

SURREY COUNTY COUNCIL

CABINET

DATE: 30 MARCH 2021

REPORT OF: MR MATT FURNISS, CABINET MEMBER FOR TRANSPORT

**LEAD OFFICER: KATIE STEWART, EXECUTIVE DIRECTOR, ENVIRONMENT
TRANSPORT AND INFRASTRUCTURE**

SUBJECT: A NEW RAIL STRATEGY FOR SURREY 2021



ORGANISATION Growing A Sustainable Economy So Everyone Can Benefit
STRATEGY
PRIORITY AREA:

SUMMARY OF ISSUE:

This report presents the 'New Rail Strategy for Surrey', setting out our future ambition and priorities for rail across the county. It updates the original Rail Strategy published in 2013 and the partial update of 2016.

It is important that the council has an up to date rail strategy that fully reflects the objectives of the council as articulated through our 2030 Community Vision and our 2050 Place Ambition. This means it can be used as a powerful advocacy document to support local economic and spatial development decisions that will maximise the potential impact of improvements and investments in the county, alongside partnership work and leveraging future investment from the rail industry and others. Rail is important in terms of infrastructure and as a key mode of travel that supports growth and prosperity with associated focus and investment. The New Rail Strategy for Surrey supports the council's priority objective of growing a sustainable economy. It sets out our rail infrastructure priorities and considers future scenarios so that we may help residents and businesses respond to changing demands. The New Rail Strategy for Surrey also supports the council's priority objective of enabling a greener future with net zero carbon a strong feature throughout the new strategy.

RECOMMENDATIONS:

It is recommended that Cabinet:

1. Welcomes and adopts the New Rail Strategy for Surrey, supporting the strategic aims, strategic responses and the future priorities it identifies;
2. Agrees that the New Rail Strategy for Surrey is used as a framework to support local economic and spatial development decisions and as an advocacy document to lobby Government, the rail industry and others to assist in delivering the strategic aims; and
3. Agrees to the development of a future work programme that will set out the council's involvement in the interventions identified in New Rail Strategy for Surrey, led by the Cabinet Member for Transport, the objective being to create an implementation plan that is integrated with the emerging Surrey Local Transport Plan 4 and the Surrey Infrastructure Plan.

REASON FOR RECOMMENDATIONS:

Good rail services with supporting infrastructure are vital for maintaining and growing Surrey's economy. They provide efficient and sustainable links to jobs, education and leisure, they reduce the number of car journeys on our roads and they support our climate change agenda. The rail network is also a key factor in the decisions made by business and residents choosing to live and work in the county. Although uncertainties around the long-term economic impacts of Covid19 remain, particularly in terms of how businesses will respond and how commuting patterns will adapt, the importance of rail in Surrey will remain high.

Therefore, whilst the council has no statutory role in planning or delivering rail services or projects, we must continue to actively engage with the rail industry and Government to ensure that our priorities are reflected in rail service delivery, infrastructure investment and in planning for the future.

To ensure we succeed in doing so, it is crucial that the council has a relevant and coherent rail strategy, which can be used as an advocacy document and to support partnership work and future investment with the rail industry. The New Rail Strategy for Surrey encompasses a clear set of strategic aims, strategic responses and the future priorities. It will provide a platform to deliver our ambitions in rail. Moreover, our New Rail Strategy for Surrey will enable the council to take advantage of other opportunities as they arise to support our 2030 Community Vision and our 2050 Place Ambition.

DETAILS:

Background

1. Our original Surrey Rail Strategy was prepared in 2013 and approved by Cabinet on 24 September 2013. It was subsequently reviewed in 2016 with the publication of a position statement in April 2016.
2. When published, the original rail strategy was very well received by the rail industry as it defined the council's priorities and set out our strategic thinking on rail. It was used by the council to positively and proactively respond to Government and industry consultations and to influence key stakeholders. This included responding to refranchising programmes, Control Periods of Government (Network Rail) investment, specific schemes such as Crossrail 2 and the council's work on airport expansion, including how we seek to minimise the transport impacts of aviation growth and improve access to airports by rail. It also enabled the council to influence rail service planning and secure a wide range of infrastructure enhancements, many delivered in partnership with train operating companies and Network Rail. Examples include the Haslemere Station car park and forecourt improvement and a number of 'Access for All' projects already delivered, such as that which has been delivered at Horley Station, or those in the design stage, such as Stoneleigh Station.
3. However, the original strategy is out of date. It no longer fully reflects the current operation of the rail network or Government investment programmes. Nor does it fully reflect the objectives of the council as articulated through our 2030 Community Vision and our 2050 Place Ambition. The latter recognises that Surrey plays a central role in the regional and national economy and aspires to ensure that it plays its full part in the future as a key driver of growth, innovation and skills and as an excellent place for people to live, work and learn. As a result of the 2050 Place Ambition, Surrey Local Authorities and their strategic partners have agreed to work together to deliver 'good growth' for Surrey. The council's rail strategy is therefore crucial to ensuring we can

support good sustainable growth by agreeing investment priorities for the longer term and to do so, it must be up to date.

