

Decision Maker: **Environment Portfolio Holder**

For Pre-Decision Scrutiny by the Environment PDS Committee on:

Date: **1st July 2014**

Decision Type: Non-Urgent Executive Non-Key

Title: **FUTURE DLR AND RAIL LINKS TO BROMLEY**

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Chief Officer: Nigel Davies, Executive Director of Environment & Community Services

Ward: All Wards

1. Reason for report

This report provides Members with an update on the latest position regarding potential public transport extensions to Bromley, following recent discussions and work with Transport for London.

2. **RECOMMENDATIONS**

That the Environment Portfolio Holder:

2.1 Considers the key strategic transport priorities for the Borough; and

2.2 Supports the extension of London Overground to Bromley North given the outcome of the DLR feasibility work.

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Quality Environment; Vibrant, Thriving Town Centres
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Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Not Applicable
 4. Total current budget for this head: £N/A
 5. Source of funding: Not Applicable
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Staff

1. Number of staff (current and additional): 1
 2. If from existing staff resources, number of staff hours: 0.1 FTE
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Legal

1. Legal Requirement: None
 2. Call-in: Applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Residents and visitors to the borough, and commuters.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

3. COMMENTARY

- 3.1. The Council continues to highlight the historic lack of investment in public transport in south east London, and specifically in Bromley. It has to date continued to lobby strongly to secure an extension of the Docklands Light Railway (DLR) to Bromley town centre, improving connectivity to Docklands, the City, and east London in order to improve access to employment for Bromley residents. This is indicated in the Council's Local Implementation Plan, and more widely in TfL's South Sub-Regional Transport Plan.
- 3.2. Numerous studies have been undertaken by TfL since 2000 on various public transport extensions including DLR, Tramlink, Underground, National Rail and bus rapid transit schemes. Their respective benefits and disadvantages are set out in the South East London Rail Access Study (SELRAS), published in October 2011. This followed the Mayor of London's Transport Strategy which identified the need to improve rail capacity and connectivity serving south east London.
- 3.3. Following this, and the Mayor's manifesto pledge in 2012 to "work to extend the DLR from Lewisham to Bromley", TfL have undertaken feasibility work over the last 12-18 months to develop a business case for the extension. Simultaneously, they have also undertaken feasibility work for extending the Bakerloo line from Elephant & Castle and the Overground from New Cross to Bromley North. Tramlink proposals were developed prior to this date. More recently, the Tramlink development team have been working to refine route options and alignments.
- 3.4. Set out in the Appendix are the potential benefits that could be realised from investment in the rail options discussed in this report.
- 3.5. The following sections set out the latest update on each of the potential options.

Docklands Light Railway

- 3.6. Improving connectivity to Canary Wharf by DLR continues to be the Council's formal policy preference for public transport investment in the borough, and was further supported by a motion at Council calling for the DLR extension.
- 3.7. TfL's feasibility work identified an 8.75km (5.77 miles) extended section of the DLR between Lewisham and Bromley North, which would include nine new stations and offer an approximate 22 minute travel time. An option was also included to take the line further down to Bromley South, with a High Street station offering better connectivity with national rail services and providing some relief on the Kent mainline into Victoria. From Bromley, travelling to Canary Wharf would take approximately 40 minutes by DLR. The cost of this extension has been estimated between £800m and £1bn depending on alignment and the extent of tunnelling.
- 3.8. Simultaneously a planning assessment was undertaken for town centres along the route, including Bromley, to establish the potential uplift in the quantum, nature and value of development and any other associated benefits in the catchment area of the proposed extension. This includes residential units, office floorspace and retail floorspace.
- 3.9. Officers provided local planning policy, current development capacity projections for Bromley Town Centre as recorded in the Area Action Plan (AAP), and further stretching projections that could potentially be unlocked by extending the DLR to Bromley. Total additional capacity for growth for the town centre within a 1 km (0.6 mile) catchment area of the route estimates 120,000 sq.m of commercial (retail, office, leisure) space and 3,300 residential units could be accommodated.

