

## **Discussions, meetings with Arup Documents accompanying 2<sup>nd</sup> response letter**

### **Flag A**

To:	Andrew Adonis	From:	XXXXXXXXXX Inter-urban Rail Strategy
		Location:	5/31 GMH
		Tel:	5965
		Date:	31 October 2008
		Copies:	Mike Mitchell Bob Linnard XXXXXXXXXX Timothy Wellburn SPADS XXXXXXXXXXXXXX

### **MEETING WITH ARUP, 3 November**

#### **Issue**

1. You are due to meet XXXXXX, Mark Bostock (Director), Peter Gist (Project Manager) and Dan Phillips (Adviser) of Arup at 17:00 – 18:00 on Monday 3 November. You have a pre-brief at 13:30 the same day, which myself and Timothy Wellburn will attend.
2. The meeting is being held at Arup's request. There is no formal agenda - they intend to present to you their work on their Heathrow Hub development scheme.

#### **Recommendation**

3. Arup are likely to press you for some kind of commitment of government support for their project, in order to raise private sector finance. We have already indicated that their first choice, a Memorandum of Understanding setting out the Government's support, is unlikely. However, an offer of continued access to officials as they develop the scheme would be consistent with our approach of welcoming work by third parties in this area.
4. We recommend you express interest in the continued development of their scheme but make clear that the Government is not in a position to make any kind of commitment at this early stage.

## Background

5. Arup have developed a proposal, called Heathrow Hub, for a high-speed rail link between St. Pancras or Euston and a new hub station on the Great Western Main Line near Heathrow. The station would be served by a variety of suburban, long-distance and high-speed services. They claim this new station development could also provide airport terminal capacity and would be beneficial with or without a third runway. They also argue the scheme would reduce the need for domestic flights and could replace short-haul flights between London and the near-Continent. This is a young scheme divided into two phases, the second being dependent on the extension of high-speed rail beyond Heathrow. The extent to which the second phase is required for the realisation of benefits is not entirely clear.

6. Their proposal appears to be based in part on: i) gaining themselves the benefit of a road cordon charge at Heathrow – to generate income and force modal shift to rail; and ii) around plans to exploit the value of land they have acquired near the M25.

7. We have engaged with Arup quite intensively – although they may feel that they are not receiving the support they require as they have not managed to secure a Memorandum, as detailed above.

8. Arup met the previous Secretary of State (July 2008) and Tom Harris (December 2007) to present their scheme. The then SoS asked that they engage with DfT colleagues as she identified several areas on which they needed to focus further work before Ministers saw them again.

9. Subsequent to that meeting Arup and DfT officials have met several times to address these concerns and assess Arup's work in these areas.

10. In particular, we sought clarification by Arup on the following issues:

- a. a clear definition of the problem Arup's proposal was trying to solve;
- b. evidence that the rail aspect of their business case could stand alone and was underpinned by robust and credible demand projections;
- c. why a road cordon was an appropriate way to finance this particular scheme?
- d. the business case for the choice of this particular site for the Hub; and
- e. if the development works substantially because of synergy with a new high speed line, then the business case must be presented in those terms and backed up by robust evidence.

11. We last engaged with Arup in mid-September, when they presented their latest analytical work (Flag B). There is still much to be done in our eyes, and the points summarised in paragraph 10 are still some way off being satisfactorily answered.

12. You will have seen from my note of 27 October regarding the recent conference “Integrating High speed rail with Heathrow” that BAA supported the concept of a Heathrow Hub as proposed by Arup – acknowledging that a lot of work was needed as to the best way to integrate such a development with Heathrow and the rail network. As expected, BAA reported that they see the value of a high speed connection to Heathrow as complementary to expansion – not a choice between the two.

**Flag B** – Latest presentation by Arup to DfT officials – September 2008 (Hard copy)

XXXXXXXXXXXX

To:	Bob Linnard*	From:	XXXXXXXXXXXX*
			PS/Secretary of State
		Location:	5/11 Great Minster House
		Tel:	020 7944 4396
		Date:	3 January 2010
	*denotes present at meeting	Copies:	PS/ Robert Devereux Special Advisers* Mike Mitchell Hussein Kaya* Tim Wellburn John Ashley XXXXXXXXXXXX XXXXXXXXXXXX XXXXXXXXXXXX

