



A new way of developing southern access to Heathrow

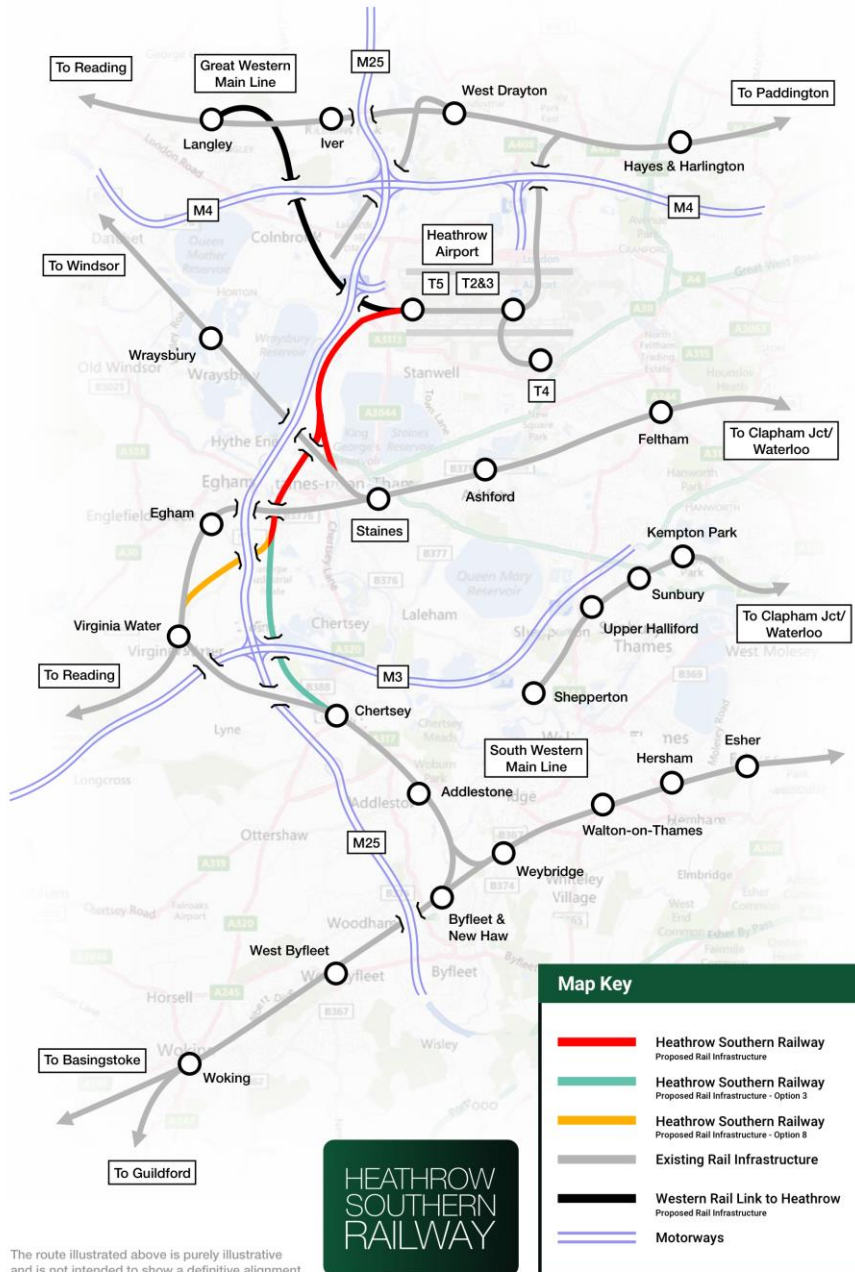
**Graham Cross, Chief Executive
Heathrow Southern Railway Ltd**

Presented at the Railfuture Autumn 2018 Conference
at the Novotel, Reading, on Saturday 10 November 2018