- 3.10. Taking into account the total cost of the extension, the direct transport benefits that would be realised, and the development and growth potential as set out above, the overall Benefit Cost Ratio (BCR) for the extension of the DLR to Bromley is 0.9:1. This represents particularly low value for money as defined by TfL's business case methodology which demands at least 1.5:1 for such schemes, and the DfT's transport scheme appraisal guidance (WebTAG) which suggests an absolute minimum of 1.1:1.
- 3.11. The Mayor of London instructed TfL on 20th March 2014 to cease further work on the DLR business case.

London Overground

- 3.12. On learning of the business case outcome for the DLR, the Council has asked TfL to undertake further work on a London Overground extension from New Cross to Bromley North.
- 3.13. An extension of the Overground from New Cross to Bromley would provide improved rail connectivity between Bromley and Canary Wharf. A 9.2km (5.1 miles) extension using the existing rail corridor would provide a direct rail service from Bromley to Canada Water, with an interchange there on to the Jubilee line to Canary Wharf. A frequency of around 4 trains an hour could be expected.
- 3.14. Work on this option is the least developed of all the options set out in this report. Further work would be required to understand how the extension would interface with National Rail and the costs and risks associated with the impact on existing rail services, particularly the fast services into London from Sevenoaks and Orpington. There are also significant engineering challenges that need to be investigated, including a full grade-separated junction arrangement between the New Cross branch and the slow North Kent lines along with the requirement for a flyover/fly-under at Grove Park to get across fast lines to the Bromley North line.
- 3.15. An Overground extension would deliver an increase in rail capacity of around 3,000 passengers/hour compared to a DLR extension which could carry 5,000-12,000 passengers/hour initially, potentially increasing to 18,000 passengers/hour at a later point.
- 3.16. This option could be delivered at significantly lower cost than extending the DLR, at around £240m with a current BCR of 1.4:1. Delivery of this option could also be quicker than other options with an extension potentially in place as early as 2020/2021.
- 3.17. It should be noted that the cost of this scheme could be reduced to £140m if a station is excluded from the Lewisham/Ladywell area. It is likely however that L.B. Lewisham would not support the scheme without this station, although that does not necessarily mean the project could not proceed. Developing this option without a station at Lewisham would however reduce journey times to and from Bromley North.

London Underground – Bakerloo line

- 3.18. The Mayor of London's Transport Strategy includes a proposal to consider the feasibility of a southern extension of the Bakerloo line from Elephant & Castle.
- 3.19. Initial feasibility work has been completed by TfL, looking at alignment options, engineering constraints, the scheme's business case and the potential impact on development and regeneration along the length of the route.

- 3.20. The proposed extension would consist of a new 7km (4.6 miles) tunnelled section between Elephant & Castle and Lewisham via Old Kent Road or Camberwell. It is then proposed that existing national rail lines south of Lewisham would be utilised to connect with Beckenham Junction and Hayes. This would see national rail services no longer serving Hayes and stations on this line, with the freed up train paths allocated to other national rail services in south-east London.
- 3.21. This extension could see up to 21 trains per hour to Hayes/Beckenham Junction with journey time savings from Hayes to some destinations, including Canary Wharf. London Bridge station would however see an increase in journey time by around 10 minutes.
- 3.22. A London termini survey undertaken by TfL in 2010 saw 34% of Hayes line passengers arriving at London Bridge, with 25% and 41% arriving at Cannon Street and Charing Cross respectively during the morning peak. Of those that arrived at London Bridge, 59% made onward journeys by foot so it is likely that these passengers would be disadvantaged by the Bakerloo proposal. TfL are undertaking more investigation and analysis of current journey patterns of Bromley residents that currently use the Hayes line to better understand behaviour and requirements.
- 3.23. TfL are also investigating an additional option for the Beckenham Junction spur to continue in tunnel on to Bromley town centre and Grove Park, providing a 3 minute frequency tube service to & from Bromley North.
- 3.24. The current cost of this proposed extension is between £2.3bn and £2.8bn. The BCR of this proposal is currently in excess of 3:1, which may rise once growth forecasts are included. This does not however include any extension to Bromley/Grove Park at this time.