### **NOTE OF MEETING WITH ARUP – 17 DECEMBER 2009**

1. You were present when the Secretary of State (AA) met with Mark Bostock (MB), Peter Murray (PM) and others of Arup on 17 December, to discuss high-speed rail.
2. PM and MB presented AA with their submission on the Heathrow Hub to HS2. They said it proposed that the new high-speed line went through Heathrow. They weren't sure whether HS2 had looked at it as they had not had any direct feedback, but understood they were busy. PM outlined the contents of the document. In order to get the maximum benefits it was important to have interchange between the new line and the existing rail lines, as well as ideally being co-located with the air terminals, although if not possible it should be as close as possible. The airport station should be on the main line, not on a spur or loop.
3. In relation to funding and delivery of the project, Arup believed that demand and revenues would be substantial, and that an improvement of service levels to the airport could justify the imposition of a cordon road user charge for access. There was huge opportunity for commercial development, although the proposed site was on green belt. In relation to phasing Arup thought the first step was to develop a station off the GWML and then to develop an air terminal there, with the second stage being the high speed line to London, and further stages being the high-speed line to the North.
4. AA asked why Arup's proposal was better than the proposal for Old Oak Common as an interchange with Heathrow. MB observed that it was 9 miles from Heathrow, whereas Arup's site was much closer and so would reduce the time penalty. Also there would be a penalty for having to change. AA asked whether you wouldn't still have to change trains under Arup's proposal to get from the hub to the terminal. MB said you would not – it would just be a quick shuttle. AA asked what Arup's assessment of the pros and cons of each proposal was. PM said the issue was of location on the GWML. Arup's view was that further out of London was better, as it was of a bigger benefit to the west. There was a discussion about connectivity benefits. AA noted that Old Oak Common had dense rail links. PM said they had also included a proposed rail service specification to support their proposal. MB accepted

that Old Oak's rail connectivity was better, but in his view the Arup proposal had better road and air links.

5. AA asked about modal shift. It was Arup's view that their site should not be a park and ride, however, they thought that with cordon charging at the airport, public transport access to Heathrow would increase to 60 per cent.

6. AA questioned whether the line going through Heathrow would add a time penalty to all travellers not changing there. It was the Arup view that this would only be 2 or 3 minutes and that not all trains, under their proposals, would stop at the airport.

7. There was a discussion about the future process of engagement. Arup wanted to see HS2's report and do some work comparing their proposal to Old Oak Common. AA said the report would not be published until the Government's response in March, due to blight. It would not be possible for Arup to see the report in advance, but AA said he would appreciate a presentation of Arup's assessment of the rival propositions in the New Year. He wanted to take decisions on the basis of the best information he could get. MB said Arup had an option on the land for the site they had identified, but would be happy to pass it over to the Government. AA said that he did not see the option as an issue. **Action – Bob Linnard to consider next steps for engaging with Arup.**

XXXXXXXXXX  
3 January 2010

To:	Bob Linnard*	From:	XXXXXXXXX*
			PS/Secretary of State
		Location:	5/11 Great Minster House
		Tel:	020 7944 4396
		Date:	1 March 2010
	*denotes present at meeting	Copies:	PS/ Robert Devereux Special Advisers Mike Mitchell Mike Fuhr* Hussein Kaya Timothy Wellburn Phil Graham XXXXXXXXX XXXXXXXXXX XXXXXXXXXX XXXXXXXXX John Parkinson Jonathan Moor

#### **NOTE OF MEETING WITH ARUP – 1 MARCH 2010**

1. You were present when the Secretary of State (AA) met with Alan Belfield (AB), Peter Gist (PG), Mark Bostock (MB) and colleagues from Arup on 3 February, to discuss high-speed rail.

2. PG said he believed that there could be scope for their Heathrow Hub proposal alongside Old Oak Common. They had had a very productive meeting with HS2 and DfT looking at the demand figures and were grateful for these being shared. They now understood the argument for Old Oak Common, especially in relation to end-to-end journey times. However, they were surprised by the proximity in modelling terms of the numbers that would use Old Oak Common against the Heathrow Hub – the absolute numbers for the Hub were lower, but the proportion interchanging was the same. The challenge was to see whether it was possible to develop the Hub and its alignment to accommodate Old Oak Common too – he believed it was and it only added 3 minutes to non-stopping trains, which in his view made no practical difference.

3. There was a discussion about the benefits of Old Oak Common as a construction site for the necessary tunnels and that passive provision could then be made there for a station. It would be possible to minimise reductions in line capacity by having station stops by flighting the trains. There was a discussion about day 1 load factors and dispersal at any terminus station and in relation to this whether an interchange station would be required at the outset. AA was of the view it would.