4. The rail industry has changed and is likely to continue to change, including with the Government's much delayed review of the future model of rail organisation and operation. Network Rail's long-term planning process for the investment period from 2024 onwards (Control Period 7) is already beginning, whilst the future of major projects that could shape and influence rail connectivity in the county, including Heathrow Southern Rail Access and Crossrail 2, is far from certain. It is therefore crucial that the council can clearly articulate and evidence to Government and the rail industry its priorities for rail.
5. To this end, a New Rail Strategy for 2021 has been prepared with support from the Arup Consultancy. This exciting new strategy has strong and clear linkages to our emerging Local Transport Plan 4, with common themes including decarbonisation core to both. It also strongly aligns with both the Surrey Infrastructure Plan and Surrey's Economic Future. If agreed by Cabinet, it can once again be used as a key advocacy document to support the delivery of agreed council priorities and to take advantage of opportunities as they arise linked to the 2030 Community Vision and our 2050 Place Ambition.
6. The New Rail Strategy for Surrey is appended in full to this report (Annex 1). It provides a framework by which the council can:
 - Develop future rail policy and work with the rail industry on service priorities and infrastructure initiatives
 - Respond to consultations, for example, the future organisation of rail operations, Network Rail Control Periods of investment, access to airports, etc
 - Lobby to influence national rail policy and planning

Creating a New Rail Strategy for Surrey

7. Certain schemes identified in the original rail strategy have yet to be delivered, for example, southern rail access to Heathrow. In creating the New Rail Strategy for Surrey, the opportunity was taken to reflect on whether these schemes would still assist in delivering our strategic priorities. Moreover, the new strategy does not develop detailed options, rather it identifies potential interventions that the council can either develop directly or can support third parties to advance. The following paragraphs summarise the process and engagement to create the New Rail Strategy for Surrey, with a flow chart summarising the process followed appended to this report (Annex 2).

Establishing a Baseline, Strategic Aims and Responses

8. Critical to creating the new rail strategy was the production of a strong evidence base. This has provided us with a baseline position of rail use in Surrey in terms of the network, stations, operators, services and journeys currently undertaken. Working with the rail industry, a wide range of data sets were collated and analysed. These include passenger flows and station usage, ticketing use and ticket type, train service frequencies, passenger journey times including connectivity within Surrey and journey times to London (the dominant attractor for Surrey rail users), network and operational performance and the current and likely future impact of Covid19 on travel patterns. The New Rail Strategy for Surrey presents the baseline analysis in a relatively easy to

digest form. For example, it presents the relative busyness of Surrey's 84 stations, along with destinations of passengers boarding trains at Surrey stations by borough and district.

9. This base line was then used to develop a set of strategic aims. These directly link with, and are supported by, the council's own relevant policies and the agreed outcomes that we are seeking to achieve, for example, 'Surrey's Economic Future' and the Climate Change Strategy for Surrey. The strategic aims also reference the wider plans for Britain's rail network, for example, Network Rail's 'Traction and Decarbonisation Network Strategy' and their 'Rail Accessibility Strategy'.
10. The strategic aims have been grouped into five themes:
 - a) Achieve transport decarbonisation
 - b) Responding to change in the rail sector
 - c) Encourage good growth and a sustainable economy
 - d) Increasing access for all
 - e) An attractive, high quality rail network
11. A set of strategic responses were then developed. These are specific objectives that we will seek to achieve and will be used to assess proposed interventions or schemes. They have again been grouped into the above five themes. As an example, to achieve the aim of transport decarbonisation, one of the proposed strategic responses is supporting the adoption of low emission technology for rail with diesel traction replaced by low and ultimately zero emission vehicles. Another is encouraging modal shift and decarbonising access to stations by promoting public transport and active travel. Considering the aim of increasing access for all, a further proposed strategic response is ensuring that there is a ticketing structure that works for all demographics and socioeconomic circumstances, which is simple and fair.
12. The full set and explanation of strategic responses is set out in the New Rail Strategy for Surrey.

