



PROGRESS OF AIRTRACK PROJECT

SCC LOCAL COMMITTEE IN SPELTHORNE

11 December 2006

KEY ISSUE:

The AirTrack project took a significant step forward on 30 November 2006, when BAA plc announced at the AirTrack Forum Annual Meeting that it was committing some £5.2 million towards the promotion of the Project through the Transport & Works Act process. This paper provides information regarding this development.

1. INTRODUCTION and BACKGROUND

- 1.1 The AirTrack project was first conceived in its present form in the late 1990s, as a result of a detailed study undertaken by Halcrows based on ideas put forward in the London Airports Surface Access Study (LASAS). The work completed by Halcrows had been commissioned by a consortium

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of local authorities and business interests, led by Bracknell Forest Council and John Stevens MEP.

- 1.2 AirTrack fundamentally requires a new section of railway line to be constructed from a junction with the Staines to Windsor line, to the west of Staines, which would be located in the proximity of the former branch line from Staines to West Drayton. The proposed line would continue to the east of the M25, and enter the new rail station at Terminal 5 in tunnel. AirTrack would also require the restitution of the former connecting chord in Staines from the Windsor line to the Reading line, the site of which is mostly occupied by an open car park. A new station would be provided to serve the centre of Staines, located on the Windsor Line, just to the west of the Iron Bridge.
- 1.3 The basic service pattern proposed would consist of two trains per hour, in each direction, from Terminal 5 to Reading, from Terminal 5 to Guildford via Woking, and from Terminal 5 to Waterloo via Richmond and Clapham Junction.
- 1.4 In 2000, the establishment of the AirTrack Forum was proposed by British Airways, and Surrey County Council was asked to provide the chairmanship. The activities of the Forum are determined by a steering group, consisting of the County Council, Runnymede, Woking and Guildford Borough Councils, Bracknell Forest Council, SWELTRAC, Transport for London, the Highways Agency, British Airways, BAA plc, SEERA and SEEDA.
- 1.5 Between 2003 and 2005, extensive technical and financial study work established the costs of the scheme, considered its technical feasibility and confirmed a very positive business case. This work was undertaken by several different consultancies, in conjunction with the Forum and the Strategic Rail Authority, and, latterly, the Department for Transport, Rail Division. As a separate exercise, valuable work has been undertaken by Spelthorne Borough Council in considering the scale and scope of the mitigation measures required to address the environmental disbenefits of the project.

2. ANALYSIS and COMMENTARY

- 2.1 By 2005, AirTrack had been established as a cost effective transport project, and had been given a high priority within the transport and economic strategies developed by both SEERA and SEEDA. In 2006, SEEDA included AirTrack as one of just three schemes in the South East, which it recommended to Government for initial funding from the Transport Innovation Fund. The first schemes to be successful for receipt of this important source of funding for enhancing GDP were primarily concerned with rail freight, however, thus AirTrack has not yet been successful in attracting funding from this source, although further bids are likely to be made in future.