4. AB presented in more detail the potential of the Hub, including a discussion about the phasing of connections to such a station, starting just on the Great Western Main Line, but subsequently adding connections, including a high-speed link to London and then one North. AA asked whether Arup thought the station was a commercial proposition and if so why they did not seek to take it forwards privately. He stated that the Government would not be in a position to fund it in the near future. He asked what

BAA's views were, as he had been told by them that they preferred an on-site solution, as opposed to Arup's proposal. MB said BAA were behind the game on this, and once they realised it was the only option on the table they would support it.

5. AA said there were a number of options for where a station at Heathrow might go and he thought there needed to be a process to decide this issue. AB agreed. He thought a project was needed to look at the viabilities of different sites and he said that Arup would like to be involved in that work. He thought that a formal process was required and if AA wanted, Arup could run it. AA said he did not think it would be appropriate for Arup to run it as they were an interested party. It was not necessary for Arup to run the process, but it was important for them to be involved. The process would need someone who was independent to take a view, potentially on issues wider than just high-speed rail access.

6. In relation to Old Oak Common AA thought it was sensible to provide the Crossrail Interchange station there from day one, if he decided to proceed with the line. AB said he understood that and PG noted that you could have both this and a station at Heathrow on their alignment.

7. AA said he was grateful for Arup's engagement and for the other part of Arup's work for HS2 on the detailed design. He would be in contact at the time of the announcement.

XXXXXXXXXXXXX  
1 March 2010

To: Tim Wellburn

From: XXXXXXXXXX\*  
PS/Secretary of State  
Location: 5/11 Great Minster House  
Tel: 020 7944 4500  
Date: 29/03/2010  
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PS/Chris Mole  
Robert Devereux  
DfT Special Advisers\*  
As email

\*indicates those present

### **NOTE OF TELEPHONE CALL WITH ARUP**

1. On Friday 12 March 2010, the Secretary of State for Transport, Andrew Adonis had a telephone call with Alan Belfield, Mark Bostock, Peter Murray and Peter Gist of Arup.
2. Andrew Adonis said that he had announced his proposed route for the high speed rail line on the previous day and that he had asked Lord Mawhinney to examine the issues around linking Heathrow Airport to the high speed line. Alan Belfield asked about the scope of Lord Mawhinney's review. Andrew Adonis said that it would look at all the options for a station at the airport on a loop or a spur from the main track and would consider the business case for the different options. Lord Mawhinney would report in three months' time, before the main consultation on the line of route had begun. The review team would be staffed by staff from the Department for Transport.
3. Alan Belfield said that Arup had been disappointed by the announcement on the previous day. Andrew Adonis said that the business case for a station, either at the proposed site of the Heathrow Hub, or at Heathrow itself was weak when considered alongside a Crossrail Interchange station as there would be a good service from the station to Heathrow. HS2's figures showed that a maximum of only 600 passengers a day would not use the line because it did not go directly to Heathrow, and this number was probably an overestimate as the location of the station at Heathrow was problematic. However, he said that there might be other arguments for a station at Heathrow, such as the connectivity it provided to the Great Western Main Line.
4. Alan Belfield said that HS2 had misrepresented Arup's bid. In particular, HS2 had said that the station was in the flood plain, when in fact it was above the flood plain. The Secretary of State said that this was a matter which Arup should raise with HS2.



5. Peter Murray added that in addition to not publishing one of Arup's submissions on the previous day (though he acknowledged that this had now been rectified), Arup's proposal had been misrepresented on the floor of the House. In particular, it had been claimed that the proposed Heathrow Hub station was not at Heathrow. Andrew Adonis said that the station was 2.5 miles from the boundary. Alan Belfield said that Heathrow's boundary would move over time. Andrew Adonis said that this made suppositions about Heathrow's expansion. He added that as he understood it, BAA did not support Arup's proposal as they wanted a scheme within the Heathrow boundary fence. Mark Bostock said that BAA were continuing to refine their position on the Heathrow station and now said that an at-site station and one on the Great Western Main Line were difficult to choose from. Andrew Adonis said that he had asked Lord Mawhinney to revisit this matter.
6. Andrew Adonis added that it was important to balance different factors when considering the location of the station. The Crossrail Interchange Station gave access to the City, Canary Wharf and the West End, as well as to Heathrow.
7. Andrew Adonis thanked Arup for their engagement with the project and stressed that the parties shared a strategic vision and agreed on 95% of the issues. Mark Bostock agreed and said that Arup would be very keen to engage with the Mawhinney Review.

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