Key Changes Since the 2013 Strategy and Scenario Planning

13. Since the original 2013 Rail Strategy was published, there has been significant change in the national and local policy context. New priorities such as decarbonisation and good growth have been adopted, whilst agile working, greatly accelerated by Covid19, has changed patterns of travel demand. This has all contributed to the need for a new approach, new thinking and a new operating model for rail. The New Rail Strategy for Surrey reflects on these changes, expanding it to include wider transport and environmental matters with the consideration of changes such as:
 - The declaration of a climate emergency and consequential impacts of Surrey County Council's and the Government's commitment to net zero carbon by 2050
 - Changing patterns of demand, with rail passenger growth in Surrey slowing between 2015 and 2019
 - Government rail policy and the Williams rail review that was to set out how rail is operated in the future
 - The current and likely future impact of COVID-19
 - The devolution agenda and the creation of Transport for the South East, the sub-national transport body of which Surrey County Council is a constituent member

- Emerging technology such as app-based travel planning tools and new ticketing options
 - Housing growth, with housing targets of up to 6,315 additional homes in Surrey per annum
 - Surrey's economic and placemaking priorities including capturing the potential of a greener economy, which can be supported by greater use of public transport and decarbonising transport delivery
14. There is uncertainty as to how travel demand will change in the short, medium and long term. This will be influenced by housing growth, employment patterns, policy responses to climate change and sustainability drivers, commuting patterns and central government priorities. With this level of uncertainty, we require a flexible view and method of responding to the evolving future and the associated demand for rail. With this in mind, scenario planning was completed for the New Rail Strategy for Surrey, adopting the same 'five futures' used in Transport for the South East's Transport Strategy. These are the London Hub, Digital Future, Our Route to Growth, Sustainable Future and Sustainable Route to Growth. Each scenario has been used to evaluate proposed rail interventions. More detail is set out in the full rail strategy, whilst Transport for the South East's scenario forecasting summary report is available on their web site and via this [LINK](#).

Developing and Delivering Improvements

15. For the identified challenges to be addressed, the New Rail Strategy for Surrey has considered the ongoing changes and the future interventions that could improve the rail network. There are interventions, or specific projects, that will materially impact the operation of the railway by the delivery of new infrastructure or new operations. Most rail interventions will be funded by the Department for Transport, Network Rail, or other organisations, rather than the council. This does not mean the council cannot or should not play a role; indeed it has previously played a significant role in developing projects and taken an advocacy role, alongside partially or fully funding the development of plans and lobbying Government or transport bodies to consider the benefits of schemes.
16. There are also policy changes that can encourage the greater use of and investment in our railways. Most rail policy is controlled by Government. However, the council works with Members of Parliament, Local Enterprise Partnerships, Transport for the South East and others to lobby the Government through the Department for Transport and Network Rail to ensure that future rail policy reflects the needs of residents, passengers, and businesses. The New Rail Strategy for Surrey sets out how the council can work with its strategic partners to make the case for investment by providing an evidence base to support policies and priorities to achieve desired objectives, directly support scheme delivery or monitor outcomes.

Interventions – Categorisation and Scoring

17. A list of interventions and specific projects has been assembled in the New Rail Strategy for Surrey. This was collated from the council's existing priority projects, those projects in Network Rail's plans and those proposed by borough and district councils. Interventions have been categorised into four groups:
- Network Infrastructure – upgrades to existing infrastructure which increase capacity and improve reliability, eg Oxted line electrification;

- Connectivity and Services – new infrastructure or new services operating on existing lines, eg southern rail access to Heathrow;
- Stations and Access – interventions and policies which improve the accessibility of the railway and the stations on the network, eg Longcross Station redevelopment; and
- Passenger Experience – changes that impact how the railway is operated to improve the offer and encourage greater uptake, including how journeys are paid for, eg comprehensive smart ticketing.

18. A list of schemes within each of the above groups was scored against three criteria:

- How feasible the scheme is in terms of technical delivery, funding and the relevant delivery organisation;
- How acceptable the scheme is in terms of value for money, stakeholder support and local impacts; and
- How effective the scheme is in delivering our five strategic aims of:
 - a) Achieve transport decarbonisation
 - b) Responding to change in the rail sector
 - c) Encourage good growth and a sustainable economy
 - d) Increasing access for all
 - e) An attractive, high quality rail network

19. Scoring templates for each scheme are included in the full New Rail Strategy for Surrey, with a scheme description, delivery period (i.e. short, medium or long term) and the role for the council. Examples of schemes scored include comprehensive smart ticketing for commuters, Ash Vale step free access, North Downs Line service improvements and Woking Rail Capacity Improvements.