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HEATHROW
SOUTHERN
RAILWAY

Proposed Route of Heathrow Southern Railway

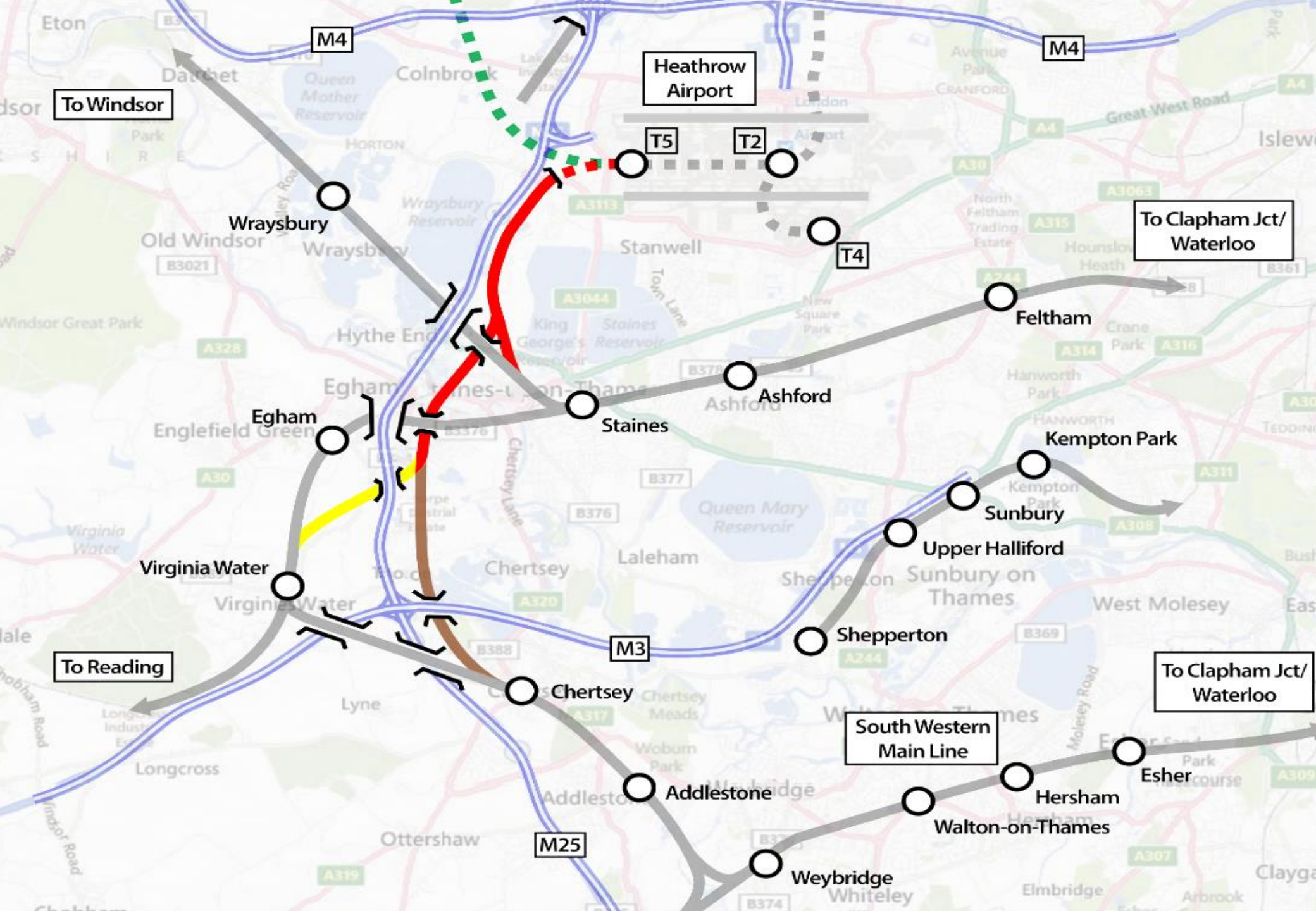


The route illustrated above is purely illustrative and is not intended to show a definitive alignment

HEATHROW
SOUTHERN
RAILWAY

What are we planning?