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- 2.2 The Department for Transport also sought EU funding from the Trans European Networks (TENs) fund, but was unsuccessful. Thus AirTrack is acknowledged as a priority scheme in national and regional strategies, but, like so many other major transport schemes, lacks full funding commitment from the public sector. The logical next step to take AirTrack forward must be the preparation of detailed engineering plans, and an environmental assessment, to the level of detail which would allow the project to be considered for planning permission through the Transport & Works Act (TWA) process, which is similar to a public inquiry.
- 2.3 This process would also provide the private sector with considerable confidence, in terms of providing a detailed assessment of costs and risks, and remove the uncertainty resulting from not having established planning permission. The work of the Forum over the past year has concentrated on promoting the project to key stakeholders, safeguarding capacity at key locations (such as Terminal 5), and seeking to identify funding to take the project forward through the TWA process.
- 2.4 BAA plc has, for some time, expressed the view that it considers AirTrack to be the most important and highest priority rail scheme for the enhancement of connectivity to Heathrow. BAA plc has been in discussion with Network Rail to consider the work required to take AirTrack through the TWA process, and finally announced, at the AirTrack Forum Annual Meeting on the 30th of November, that it was committing some £5.2 million towards that objective.
- 2.5 From the perspective of those supporting the AirTrack project, this constitutes a highly positive and significant step forward in achieving construction of the project. However, in itself, the provision of this funding does not determine how the project construction will be funded. It is to be hoped that BAA plc and Network Rail will work together to form a consortium to take the project through construction, but there is no guarantee that this will be the case. It has been calculated that some 50% of the project's costs could be recovered through operational profitability, once the services are in place, so this might induce private sector funding. Another possibility is that development funding might make a significant contribution, and it is known that a company called Airtrack Railways Ltd has been formed to explore the potential for such a scheme in the Thames Valley. However, achieving such funding through the means of a section 106 type of agreement is a highly complex process, and there remain a significant number of unresolved planning issues in the case of this particular proposal.
- 2.6 Finally, it is possible that public funding could be achieved, at least for a proportion of the cost, by means of the Transport Innovation Fund route, which was mentioned in paragraph 2.1 above.
- 2.7 The technical work required for the TWA process is likely to last for 18 to 24 months, so that period will be critical in considering the robustness of

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the project, its possible funding mechanism, and, importantly for those in the Spelthorne area, the ability to provide acceptable mitigation measures for the environmental impacts. In this respect, both BAA plc and the other members of the AirTrack Forum Steering Group have indicated their desire to work with Spelthorne Borough Council to achieve this, and also to ensure that the project brings real and tangible benefits to the local area.

3. OTHER RELEVANT MATTERS AFFECTING HEATHROW

3.1 It was anticipated that an announcement on the output from the Project for the Sustainability of Heathrow might have been made during 2006, however it now appears that this is likely to occur in the New Year. It is understood that work is now well advanced, but that the technical studies being undertaken through BAA plc have been subject to slippage, probably due to their technically complex nature.

3.2 At the time of the preparation of this report, the Eddington Transport Study had just been published. This Study was commissioned by the Chancellor of the Exchequer as key advice to the Government on the long term links between transport and the UK's economic productivity, growth and stability, within the context of the Government's commitment to sustainable development. As such, it does not consider the merits or otherwise of individual transport projects, but considers the best general principles to adopt in shaping the future policy for delivering new and improved transport infrastructure and services.

3.3 The following represents a summary of the key recommendations of the Eddington report.

- To meet the changing needs of the UK economy, Government should focus policy and sustained investment on improving the performance of existing transport networks, in those places that are important for the UK's economic success
- Over the next 20 years, the three strategic economic principles for transport policy should be: congested and growing city catchments; and the key inter-urban corridors and the key international gateways that are showing signs of increasing congestion and unreliability.
- Government should adopt a sophisticated policy mix to meet both economic and environmental goals. Policy should get the prices right (especially congestion pricing on the roads and environmental pricing across all modes) and make best use of existing networks. Reflecting the high returns available from some transport investment, based on full appraisal of environmental and social costs and benefits, the Government, together with the private sector should deliver sustained and targeted infrastructure investment, in those schemes which demonstrate high returns, including smaller schemes tackling pinch points.
- The policy process needs to be rigorous and systematic; start with the three strategic economic priorities, define the problems, consider the full range of modal options using appraisal techniques

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that include full environmental and social costs and benefits, and ensure that spending is focussed on the best policies.

- Government needs to ensure the delivery system is ready to meet future challenges, including thorough reform of sub-national governance arrangements and reforming the planning process for major transport projects by introducing a new Independent Planning Commission to take decisions on projects of strategic importance.

3.4 As far as Heathrow is concerned, it would be reasonable to assume that it meets the criteria for a key international gateway, with the implication that it should be subject to sustained and targeted infrastructure investment, provided that any schemes proposed can demonstrate a high return in terms of the cost/benefit ratio.

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