

Transport Committee

21 February 2012

Transcript of Item 7: Future Rail Projects

Caroline Pidgeon (Chair): Can I welcome Geoff Hobbs, who is a familiar face to us all, Head of Planning at London Rail at Transport for London (TfL), and Paul Harwood, who is the Principal Network Planner with Network Rail.

This is looking at future rail projects in London. We did future Tube projects last month. Let's kick off straightaway with the success of London Overground. It is one of the most popular, if not the most popular, and best run train services in the country. Is this a model for franchise devolution and what are the risks associated with that? Geoff, do you want to go first?

Geoff Hobbs (Head of Strategy, London Rail, TfL): Yes, I am very happy to. We think this is absolutely a model and there is a real opportunity in timing at the moment. The reason I say that is that there is in the very near future, perhaps as soon as next week, a command paper expected out from the Department for Transport (DfT). That comes with a consultation on devolution, and a consultation on fares policy as well - of less immediate relevance to this. The consultation on devolution is immediately relevant to this and it is an opportunity to shape policy. The Department is thinking hard about this, largely in the context of the northern cities, but I would make the point that what is good for the cities is equally good for London, if not more so, and the London Overground does provide a very good model for the sorts of improvements that we would like to see more widely across London's railways.

What we note is a big variation in service quality across London's railways. It is not me that is saying that; that is the results that one sees from the statistics that come out of public performance, mainly from Network Rail, and from the National Passenger Survey from Passenger Focus. A really big variation and there is every opportunity to get a common standard simpler fares better off peak frequencies and to get the level of service up on the railways to make them less exceptional and less separate from the rest of the transport offering and to make them as useful and as popular as the Overground has proven to be in the last couple of years.

Caroline Pidgeon (Chair): Network Rail, do you have a view on this?

Paul Harwood (Principal Network Planner, Network Rail): Our view is one of more neutrality in that we need to work well with the relevant train operating company. It is policy for the DfT and TfL to work through. There is no doubt we work very well with London Overground. It is a very effective project that we work with them on upgrading the route there and the service has benefited as a consequence. They do a great job. That inevitably means we like to work with those guys.

The only caveat we have is a reminder that we need to make sure that we plan this network and operate this network as an integrated network all the time as effectively and efficiently as possible from an integrated perspective because certain services do have rolling stock utilisation that goes round all over the place so if you start cutting that out you have got a risk of inefficiency. As long as we keep that in mind then no problem at all to work with these guys.

Caroline Pidgeon (Chair): Geoff, there is a risk clearly in revenue terms to TfL if you did take over more rail lines in gross costs contracts?

Geoff Hobbs (Head of Strategy, London Rail, TfL): Yes. Gross cost contracts mean of course that we take the fares revenue and then pay a sum of money to our contractor for the train service - a bit more if they do well and a bit less if they do poorly. The advantage of that - and the reason why we think this is a good idea - is that we think we can get better value for money for the public purse. We feel that asking train operators to take on risks of revenue which are largely driven by fares policy and macro economic factors such as level of employment is not something that can be done cost effectively. You can do it, absolutely. It is done. It is done right now. But it is something for which the Department pays a premium for and that money could be better spent on things that passengers really want, rather than mere risk premium.

Yes, there are additional risks to TfL. This is not a new risk of course - we have had this risk since 1933, since the London Passenger Transport Board - and the additional revenue risk over and above what we have got at the moment is pretty modest. We have got fares revenues in excess of £4 billion. The additional revenue on South Eastern would be about £150 million/£200 million. On West Anglia it would be, roundly, £50 million. This is not a very large increase in the context of a £4 billion revenue base. It is perfectly manageable and it is a risk that we are well able to bear and better able to bear than the private sector.

In coming up with what is the best contracting mechanism it is the object of the exercise to find out who bears which risks most effectively and we very strongly feel that, for revenue risk, we are better able to do that because we have more influence over fares policy and we have more influence over a bigger budget than any given train operating company (TOC). You see the impact of that - when the going gets touch the TOC tends to cut service quality.

Richard Tracey (AM): I wonder if I could ask you about the small uproar out in the regions. I have in front of me the text of a story that was in *This is Sussex* reporting that the Tunbridge Wells and District Rail Travellers Association and also people in Sevenoaks were very worried that if TfL and the Mayor were to get greater control over the rail services then the rail services that were serving them out in Tunbridge Wells coming into London would be heavily skewed towards people who were within the Greater London boundary so the journeys would be longer because trains would be stopping. Also that they would not have a vote in the election for the Mayor of London so there is a democratic deficit I think they called it. What do you have to say to those arguments? TfL, first of all, Geoff. What do you think about that?