- 8 miles of new electric railway
- Mostly in tunnel
- Connects Heathrow Airport by train to South West London and Surrey
- Two route shortlisted route options:
 - red then yellow: £1.3bn; or
 - red then turquoise: £1.6bn
- Privately financed at no cost to the taxpayer
- Avoids the level crossings of Egham
- HSRL owns the track, TOCs operate the trains



Heathrow Airport

To Windsor

To Clapham Jct/ Waterloo

To Reading

To Clapham Jct/ Waterloo

South Western Main Line

M4

M4

T5

T2

T4

Wraysbury

Feltham

Egham

Staines

Ashford

Kempton Park

Virginia Water

Chertsey

M3

Shepperton

Sunbury

Upper Halliford

Lyne

M25

Addlestone

South Western Main Line

Walton-on-Thames

Weybridge

Esher

Hersham

Ottershaw

Whiteley

Elmbridge

Claygate

Eton

B3021

A328

A30

Virginia Water

Longcross

A319

A3113

A3044

B377

B376

B388

A317

B374

B374

A30

A3063

A315

A314

A316

A311

A308

B369

A309

A307

Heathrow Airport

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M3

Shepperton

Sunbury

Upper Halliford

Lyne

M25

Addlestone

South Western Main Line

Walton-on-Thames

Weybridge

Esher

Hersham

Ottershaw

Whiteley

Elmbridge

Claygate

Eton

B3021

A328

A30

Virginia Water

Longcross

A319

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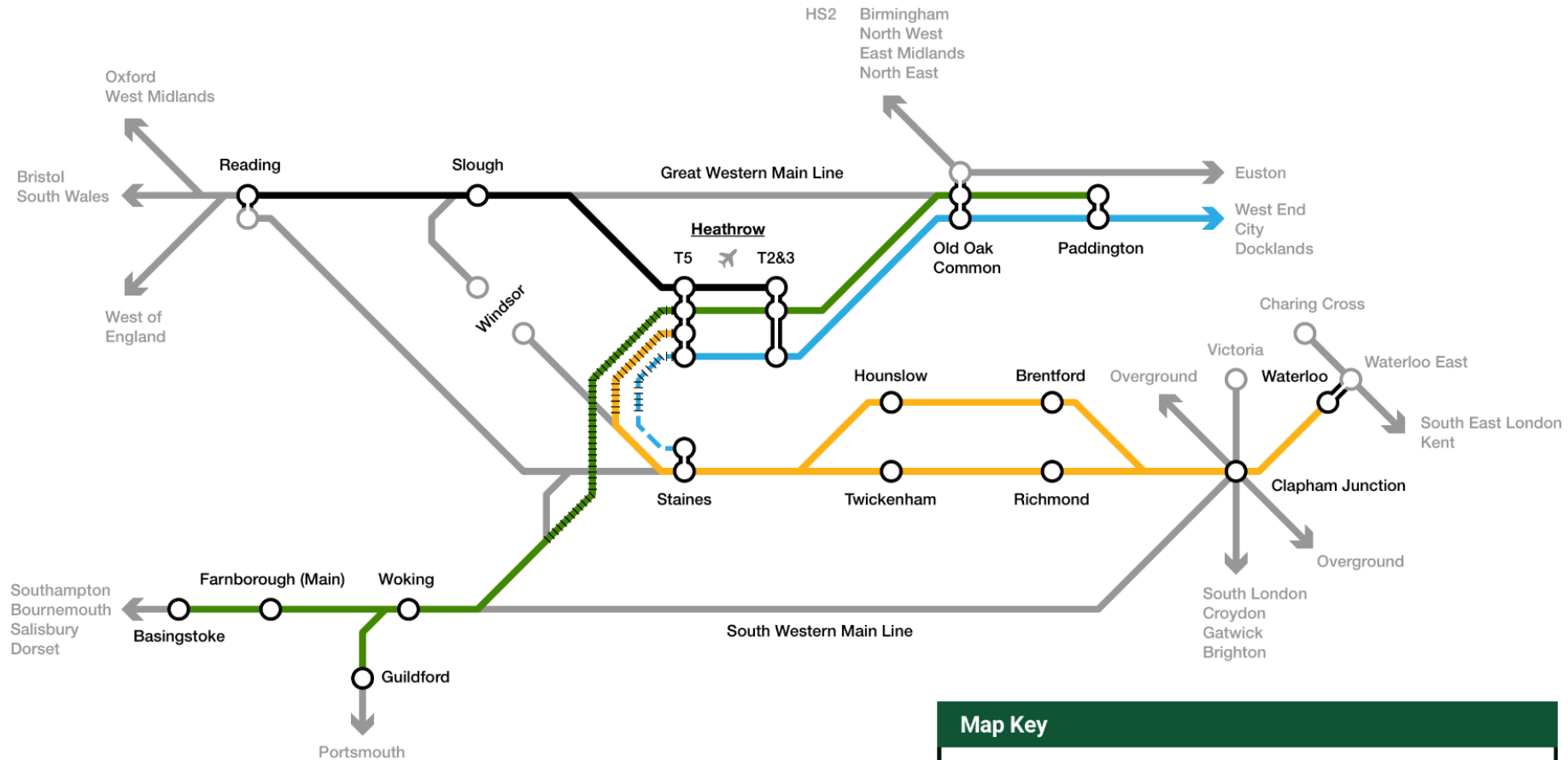
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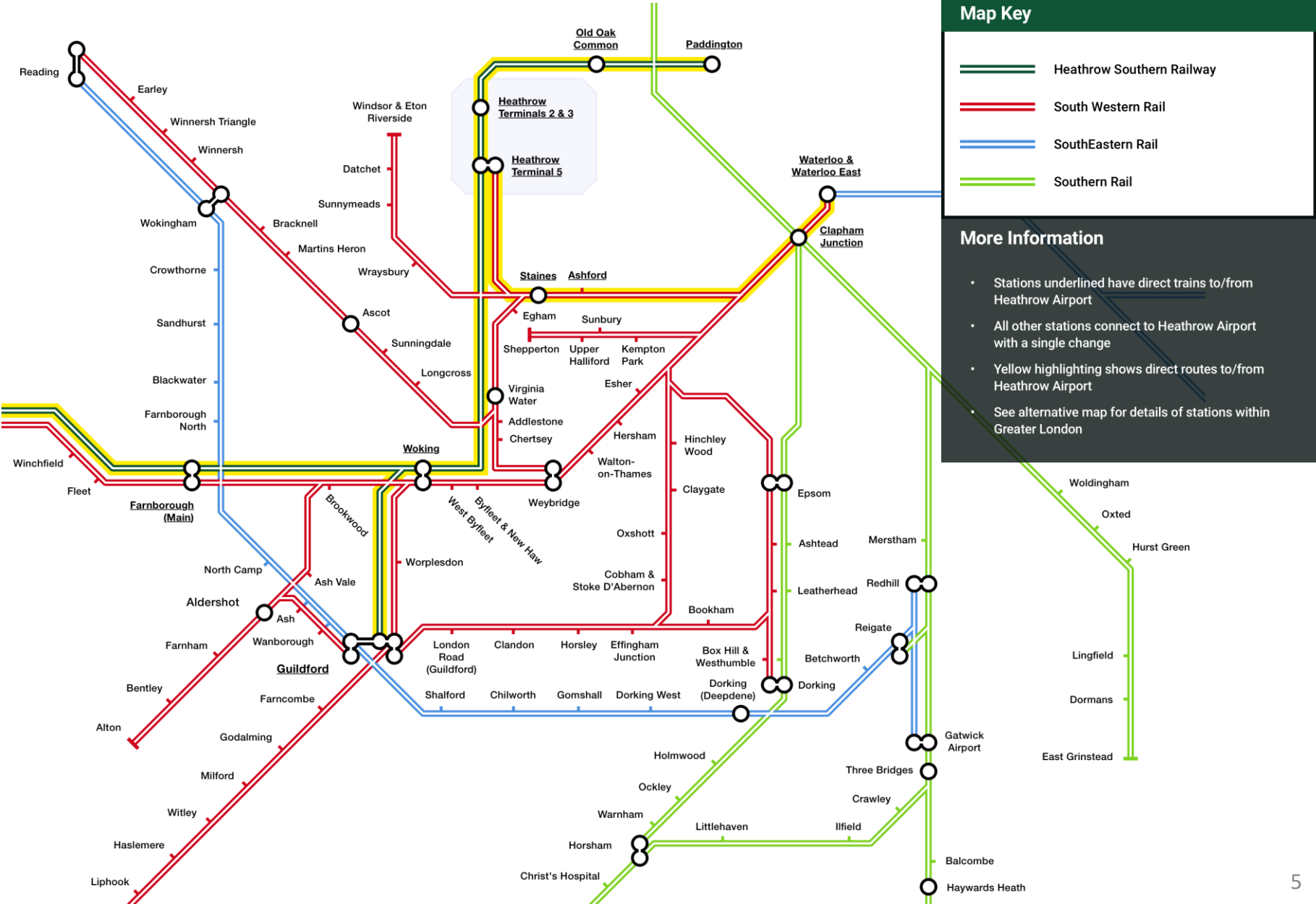
New Rail Service Opportunities Enabled by Heathrow Southern Railway



