Improved Rail Connectivity in Northern Hampshire

Working with relevant partners, the County Council will seek to secure improvements to rail connectivity for journeys within North Hampshire, including:

- Improved frequencies for local rail services;
- Integrating local rail services with other public transport modes, to provide seamless journeys; and
- Working with local partners to provide station and interchange improvements.

The rail service in North Hampshire has a greater focus on journeys to / from London than South Hampshire. However, rail still has important role to play for other journeys. For example, 6% of people working in Central Basingstoke arrive by train and for people living outside the Borough, this rises to 13%.

Train service frequency in North Hampshire is generally at least every half hour on most routes, so there is less scope for improvements here compared to South Hampshire, although further frequency improvements would help make services more attractive.

In terms of integration with other public transport modes and delivering station and interchange improvements, the same issues apply in North Hampshire to South Hampshire.

## Improving Rail Passenger Experience

Whilst the quality of the train service has a significant role in making rail services an attractive option, it is also important that the right ticketing options are available and that there is good quality interchange with other modes, as rail journeys invariably involve transfer to other modes of travel at each end of the journey.

Working with relevant partners, the County Council will seek to secure wider improvements to the rail passenger experience, including:

- Ensuring that TOCs provide appropriate ticketing for passengers, including:
  - Smart ticketing;
  - Flexible season tickets; and
  - Integrated tickets with other public transport modes, to provide a seamless journey experience.
- Station improvements, including:
  - Better waiting and other facilities;
  - Increased accessibility for mobility impaired people; and
  - Better interchange facilities with other modes, including improved car and cycle parking facilities, high quality links to local bus services and higher quality walking and cycle accessibility.

The South Western franchise dominates ticketing within Hampshire, setting the fares for most journeys. Whilst full details are awaited, First MTR has indicated that a number of innovative ticketing products will be made available, including:

- Mobile barcode tickets;

- Smartcards, including pay-as-you-go functionality; and
- Flexible Season tickets

The County Council will seek to work with First MTR to ensure that appropriate ticketing products are available. It will also seek to influence the ticketing associated with other franchises serving Hampshire, particularly when these come up for renewal.

Through the good relationships that the County Council has built up with rail industry partners, there has been a good track record of delivering station and accessibility improvements across Hampshire. The County Council will continue this work, seeking any funding opportunities that arise.

The County Council will seek to continue its close work with Community Rail Partnerships, although is looking for these to move to a self funded model.

### **Summary**

This Rail Position Statement has outlined the key issues for Hampshire. The rail industry is a fast moving world and this document will be updated on an ongoing basis to reflect this.

The First MTR South Western Railway franchise, which starts on the 20<sup>th</sup> August 2017, appears to provide a number of opportunities for Hampshire. These include train frequency and journey time enhancements and more innovative ticketing options. More specific details on these enhancements will emerge in the near future.

In the short to medium term, the following issues are a priority:

- To inform the Parliamentary debate on the Airports National Policy Statement, following on from the recent consultation, and reiterating the case for delivery of both the Western Rail Access and Southern Rail Access to London Heathrow in a way that not only serves London but also services from the south west.
- Responding to Network Rail's consultation, expected later this year, on its proposed investment programme for CP6; and
- Responding to consultations on future franchise specifications for the new Cross Country franchise, due to be awarded in July 2019, and the new Great Western franchise, due to be awarded in April 2020.

For all these issues, it is important that the County Council does not make the case for any improvements in isolation. In particular, the new sub national transport body, TfSE will have an increasingly important role in promoting strategic infrastructure enhancements (including rail enhancements) and specifying rail franchises. The County Council needs to ensure that TfSE actively prioritises and promotes rail enhancements that will benefit Hampshire.

The County Council should also continue its excellent working relationship with rail industry partners, that has previously delivered many improvements.