Geoff Hobbs (Head of Strategy, London Rail, TfL): First, in terms of taking away paths, we could not. There is nothing in this proposal that changes the rules on how scarce track

access is governed. We have no say over track paths now. We will have no say over track paths in the future. This is absolutely no change and there is nothing to worry about from the people of Sussex, Sevenoaks or anywhere else on this account. Even if we wanted the full panoply of regulation, everything from the Utilisation Strategy, which is the process by which scarce paths are divvied up in an at least half sensible way - much more than half sensible in my view - through to the Office of Rail Regulation (ORR), which would have the last say on these sorts of things.

We would have absolutely no say either on the stopping patterns of longer distance trains. We have no say now and we would have no say in the future; nothing to worry about whatsoever.

The other point about the democratic deficit. Again, I would point out that this is not a new phenomenon and that the Underground has been running out to Essex, Buckinghamshire and Hertfordshire since 1933 in its current form. Life goes on. At a less facile level I would point out also that there are two Board Members on the TfL Board whose job it is to look after the interests of out of boundary users of TfL services - of which there are many; not just railways but also buses, many of which go out of boundary.

Furthermore, it is readily possible to construct any kind of governance with neighbouring transport authorities such that any change that affects their train service to the stations beyond the boundary is consulted upon fully and the residents of Hertfordshire, Kent, Sussex or anywhere else have every opportunity to make their views felt, not only via the good offices of the out boundary TfL Board Members but directly to the planners suggesting any such change.

Richard Tracey (AM): Me thinks they protest too much.

Geoff Hobbs (Head of Strategy, London Rail, TfL): I would agree. Yes.

Richard Tracey (AM): What about a Network Rail angle on this, Paul.

Paul Harwood (Principal Network Planner, Network Rail): I would agree with a huge amount of what Geoff says. It is a very transparent process in the allocation of capacity. It is well controlled. The ORR has a role in that. Any appraisal work we do for the Utilisation Strategy closer to the date is usually consistent. The appraisal criteria is very open. I do not perceive that to be an issue.

Richard Tracey (AM): You do not. What is the attitude of Government, as you understand it, to this suggestion of the Mayor, which obviously makes a lot of sense to us in London? What does national Government think? Is it a bit protective of its current control?

Geoff Hobbs (Head of Strategy, London Rail, TfL): It depends who you talk to. It is not monolithic would be my honest answer. I deal with the world of officials most and some are supportive, relatively quietly, and some are not at all supportive, positively hostile. It is a real mixture. It does come down to some individuals who think that this is a very poor idea and do quote some of these ideas - the democratic deficit is the one that I hear most often - as being the key reason why this is a poor idea. As you have heard, I do not buy into that.

The fact that they are having a consultation on devolution, starting probably for 90 days next week, does show that they are thinking very seriously of it and this is a real opportunity, as a result - the consultation will close some time around June 2012 - to make a real difference and to put the case as strongly as possible and that officials, of whatever their policy view, are taking this seriously now for the first time in quite a long time.

Caroline Pidgeon (Chair): That consultation we would probably want to respond to as a Committee because we have heard a lot of evidence of this and we have been supportive across-party on this issue.

Roger Evans (AM): On that last point before we move on. London TravelWatch is an organisation which has boundaries that follow these rail lines out of London. How effective do you feel it is in addressing that democratic deficit that we discussed?

Geoff Hobbs (Head of Strategy, London Rail, TfL): Railway boundaries and political boundaries do not map neatly on to each other and the fact that London TravelWatch has a boundary that reflects the nature of the travel to work area is perfectly logical. Your point is well taken that it is another means to ensure that people like me are held to account beyond the boundary even though the voters in Hertfordshire and Sussex and Kent do not have a direct say in the Mayoral or Assembly elections. I would agree with you that is another way in to solving that problem or making the case.

Roger Evans (AM): Is it an effective way? Do you, in practice, get much --

Geoff Hobbs (Head of Strategy, London Rail, TfL): I would have said that TfL was a more accountable organisation anyway than the incumbent TOCs. There is a lot of judgement in that sentence. One of the means by which that is ensured is through London TravelWatch so I do think that London TravelWatch is effective as one of the means of keeping us up to scratch.

Roger Evans (AM): Let's move on from London TravelWatch for now anyway. Can you tell us a bit about what you are projecting for passenger numbers on surface rail coming into London? How much are you expecting those to go up in the next five years - or go down possibly?

Geoff Hobbs (Head of Strategy, London Rail, TfL): We are expecting them to go up. What we have observed, just as a small preamble, during the recession is a small decline in 2009 but the really quite substantial increases over the course of 2010 and 2011. In the world of railways the recession has not bitten at all. We anticipate that to continue growing.