Delivering the Strategy

20. The New Rail Strategy for Surrey has a delivery plan, comprising key short, medium and long term projects to support and develop, alongside a set of strategic responses (key actions) to take. Together these will deliver on the five strategic aims as set out above.

21. Each of the five strategic aims has an action plan of key projects. Examples include:

- To help deliver the strategic aim of achieving transport decarbonisation, a key project is electrification of the North Downs Line
- To help deliver the strategic aim of encouraging good growth and a sustainable economy, a key project is to establish a new railway station at Park Barn (Guildford West)

22. Alongside this, each of the five strategic aims has a set of strategic responses (key actions) to take that will support deliver. Examples of actions to take include:

- To help deliver the strategic aim of access for all, a key strategic response is to promote change and influence the rail industry to create a new fares structure that provides greater fairness and supports changing commuter patterns with greater local use of the railway

- To help deliver the strategic aim of responding to change in the rail sector, a key strategic response is to develop our considered reply to the potential future railway operations model when Government proposals are released

23. The action plans and strategic responses are set out in the full strategy document. They have been stress-tested against the scenario planning of the 'four futures' developed in Transport for the South East's Transport Strategy. In the current changing environment, none of the four scenarios can be favoured, yet it is important that as trends become clear, the council can flex plans and priorities, whilst being aware of potential risks to existing and emerging projects.

CONSULTATION:

24. The baselining, as well as the strategic aims and responses was the subject of detailed stakeholder engagement. This included Surrey's borough and district councils, key business stakeholders, Coast to Capital and Enterprise M3 Local Enterprise Partnerships, Heathrow and Gatwick airports, neighbouring councils, rail user groups and relevant transport bodies such as Transport for the South East and Network Rail. Each was asked to comment on what they believed to be the main issues and challenges facing the rail network.

25. Respondents recognised that there were many issues and challenges with the County's rail network, including:

- Station connectivity, the most frequently cited issue, with respondents acknowledging the importance of providing integrated connections to, from and between stations
- Reliability, service frequency and ticketing structure, likely reflecting poor service performance in recent years
- Poor rail connections to both Heathrow and Gatwick airports
- Station accessibility, with some respondents referencing specific stations where step-free access is still an issue
- On-board crowding on peak hour train services, alongside long journey times on certain 'branch lines'
- Insufficient car parking at stations, referencing the overspill and rail heading that occurs in certain areas caused by commuters often driving some distance to stations to access better rail service
- Climate change and the need for infrastructure to be resilient to more frequent extreme weather events
- Covid19 and potential structural changes of travel patterns, coupled with the need for rebuilding passenger confidence in the rail network
- Housing growth and network capacity

26. There was a high level of support for the strategic aims and agreement that these set the right direction for future rail service and infrastructure in Surrey. Responding to the climate emergency, an attractive high-quality rail network and increasing access for all were the three most supported strategic aims. Climate change, population growth and remote working were stated as the key drivers of change shaping the county and its rail network.

27. Stakeholders indicated that their top five priorities for improving the county's rail infrastructure and services were:

- Improved reliability and punctuality
- Electrification of existing rail lines (North Downs Line)
- New rail lines (Heathrow Southern Rail Access)
- Better bus connections at stations
- Improved station accessibility

28. The stakeholder engagement found there was strong support for the scope and direction of the new strategy, including the expansion of the 2013 original Rail Strategy to consider the wider transport and environmental concerns. Climate change was key to this, alongside the pressure for local authorities to deliver housing targets.

29. In addition, the council's Community, Environment and Infrastructure Select Committee considered the New Rail Strategy for Surrey at their meeting of 19 March 2021. The views and comments of the Select Committee have been made available to aid and assist Cabinet's consideration of the New Rail Strategy for Surrey.

RISK MANAGEMENT AND IMPLICATIONS:

30. There is a risk to the council in not having a relevant, coherent and up-to-date rail strategy. This is because the council needs a clear framework for rail, linked to important county and local economic and spatial development objectives that can maximise the potential impact of improvements and investments to deliver value for money. Not being able to compete with other local authorities for development and investment would limit economic growth potential.

31. The council also needs to be able to articulate and positively influence Government in rail services, infrastructure and how it is organised. Lacking a clear vision and strategy would negatively impact the council's ability to engage with and inform the debate on rail policy for the period beyond 2024; a debate that is starting now.