Map Key	
	Basingstoke / Guildford – Woking – Heathrow – Paddington
	Waterloo – Heathrow
	Elizabeth Line
	Potential Western Rail Link to Heathrow
	Proposed New Heathrow Southern Railway Infrastructure
	Potential Elizabeth Line extension to Staines

- To aid clarity, not all stations and routes are shown
- Dependency on Woking flyover

Opens up network wide one change connectivity



Illustrative Rail Journey Times Enabled by HSRL

Minutes (bold shows direct trains)	Staines	Richmond	Woking (via Option 3)	Guildford (via Option 3)	Basingstoke (via Option 3)
Heathrow Airport Terminal 5 station	6	26	16	26	40
Heathrow Airport Terminals 2 & 3 station	15	35	20	30	44
Old Oak Common For HS2 and Elizabeth Line	29		34	44	58
London Paddington	34		39	49	63

- Quicker than road
- Airport workers as well as air travellers
- Paddington – an alternative terminal to Waterloo for Surrey passengers
- Old Oak Common – connection to HS2 and Elizabeth Line

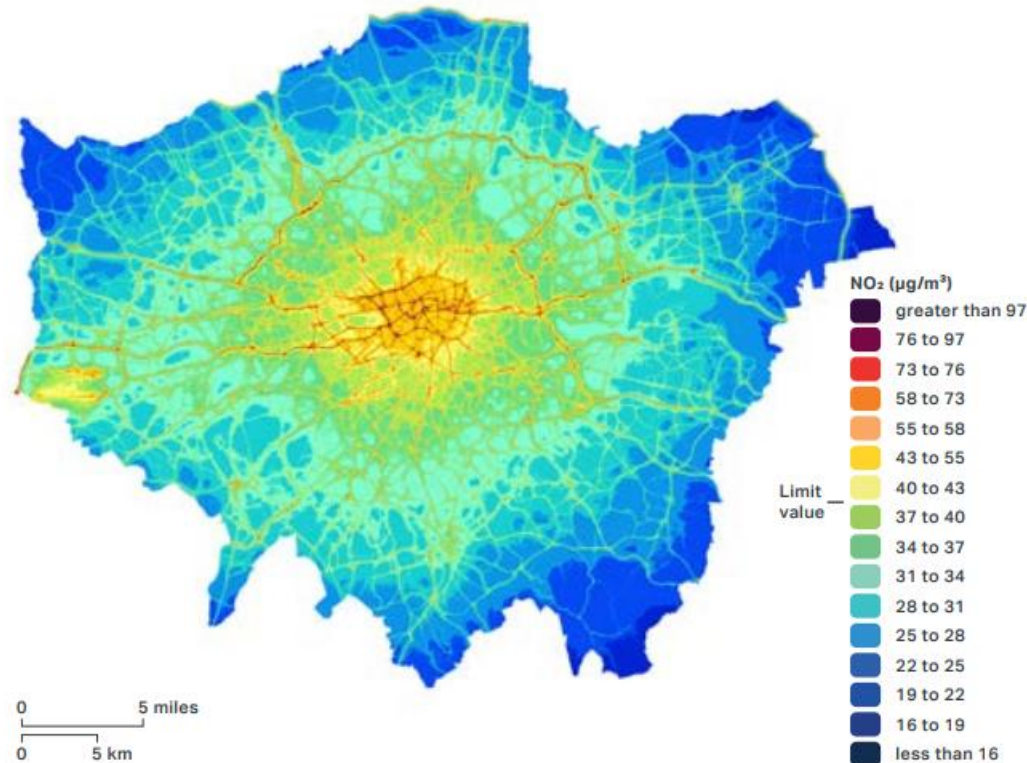
Wider Scheme Benefits

- Congestion reduction
- Trade and Investment
- Airport jobs and commerce
- Housing and regeneration
- Quickly delivered via TWAO or DCO process, opening between 2025 and 2027



Wider Scheme Benefits: Air Quality

FIGURE 10: NO₂ LEVELS ACROSS LONDON, 2013



Source: Mayor's Transport Strategy, March 2018

- Air quality around Heathrow Airport has NO₂ concentrations worse than EU legal limits
- Partly due to aircraft and partly due to large number of diesel road vehicles circulating
- HSR forecasts to save c.86m car km per year which equates to a saving of c.8,600 tons of CO₂/pa and 2 tons of NO_x pa, removed from an area with high concentration

HSRL's Financing and Funding Model

- HSRL builds the railway using finance raised in the capital markets
- DfT specify service to Heathrow in relevant TOC Franchise Agreements