So to pick the next 20 years, to put it in long run context first, we have got a growth of employment and population in the London Plan of roundly 14%, something like that. We anticipate railway growth - national rail - of roundly 40% to 50%. There is a spuriously accurate number of about 43% if I remember rightly. It is much greater than the growth in employment and population because the sorts of places where the growth is occurring - in London Plan jargon opportunity areas - often tend to be very close to where railways are. We see round here; More London, the Shard. We see it at Paddington. We see it at Stratford most obviously.

All the main stations - Liverpool Street, Kings Cross - are full of big new buildings. That is where the growth of employment is happening.

In contrast, the sorts of places where the population are growing are the sorts of journeys which are well made by rail and that is why we see that dichotomy.

To take the shorter run through to the next ten years then it is about half that so it is about 20%.

Roger Evans (AM): Are those figures leading TfL in a direction of making decisions about where you want to invest money in the system and what improvements you want to make?

Geoff Hobbs (Head of Strategy, London Rail, TfL): Very much so. Working very closely with Paul and his team we did a lot of work on the London and South East Route Utilisation Strategy. That is an important document because it has some status in the world of planning. It gets adopted by the ORR and it is the document which feeds in to the Government's railway strategic planning process which culminates in something called the High Level Output Statement (HLOS) in July this year. That is the process where the Secretary of State for Transport decides how much she wants to spend on national rail for the five years ending 2019. For that reason we put a lot of effort into getting a good evidence base using computer models to describe how much demand we expect to increase and exactly where, and to see what the impacts are against a *de minimis* case. *De minimis* in this instance is actually quite a lot because it includes things like Crossrail and Thameslink and a whole range of other projects which are coming to fruition right now. All those projects are really good but they do not solve every known capacity problem so, with the help of Paul and colleagues, we come up with a range of other projects around some of the other railways around London that will complement some of the big projects which you see extant on site right now.

Roger Evans (AM): What are we looking at? You have nicely laid out the process there and I seem to remember going through that five years ago myself when I was still on this Committee. What are the toys? What can we look forward to being promised if TfL take over these routes?

Geoff Hobbs (Head of Strategy, London Rail, TfL): The question is not related to the degree of TfL's control over franchises per se. This is something that we would want to take forward anyway, even if nothing changes in the world of franchising, through the Government's railway strategic planning process.

What we have recommended and what we have achieved in the London and South East and the initial industry plan - which Paul has also had a very big role in - is the following projects. Number one. We would like to see an increase in capacity on London Overground. Additional longer trains and electrification of Barking to Gospel Oak. Number two. We would like to see a big increase in capacity up the upper Lea Valley which is the bit between Stratford, Tottenham and further north to places like Brimsdown and Ponders End. Number three. We think there will be a need for additional capacity in the lines after Waterloo in the south western sector, particularly towards Richmond, Twickenham and Staines. Then there are a range of making the most of what you have got type projects and more longer trains on the routes out of Fenchurch

Street, out of Victoria towards Bromley and out of London Victoria and London Bridge through to Croydon and further south.

That is it in summary. We have got a range of projects there.

Paul Harwood (Principal Network Planner, Network Rail): An addition is all the station schemes we are promoting to because in Control Period 4 it tended to get overlooked a little bit through the process but we are in strong agreement about some of the capacity schemes that we need as well - Fenchurch Street and Waterloo but also some of the non-central stations in terms of Wimbledon and places like that. We are pushing for capacity enhancements at those stations to enable them to cope with the demand we are talking about.

Roger Evans (AM): More ticket gates on stations and staffing?

Geoff Hobbs (Head of Strategy, London Rail, TfL): More ticket gates will definitely be part of it. You see at Victoria, for example, if you get two trains drawing in in adjacent platforms, a big bundle. Some of these things are relatively simple; manual gates which can be turned into the wide aisle gates. Some of them are a change in retail; moving them around so you do not get blockages. That is the sort of thing that Network Rail is doing right now at Waterloo, for example, but you can see other stations having similar works of that nature. So, yes, absolutely.

Congestion at stations is always very peculiar and specific to a location so it is always lots of small individual actions. It is moving a telephone booth here. Adding an extra ticket gate there. These sorts of things are not huge in their own right but can make a big difference. Small changes in layout can make big differences in crowding.

Roger Evans (AM): Thank you. A lot to look forward to there.

Geoff Hobbs (Head of Strategy, London Rail, TfL): Again, it is work in progress because Paul and I continue to work with agents of Government to make sure that some of these things have funding and we will do our very best in the period through to July 2012.