32. The absence of agreed priorities in rail would also likely result in missed opportunities for funding from external sources. Moreover, a failure to secure investment in rail infrastructure might negatively impact resident's quality of life, Surrey's economic performance and our ability to fully achieve the 2030 Surrey Vision.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

33. There are no direct financial or value for money implications as a result of this report.

SECTION 151 OFFICER COMMENTARY

34. Although significant progress has been made over the last twelve months to improve the Council's financial position, the medium-term financial outlook beyond 2021/22 remains uncertain. The public health crisis has resulted in increased costs which may not be fully funded. With uncertainty about the ongoing impact of this and no clarity on the extent to which both central and local funding sources might be affected in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.

35. The proposed New Rail Strategy for Surrey does not commit the Council to additional spend, instead it sets out the Council's strategic aims in relation to rail services, which are vital for the growth of Surrey's economy. The Strategy also provides a mechanism to influence the Government and rail industry to secure improvements for residents and businesses and enable Surrey to continue to be an attractive place to live and work. The Council would expect those improvements to be funded by the Department for Transport, Network Rail or other organisations. Any future financial commitment by the Council would be subject to necessary approvals at that time. As such, the Section 151 Officer supports the recommendations.

LEGAL IMPLICATIONS – MONITORING OFFICER

36. The report sets out the County Council's updated Rail Strategy and does not present any further specific legal implications at this stage.

EQUALITIES AND DIVERSITY

37. An equality impact screening process has been completed to consider any direct or indirect impacts on the protected characteristics of age, disability, gender reassignment, pregnancy and maternity, religion and belief, sex, sexual orientation, marriage and civil partnerships and carers. This report has no direct or indirect (positive or negative) impacts on residents and staff with different protected characteristics.

38. However, a range of positive equality impacts will likely arise from the schemes and interventions to be brought forward by the council and partners in delivering the New Rail Strategy for Surrey. For example, a strategic aim of increasing access for all has been set. When the delivery plan to achieve this is implemented, comprising an action plan of key projects and a set of strategic responses, it will secure positive impacts for the protected characteristics of age, disability, pregnancy and maternity. This would be achieved by making access to the rail network in Surrey easier for all residents, for example, by providing step free access to stations or 'access for all' projects delivered in partnership with Network Rail and train operating companies. An equality impact assessment will be undertaken as each scheme or intervention is developed. This will ensure that staff and residents with protected characteristics are not discriminated against and that the council complies with the Public Sector Equality Duty, part of the Equality Act 2010.

OTHER IMPLICATIONS:

39. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	No significant implications arising from this report
Safeguarding responsibilities for vulnerable children and adults	No significant implications arising from this report
Environmental sustainability	No significant implications arising from this report
Public Health	No significant implications arising from this report

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

40. An Environmental Sustainability Assessment (ESA) is not required for this report. However, there will be range of positive sustainability outcomes arising from the schemes and interventions brought forward by the council and partners in delivering the New Rail Strategy for Surrey. In terms of the need to travel, this will focus on avoid, shift, improve and is closely linked to the emerging Local Transport Plan 4. The requirements for an ESA will be considered as each schemes or intervention is developed.

PUBLIC HEALTH IMPLICATIONS

41. There are no direct public health implications as a result of this report. However, there will be range of positive public health outcomes arising from the schemes and interventions brought forward by the council and partners in delivering the New Rail Strategy for Surrey. This will include carbon reduction, cleaner air, active travel measures to stations, etc. The public health implications will be considered as each schemes or intervention is developed.

WHAT HAPPENS NEXT:

42. Following agreement of the recommendations, the actions below will be undertaken:
- a. The New Rail Strategy for Surrey will be published on the council's web site accompanied by media and communications messaging
 - b. Key stakeholders will be informed of the publication of the New Rail Strategy for Surrey
 - c. A future work programme setting out the council's involvement in the interventions identified in New Rail Strategy for Surrey will begin, which will be integrated with the emerging Surrey Local Transport Plan 4 and the Surrey Infrastructure Study
 - d. The New Rail Strategy for Surrey will be regularly reviewed and updated to help underpin our future partnership working with the rail Industry

Contact Officer:

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Consulted:

Cabinet Member for Transport

Community, Environment and Infrastructure Select Committee considered the New Rail Strategy for Surrey on 19 March 2021

A range of key stakeholders, including Surrey's borough and district councils, key business stakeholders, Coast to Capital and Enterprise M3 Local Enterprise Partnerships, Heathrow and Gatwick airports, neighbouring councils, rail user groups and relevant transport bodies including Transport for the South East and Network Rail

Annexes:

A New Rail Strategy for Surrey 2021

Sources/background papers:

None

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