Tramlink

- 3.25. In the Mayor of London's 2012 election manifesto for transport, a pledge was made to develop an extension of Tramlink to Crystal Palace with a second pledge to extend the tram from Beckenham to Bromley.
- 3.26. Since this time, TfL's Group Planning team have developed a draft Tramlink Strategy which attempts to set out how TfL will work towards fulfilling the Mayoral commitments made in the London Plan and Mayor's Transport Strategy, and also support the election pledges recorded above.
- 3.27. The Strategy lists three key enhancement packages to the network with a total package cost of £545-£595m and a BCR of between 1.85 to 1 and 1.61 to 1. These options are:
- Crystal Palace extension (~£130m)
 - Sutton extension (~£210m - £240m)
 - Bromley extension (~£140m - £160m)
- 3.28. Whilst the Bromley extension records the lowest, least favourable BCR (between 0.87 to 1 and 0.6 to 1), it should be noted that this extension offers some of the highest strategic benefits. Journey time improvements of around 17 minutes might be achieved along with significant accessibility improvements and support for growth in both the Bromley and Croydon Metropolitan Town Centres.
- 3.29. The Council has notified TfL that extending the Tramlink to Bromley is not a local political priority. The extension of the tram to Crystal Palace will naturally form part of the future negotiations with the developer of the proposed Crystal Palace scheme and the transport implications of this project.

Summary of proposed transport investment options

DLR to Bromley	Overground to Bromley	Tramlink to Crystal Palace	Bakerloo line extension
Areas served			
Lewisham to Bromley North/South via Catford	New Cross to Bromley via Grove Park	From Birkbeck/ Harrington Road into Crystal Palace Park	Old Kent Road/ Camberwell to Hayes via Lewisham
Total cost (2013 prices) including optimism bias			
£800m - £1bn	£240m	£130m	£2.3bn - £2.8bn
Business case			
BCR below 1:1	BCR of 1.4:1	BCR of around 3:1	BCR in excess of 3:1
Transport benefits			
<ul style="list-style-type: none"> • Direct connection to Docklands. • Reduced journey time to Canary Wharf. 	<ul style="list-style-type: none"> • Improved rail connectivity in region. • Reduced travel time to Docklands (not direct) • Significantly lower cost than DLR. 	<ul style="list-style-type: none"> • Improved journey times compared to bus. 	<ul style="list-style-type: none"> • Increased transport accessibility across SE London. • High frequency and capacity. • Reduced journey times to Charing X, Bank, Oxford Circus.

Table 1: Summary of proposed transport investment options

Development potential

- 3.30. There is a recognition that strategic transport improvements can lead to a significant uplift in housing and employment densities, and ultimately in the total value of economic activity supported in the areas they serve.
- 3.31. TfL commissioned a planning assessment for Bromley as referred to in para 3.8 above. This assessment confirms, based on collected evidence and a review of academic literature, that “public transport investment tends to lead to a concentration of economic activity in core areas served by its stops or stations. However, this concentration of development is not facilitated by public transport alone.”
- 3.32. The assessment also confirms that accessibility improvements delivered by public transport investment has the potential to raise the profile of an area it serves, and be highly beneficial in terms of inward investment and development. Such improvements have also proven to improve the value of residential and commercial property values in an area, particular those within 500m (550 yards) of a station.