Jenny Jones (AM): I am quite concerned about the amount of capacity on the Underground and on buses when HS2 hits Euston and there does not seem to be any money available or planning for that.

Geoff Hobbs (Head of Strategy, London Rail, TfL): It is fair to say that we are too. The point we have made at Euston is that the two places where people go most often, having arrived at Euston, are southbound towards Bank on the Northern line and southbound towards Oxford Circus on the Victoria line and they are two very, very busy Underground lines. There are various things that one can do to mitigate the impact. It gets harder to do as HS2 gets bigger in various phases so the bit to West Midlands, the solutions are not too massive, but by the time it has stretched all the way up to Yorkshire and Scotland then life gets very tricky indeed.

The sorts of things that we would want to see done and which are now beginning to be reflected in the thinking of HS2 Ltd - the company that is developing this project - are, number one, lots of works to Euston Underground Station itself, which is really busy right now --

Jenny Jones (AM): It is over-capacity I would imagine.

Geoff Hobbs (Head of Strategy, London Rail, TfL): It is over-capacity. It is - for those of you with an interest in obscure facts - the only Underground station that you can only get into through another station, which means that if you want to get out at Euston you have to go through the concourse of Euston National Rail Station which just leads to more congestion. Direct access to the Underground station. Number two. Direct access to Euston Square because the sub surface lines will have a lot more capacity in the future courtesy of the upgrade. Number three. There are things we can do to the Northern line to upgrade it further.

Jenny Jones (AM): I forget the exact figure. Was it something like 55,000 additional people in the rush hour arriving at Euston - and that presupposes a third of the passengers get off at Old Oak Common? Isn't that right? Remind me of the figure. How many projected passengers?

Geoff Hobbs (Head of Strategy, London Rail, TfL): It sounds familiar. I cannot remember the exact figure.

Jenny Jones (AM): That is 55,000 people just by tweaking all those little ...

Geoff Hobbs (Head of Strategy, London Rail, TfL): Old Oak Common is a big part of the solution in making that interchange as good as possible as opposed to an enormous hike.

Jenny Jones (AM): If that is not done properly then you will have not just 55,000 people at Euston; you will have the extra third that they are assuming to take off. So it is the capacity at Euston that is an absolutely critical part of HS2 being a viable proposition?

Geoff Hobbs (Head of Strategy, London Rail, TfL): Absolutely.

Jenny Jones (AM): I do not understand why it has not been --

Geoff Hobbs (Head of Strategy, London Rail, TfL): It would be extraordinary indeed if one saves 20 minutes on one's journey to Birmingham if one spent 20 minutes getting out of the Underground station --

Jenny Jones (AM): And spend half an hour getting out of Euston. That is exactly what we have said already.

Geoff Hobbs (Head of Strategy, London Rail, TfL): -- which, arguably, is less pleasant. At the end of the day, when HS2 grows to its full extent as planned by Government, we think that there will need to be much more thorough interventions and what we have in mind by that piece of elliptical language is Crossrail 2. We have put forward ideas for how that could be

made to grow in a staged way so that the cost is not too enormous all at one time. That can make a big, big difference if you built the station between Euston and Kings' Cross and that is the obvious place to put it and run the route through there. We have been looking at the various different routes. North East to South West looks like the most pressured corridor so we will continue a route something like that.

Jenny Jones (AM): There is already quite a lot of stuff between Euston and Kings Cross isn't there? Like the British Library and there is going to be some --

Geoff Hobbs (Head of Strategy, London Rail, TfL): There is a lot of stuff. Small things like that. It is by no means an easy build and there will be an enormous amount of work to do. Happily at least for HS2's eventual construction to Yorkshire and Newcastle and beyond at least we have got a bit of time on our side - not huge amounts but a bit of time - and we can work out what precisely the best solution is. There is a solution - it is just not an easy one.

Jenny Jones (AM): Lots and lots of buses. Lots of bikes. Horses. What about horses?

Paul Harwood (Principal Network Planner, Network Rail): Just to link to that. We are very supportive of Crossrail 2. In a similar model to Crossrail 1 and Thameslink you end up with a good integrated system because it will sort out some of the congestion areas in the south west potentially and up the West Anglia type route as well so thinking about an integrated solution from the distribution is very important.

Valerie Shawcross (Deputy Chair): You just started to talk about Thameslink very briefly there. This section is supposed to be about the next committed major projects and Control Period 5. Can I ask you to kick off about the implications now of Thameslink 1 coming online and the Blackfriars Station now being opened? There are some service patterns which have to change aren't there, and I gather the temporary diversion of South Eastern Trains into Victoria will be coming to an end as they go back into Blackfriars. This might be considered a local issue but with the decimation of the South London line funding to fund the TfL Overground service and the removal back to Blackfriars of South Eastern Trains it leaves enormous timetable gaps on the route into Victoria from the south side, particularly Denmark Hill and Peckham Rye. Evenings and weekends they have a problem. Who is overlooking the service implications of all of these changes?