- TOCs operate trains over the HSRL route and pay access charges to HSRL
- TOCs earn the revenue from the new services to / via Heathrow
- HSRL owns, operates, maintains and renews the new railway in perpetuity
- HSRL forecast that the farebox revenue uplift TOCs will earn from new to franchised rail travellers – assuming no premium fares - is high enough to cover costs and payment of access charges to HSRL
- Meaning that the scheme will not need a DfT subsidy once mature = financially credible without government support

Cross Party Support



Jonathan Lord MP
Conservative

“Heathrow Southern Railway is an important project that would help deal with the long term problem of inaccessibility to the Airport from Surrey and South West London. There are huge potential benefits economic and environmental benefits from this scheme across the region..”



Baroness Randerson
Liberal Democrat

“I am extremely supportive of schemes like this which improve the public sector infrastructure and take people out of their cars. To me this is a totally laudable scheme.”



John McDonnell MP
Labour

“The lack of transport links [to Heathrow] results in large numbers of people still coming in not by public transport but by car... That’s not just passengers – it’s the huge workforce... What I am interested in is just the potential that there is for a solution to that problem and I think this could be that solution.”

Department for Transport Position



Secretary of State Chris Grayling stated to Parliament 20/3/18:

“I have today launched an invitation for investors who want to invest in rail infrastructure to bring forward proposals for the new southern rail link to Heathrow.... Promoters and investors now have two months to start working up proposals which are financially credible without Government support.”