3.33. For Bromley, the planning assessment sets out the potential uplift in development per transport option considered. This is set out in the following table:

DLR to Bromley	Overground to Bromley	Tramlink to Crystal Palace	Bakerloo line extension
Residential			
New residential development between 2,500 and 3,000 units in Bromley. [4,000 units in Lewisham, 2,500 in Catford].	New residential development between 2,500 and 3,000 units in Bromley.	No anticipated uplift in the borough of Bromley. Around 700 units across South and Upper Norwood.	Limited uplift in scale of residential development. Improved frequency will add to overall accessibility, although removal of direct link to London Bridge could have negative impact. Limited physical capacity for growth.
Retail			
New retail development between 66,000 and 93,000 sq.m in Bromley. [65,000 sq.m in Lewisham, 29,000 sq.m in Catford].	New retail development up to 66,000 sq.m.	No anticipated uplift in the borough of Bromley. Around 5,200 sq.m across South and Upper Norwood.	No impact – unlikely to significantly change retail catchments in this part of the line.
Office			
New office development between 9,000 and 28,000 sq.m in Bromley. [21,000 sq.m in Lewisham, 21,000 sq.m in Catford].	New office development up to 9,000 sq.m.	No anticipated uplift in the borough of Bromley. Around 1,250 sq.m across South and Upper Norwood.	No impact – no significant existing office market exists.

Table 2: Potential development uplift per transport option

Summary

- 3.34. The primary objective for the DLR option was to improve connectivity to Canary Wharf. If this is deemed uneconomic to pursue, from Bromley's perspective the next best option to deliver this objective would be the Overground extension, without a new station at Lewisham, allowing interchange onto the Jubilee line at Canada Water. This would also relieve some pressure on London termini. An option including the additional Lewisham station would still have benefits to Bromley.
- 3.35. The Bakerloo line option is strongly supported by TfL but is currently seen as detrimental to Hayes line users through loss of connectivity to London Bridge and Cannon Street. TfL have not yet produced any evidence to refute this.
- 3.36. The Bakerloo option which includes an extended spur from Beckenham Junction to Bromley North/Grove Park has not yet been properly evaluated by TfL. Once this has been done, Officers will be able to report back to this committee so Members can understand the total potential impact – positive and negative – on the borough of the extended Bakerloo proposal.

Funding mechanisms

- 3.37. TfL have stressed the continued pressures on transport funding in London. A large number of projects continue to bid against a finite budget. The importance of value-added benefits, over and above traditional transport appraisal benefits, continues to play a significant part in securing funding.
- 3.38. Public transport investments need to demonstrate the anticipated contribution they could make to economic growth, employment and land values. Moreover, boroughs need to demonstrate how any such projects fit in with development and regeneration aspirations.
- 3.39. TfL have confirmed that match funding is also a crucial element. There is an expectation that boroughs should make a commitment themselves through Community Infrastructure Levy (CIL) contributions and/or business rates. Officers have expressed concern at various meetings with TfL that Mayoral CIL, with its contribution to Crossrail, was a sensitive issue for south London boroughs.
- 3.40. Caution is needed over the realistic levels of funding that could be raised for public transport extensions at borough level. For example, any CIL contributions over the course of a number of years would amount to little more than a few percent of the overall cost of some of these proposals. Instead, it is argued that TfL and the Mayor should consider Mayoral CIL as a key contributor of finance for public transport investment in south east London.
- 3.41. Whilst a contribution from L.B. Bromley towards any rail infrastructure project would necessarily be a relatively small proportion of scheme costs, TfL have expressed a view that any contribution would make a significant difference to the priority that scheme was afforded. By way of illustration, albeit in respect of a much smaller scheme, Bromley's contribution of £1.5m from reserves was deemed significant in securing £4m TfL & OLF funding for the Bromley North Village project.

4. POLICY IMPLICATIONS

- 4.1. The draft Environment Portfolio Plan 2014/17 includes the draft objective "Improve rail connectivity to Bromley, including lobbying for an extension of London Overground services to Bromley North."

5. FINANCIAL IMPLICATIONS

- 5.1. There are no financial implications arising directly from this report.

Non-Applicable Sections:	PERSONNEL IMPLICATIONS, LEGAL IMPLICATIONS
Background Documents: (Access via Contact Officer)	Future Rail and Tram Links to Bromley, ES12004, January 2012 SRTP Technical Report – SELRAS (3), TfL. October 2011 Bromley Final LIP, October 2013