Paul Harwood (Principal Network Planner, Network Rail): I am afraid we have to look to DfT and TfL working with the train operating companies primarily around that. As we have discussed before we tried to make sure that the infrastructure that we are aiming for in 2018 allows a better quality service on that range of corridors. Inevitably there is some disruption between now and then but some of the changes you are talking about are very short term ones that the DfT is working through.

Geoff Hobbs (Head of Strategy, London Rail, TfL): Rumour has it you might have asked a Mayor's Question something similar along these lines. We got asked by South Eastern when it was proposing to make this timetable change and we made some of those same points to South Eastern; that it was unevidenced that Blackfriars was a better place to go to than Victoria at the

very least. Its reply was, "The Department has told us that is how it is in its franchise". We continue to work with the Department. The Deputy Mayor sent a letter to the Department not very long ago to try to encourage them to improve the links from Denmark Hill and Peckham Rye into London Victoria. This is another example. We continue to make the case for a link in-between Bromley and Victoria via Denmark Hill and Peckham Rye and we will continue to make the case for that.

Valerie Shawcross (Deputy Chair): Surely the opportunity to make any changes to South Eastern franchise services must be closing down. We do need to have some clear changes made if we are to fill this gap.

Geoff Hobbs (Head of Strategy, London Rail, TfL): For the May 2012 one, which is when the Thameslink changes, yes, that is absolutely the case. The December 2012 we have got some time left.

Valerie Shawcross (Deputy Chair): So would you encourage this Committee to make this point in writing to the DfT?

Geoff Hobbs (Head of Strategy, London Rail, TfL): Yes.

Valerie Shawcross (Deputy Chair): Thank you! Are there any update points you want to make to us about the next stage of the big capital projects? We are looking at Thameslink phase two at London Bridge and the Kings Cross Station project. Are there any major concerns or are you hitting all your timetable points?

Paul Harwood (Principal Network Planner, Network Rail): As far as I know we are hitting most of the major timetable points. There is a lot of work going on at the moment about trying to refine the access requirements necessary for London Bridge phase two or the phase two of Thameslink which, inevitably, is difficult to get the engineering work undertaken whilst disrupting the passengers as little as possible. That is the phase we are in at the moment but the project progresses as far as we know on time and on budget at the moment. That is the latest difficult challenge that we are working on - and, again, working very closely with TfL because it is not just a rail issue; it is a multi-mode issue in how we facilitate the passenger movements during the construction period using buses and other rail modes.

Valerie Shawcross (Deputy Chair): Is everything on track for the opening of the new Hammersmith and City line station in Paddington?

Paul Harwood (Principal Network Planner, Network Rail): As far as I know.

Geoff Hobbs (Head of Strategy, London Rail, TfL): Do not know but I can find out.

Valerie Shawcross (Deputy Chair): It would be helpful to have that in writing. I notice, Paul, you were nodding your head vigorously when Geoff was making the point about TfL's aspirations for improving the track assets in London. Have there been any major changes to the industry plan as a result of the consultation process that has just been going on?

Paul Harwood (Principal Network Planner, Network Rail): The consultation now mainly feeds into the Department's thinking, as Geoff said, in terms of the --

Valerie Shawcross (Deputy Chair): Have you suggested any major shifts?

Paul Harwood (Principal Network Planner, Network Rail): We are talking and some of the issues that Geoff raised we are talking to the Department about. In particular we picked up, relatively late, the significantly rapid increase in demand on the North London line Gospel Oak/Barking services but we are working on platform lengthening requirements in association with the proposals Geoff talked about in train lengthening there. Things like Waterloo continue to develop too because the Department is still negotiating with South West Trains in terms of Control Period 4 (CP4), the period we are just finishing, will result in in terms of capacity and that affects what we put into Control Period 5. We are continuing to develop it and those key points are probably the only ones that differ from what we had in the Initial Industry Plan (IIP) when it was published in October last year.

Valerie Shawcross (Deputy Chair): There is quite a congruous of view between Network and Rail and TfL about the issues in London. Are we going to see the electrification of the Barking and Gospel Oak line?

Paul Harwood (Principal Network Planner, Network Rail): We hope so. We have proposed it in the IIP and we are working on the costs and, again, implementation plan.

Valerie Shawcross (Deputy Chair): Quickly, any proposed changes on access spend that you are aware of? Certainly there is a growing public demand for access for all spending in the stations in London and, as you would expect, as it gets better people's expectations are rising.