- Prior Information Notice issued 8 May 2018, asking for Heathrow to be linked to Waterloo and Surrey / Hampshire
- HSRL made a comprehensive submission to the DfT / Nichols Marketing Sounding exercise over the summer
- We are expecting some form of competitive process
- DfT say they will update on next steps in the Autumn



Rail market-led proposals
Guidance

Moving Britain Ahead



Who We Are: Heathrow Southern Railway Ltd



Baroness Jo Valentine

HSRL's Chair, with a career spanning the city, industry, regeneration and public policy. Jo has particular expertise in stakeholder and political management courtesy of her role as a crossbench peer and between 2003 and 2016, as Chief Executive of London First. Until 2018, Jo was also a non Executive Director of HS2 Ltd.



Christopher Garnett OBE

Has held senior rail industry roles, as Chief Executive of GNER, Chairman of ATOC, Board Member of Transport for London and Board Member of the Olympic Delivery Authority. Christopher is expert in stakeholder management, strategic leadership, railway operations and safety.



John O'Brien

An entrepreneur with extensive experience as chairman and chief executive of organisations in the public, private and voluntary sectors. John has invaluable expertise in the rail industry, having been Franchising Director between 1996 and 1999, and subsequently as a Director of Railtrack, Network Rail and Veolia.



Graham Cross

HSRL's Chief Executive, brings 20 years experience of developing and improving railways in both the public and private sectors. When Business Development Director at Chiltern Railways, Graham masterminded the development, business case, financing, consenting through TWA, contracting, delivery and introduction of Chiltern's new £320m rail service to Oxford. The scheme involved a new stretch of railway at Bicester, the upgrade of 10 miles of dilapidated railway, and two new stations at Bicester Village and Oxford Parkway. This required expertise in franchising, gaining regulatory approval for efficient project spend, railway timetabling, system operation, negotiation with Network Rail and contractors, revenue and cost modelling, and stakeholder management.



Mark Bostock

A highly experienced economic consultant with particular skills in transport planning. In the early 1990s he promoted an alternative to British Rail's preferred alignment for the Channel Tunnel Rail Link, which eventually prevailed as the winning idea, and went on to be delivered as HS1, which improved Britain's international connectivity and stimulated over £25bn of economic regeneration for London and the South East.



Chris Stokes

A career railwayman with in depth experience of railway development, timetable planning, regulation and franchising. Chris held senior roles in British Rail, Network SouthEast, and the Office of Passenger Rail Franchising, before advising as a consultant to numerous rail projects including winning franchise bids. Chris has served as a Non-Executive Director of the Office of Rail & Road and as Chair of Agility Trains.



Patrick Deane

A financier with 30 years experience in portfolio management, with particular focus on transport, infrastructure, aerospace and airlines. Patrick's career includes periods with Midland Montagu, HSBC and Morgan Grenfell. Most recently he was a senior partner in TT International.



In addition, we take advice from **Harold Fairfull**, a financier with experience of advising on the Dartford Crossing, Manchester Metrolink and Manchester Airport Terminal 2.



Steve Costello

Our Executive Director is an experienced architect and transport planner. Steve is an original thinker who has worked on the devising and development of numerous transport interchanges at rail stations and airports, in the UK and abroad.



Richard Morse

An investment banker with over 30 years experience of financing infrastructure, utilities and energy. Richard brings expertise from his role in securing the private financing of the £4.2bn Thames Tideway project. Richard is Deputy Chair of the special purpose company Bazalgette Tunnel Ltd, which promoted, developed, financed and is now constructing Thames Tideway.

AECOM

These individual skills are complemented by AECOM, investor and partner in HSRL. AECOM's senior leaders **David Barwell**, **Colin Wood** and **Russell Jackson** provide their world-class skills, experience and resources to support the development and subsequently the design and delivery of the HSRL scheme.



Thank you

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