Paul Harwood (Principal Network Planner, Network Rail): Surely, it is another proposal for the Control Period 5. The proposition is to continue with that programme. It is very well supported. I do not think I have seen any consultation response that has not said it is exactly the right thing to do.

Valerie Shawcross (Deputy Chair): What is your overall target for achieving accessibility within the rail stations in London?

Paul Harwood (Principal Network Planner, Network Rail): I am not sure that we have a specific target. I can confirm that.

Valerie Shawcross (Deputy Chair): Is there a programme for achieving a percentage accessibility? As TfL has - although we do not think it is good enough. TfL has a forward programme of percentage of stations which will be fully accessible over a time period. Is there a set of targets like that for accessibility in rail?

Paul Harwood (Principal Network Planner, Network Rail): I am not aware that we are expecting the programme to necessarily end; we are striving to continue the programme rolling

and improving all the time with the targeting of appropriate access to the network linked in with the TfL thinking about the best way to have a system that facilitates it so you expand it along those lines. I am not aware of a specific target we are aiming for other than to continue the programme.

Geoff Hobbs (Head of Strategy, London Rail, TfL): I suspect it might be slightly different for Network Rail colleagues insofar as the funding is held by the DfT formally and its funding is for England and Wales as a whole so it would not look at London individually. Having said that, we have got a recommendation for what the next bunch of stations should be and I am boastful enough at this juncture to say we got six of them in November 2011 and we will be looking to continue when the next tranche of bidding comes up through the Department, if it continues with the Department, and we will continue to bang the drum.

We note that Crossrail and Thameslink will transform access for all to central London and, therefore, the stations on those routes are particularly valuable in the outer suburbs.

Valerie Shawcross (Deputy Chair): That is the point I was making; when people find that their destination station is accessible it is particularly frustrating if their local station is not.

Geoff Hobbs (Head of Strategy, London Rail, TfL): Which, as it happens on some of the Thameslink suburban stations, they are remarkably thin on the ground, step free stations there, which is one of the reasons why we think there are opportunities there to do much more along those particular routes.

Valerie Shawcross (Deputy Chair): Great. So that would be a feature of the programme. Last question for Network Rail. We had a discussion which I hope you heard, Paul, with your colleagues from Crossrail about Network Rail's work programme at the ends of the Crossrail line. We were concerned to get a bit more detail and assurance about Network Rail delivering its side of the work and we heard how complicated it is. How do you feel the progress is going from Network Rail's side on your contribution to the Crossrail project?

Paul Harwood (Principal Network Planner, Network Rail): The progress is going very well - there is no doubt about it - working very closely with them and we have reached the milestones, as your colleagues said from Crossrail. The other point they made is spot on; it is a very complicated route. On the western side it is one of the largest programmes of infrastructure upgrades I have seen for a long time with multiple interventions coming together. That is the thing that is probably forcing us to think more holistically than almost ever before; because of the cross working across that route and the programme of improvements that we can bring on. That is where all of the effort is going; on making sure we have got a robust sequence of events that minimises the disruption to the passengers, brings on stream benefits when we can and delivers the objectives but, as far as I know, it is working very well.

Valerie Shawcross (Deputy Chair): Would you be prepared to publish the project milestones so that we can keep track of how well you are doing?

Paul Harwood (Principal Network Planner, Network Rail): I can ask. I am not aware of why we would not. Often in --

Valerie Shawcross (Deputy Chair): At quite high level. We do not need --

Paul Harwood (Principal Network Planner, Network Rail): Often they are managed by the ORR anyway and the ORR makes most of this public so I can get back to you in writing on that.

Valerie Shawcross (Deputy Chair): We would appreciate that. It would give us some transparency and some confidence that things were moving on. Thank you. Thank you very much.

Roger Evans (AM): Mr Harwood probably heard my exchange earlier about the Shenfield branch of Crossrail and our disappointment that the new stations we were promised along that route are now going to be much downgraded if we get them at all. What do you have to say about that?

Paul Harwood (Principal Network Planner, Network Rail): It is a shame. I am not so aware of the history as you clearly are from the question earlier. I think there was an element of aspiration for scope without having matched against the available funding and as the matching comes together, as our colleagues said, that is when certain things have to get challenged, and they were clearly.

The other side of it. We are pushing for - as we mentioned earlier - access for all funding, National Station Improvement Programme funding and a whole variety of other funding opportunities looking for enhancement programmes that we can still work so we are working all the time enhancing facilities at the stations. It might not be necessarily the grand uplift in capability and appearance that we proposed originally but we will certainly look at every opportunity to enhance the facilities at the stations.

Roger Evans (AM): Can I ask you about the access for all plan in a particular respect which is what you do when you have to close lines into central London to do work because that seems to happen more and more often? We are having replacement of overhead wires on the line into Liverpool Street. When that line is closed we have a bus service which takes people from all over Essex and takes them to Newbury Park station on the London Underground which is not disabled accessible. TfL does not plan to do the work at Newbury Park because it claims the volume of passengers going through the station is not high enough. Doesn't your practice of diverting people to that station actually change the way that we look at the situation there? In fact, should you be diverting passengers at all to a station which is not disabled accessible?

Paul Harwood (Principal Network Planner, Network Rail): That is probably more the key point. I cannot see that the funding work will have finished before anybody programmes any enhancement to the station itself. It is probably more we should be looking at making sure that, if possible - and that is often the constraint - access to the station by road transport, if we are using buses, but if we can find an alternative that is accessible then we should be looking at

that. That is something I could take away to try to understand why but, quite often, there is a very limited range of diversionary opportunities we have got available.

Roger Evans (AM): You are probably doing it because there is a very large coach park there that you can use but Stratford Station is nice and new and accessible and it has a bus station and you could quite easily drop people there instead.

Paul Harwood (Principal Network Planner, Network Rail): It is something we work very closely with the train operating company over because it handles that so it has a fairly significant say in it. It is worth mentioning to it if you have the opportunity but I can take it back and try to investigate why that station in particular was chosen.

Caroline Pidgeon (Chair): Just before we move on to trams I wanted to pick up something from what Val was saying earlier. If London Overground and TfL were successful to take over some of the suburban South Eastern lines would you then be able to review some of the services you run and whether you would be able to replace some of the South London line services going in to Victoria because you would be running that franchise, effectively, as well?

Paul Harwood (Principal Network Planner, Network Rail): There is certainly a greater degree of ability to do that. When you are negotiating with an incumbent TOC this is not an easy situation to be in as an external third party, which is where we are at the moment. When we deal with London Overground Rail Operations (LOROL) there are always changes which are going through, there is lots of commercial give and take, and we can come to agreements which are mutually beneficial. If we have a greater role in South Eastern in the future that is absolutely what we would want to do.

Caroline Pidgeon (Chair): Brilliant.

Valerie Shawcross (Deputy Chair): Can I ask a quick question on the back of that? I noticed that the Government's plan is to reduce the subsidy to rail by about 60% by 2019. Geoff, would you say there are major financial savings to the public service in there being a delegation of the franchising arrangements to TfL? Is there a strong financial business case for this?

Geoff Hobbs (Head of Strategy, London Rail, TfL): The answer is you can spend as much money on service quality as you want - it is as long as a piece of string - but we think we can save £100 million on contracting costs over 20 years from gross cost contracts and that will make a big contribution, at the very least, towards improving service quality.

Valerie Shawcross (Deputy Chair): So that is a recycling of profits which the TOCs are taking away at the moment and putting it back into service delivery --

Geoff Hobbs (Head of Strategy, London Rail, TfL): Things that passengers care about. Yes. Absolutely.

Valerie Shawcross (Deputy Chair): There is a strong and good reason why this is a cross-party supported policy.

Geoff Hobbs (Head of Strategy, London Rail, TfL): That sum of money will not buy everything that everyone would ever possibly want --

Caroline Pidgeon (Chair): It helps.

Geoff Hobbs (Head of Strategy, London Rail, TfL): -- but it helps. Indeed it does.

Steve O'Connell (AM): I regret it has been tucked away at the end as the trams are the most important thing for many people in my area and in Dick's area and I hope, Paul, that your services are more punchy than our Transport Committee.

Clearly there is an aspiration to reflect on the success of trams, particularly around the regenerative effect of the tram and tram extensions and I would quote New Addington for example. The first question is, on your radar and TfL's radar, at the moment where are you looking at as a preferred route for any tram link extensions?

Geoff Hobbs (Head of Strategy, London Rail, TfL): I was hoping to beg your favour and not just mention the extensions but making the most of what we have got as well.

Steve O'Connell (AM): Indeed so.

Geoff Hobbs (Head of Strategy, London Rail, TfL): At the moment buying six new trams which will be in service by June 2012 or thereabouts. We would really like to increase the service on the Wimbledon branch in particular, which has grown enormously over the last ten years as the Wandle Valley has developed and changed and become a growth area. That means more double tracking around the Mitcham area and beyond and also a second platform at Wimbledon. That will be the first thing.

In terms of extensions we have on the table Crystal Palace, which would be right up there. Secondly, we have over the years thought very hard about the large number of different extensions that one could choose to do in all points of the compass. The one we feel is the most feasible and offers decent value for money is to Sutton via St Helier Hospital and Morden. That will be a Wimbledon to Sutton service through the St Helier estate. That is the most substantive of the extensions.

Steve O'Connell (AM): Your first point is a point well made because many of our residents who use the trams first issue is around capacity and travel experience so increasing the stop, improving the stop and improving the capacity over in Wimbledon is absolutely important. Probably that is the sort of thing that should be at the top of the agenda with the limited amount of money that you have got available at the moment.

Picking up on your point about extensions you said the Upper Norwood/Crystal Palace one - which is a whole back story that Val and I have lived and breathed through for a long, long time - is out there. It is and it isn't because it always was that sort of status. What attracts me particularly - picking up my earlier point about the regenerative process - is the St Helier

extension. I mentioned New Addington. The regenerative effect that it has had on New Addington and jobs and getting New Addington good people into Croydon and beyond I would be very supportive of an extension to Sutton through St Helier for exactly that reason.

It is easily and glibly said and it is great to have these things but give us some comfort around what the process will be around funding. How do we get the funding and what are we doing about that?

Geoff Hobbs (Head of Strategy, London Rail, TfL): A reasonably big part of the process will be the Comprehensive Spending Review (CSR) that is upcoming so the Government will be starting to think very hard about that in 2013, which means that we will be too. Therefore it is incumbent upon us, TfL, to think hard about what our relative priorities are. Within the small world of the trams I have outlined what we would really like to do and there are some things which we can take forward sooner, especially the cheaper things. Double tracking is not the sort of thing to get the finance department too upset but an extension would be. That is hundreds of millions. That would be the sort of thing which we would probably put forward a decent case to show its regenerative impact, show its transport impact and show all the other qualities that the project has and see if we can get it funded through the Comprehensive Spending Review. We would also think about other innovative ways if that were possible. Anything from developer contributions is the obvious example but there are some other ways and means as well.

Steve O'Connell (AM): For the record we have talked at length about Crossrail and HS2 and that is fine as it goes. Enormous amounts of money that we are talking there. The effect and the benefit that tram extensions, be it to Upper Norwood or to Thornton Heath, which would be a good idea of course, and indeed to Sutton have an enormous benefit for south Londoners who, frankly - and I would say this wouldn't I - the Crossrails and Crossrail 2s may be slightly lost on them so I would urge that the amount of money that we need to go for the CSR would have a disproportionate benefit for south Londoners - and I know Val would agree on that.

Valerie Shawcross (Deputy Chair): We have always agreed on this one, Steve --

Steve O'Connell (AM): Which is wonderful actually.

Valerie Shawcross (Deputy Chair): I very much look forward to all of your Conservative colleagues backing you on it.

Steve O'Connell (AM): You know where I stand for Croydon and Sutton. Thank you very much.

Caroline Pidgeon (Chair): Thank you. That is very helpful.

Richard Tracey (AM): I just wanted to ask you, Geoff, a bit more route detail about what you have just mentioned; the Wimbledon to Sutton through St Helier taking in Morden. Are you envisaging the tram running, as it does now, from Wimbledon to Morden and then it cuts off through St Helier to Sutton. Is that the routing?

Geoff Hobbs (Head of Strategy, London Rail, TfL): Broadly, yes. It is too early to say an exact mark on an A to Z but, yes, you go down to Morden Road and turn right.

Richard Tracey (AM): It would be very welcome I must say. Here is one Conservative colleague who would support that!

Steve O'Connell (AM): That is two of us.

Richard Tracey (AM): Very good.

Caroline Pidgeon (Chair): I wanted to pick up there is lots of support here for these tram extensions. What team has TfL got working on this at the moment? Is there a dedicated tram team?

Geoff Hobbs (Head of Strategy, London Rail, TfL): Yes, there is. There is a tram development team who are thinking hard about all the things that it wants to do to get the tram up to scratch. We have done quite a lot as you know since we bought out the PFI. We are building up that team and we are in the process of hiring somebody to head up planning and development in that part of the business. He or she, when she is hired, will take forward these various extensions in that with the very great help of our colleagues in Group Planning as well.

Caroline Pidgeon (Chair): You are now looking at seriously taking these extensions forward and you are now hiring a team to take that forward?

Geoff Hobbs (Head of Strategy, London Rail, TfL): Yes. The other thing I should also mention is within my team I have got the modelling expertise to provide them with the quantitative evidence that these things are a good idea.

Caroline Pidgeon (Chair): Lovely. Great. Thank you, Geoff, and thank you, Paul, very much indeed.