Executive Report  
Ward(s) affected: Onslow  
Report of Director of Planning and Regeneration  
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## Guildford West Rail Station

### Executive Summary

The Guildford West Rail Station is a proposed new station located in the west of Guildford that will help relieve congestion and parking to the west of the town by providing a genuine alternative to the private motor car. It will encourage modal shift and support the proposed expansion of the area, which includes the Royal Surrey County Hospital, University of Surrey and Guildford Research Park, in addition to a large residential population. Other benefits include an interface with, and complementing, Phase 1 of the Council's Sustainable Movement Corridor (SMC), helping to sustain important local institutions and further support their expansion by increasing the catchment area from which the staff and students attending and resourcing these institutions are drawn. This station would also enable increased economic development without the associated traffic congestion and high demand for parking and would also improve productivity and support inward investment helping to retain key employers in the area.

The viability of a new railway station on the national network, its size, location, accessibility, impact on existing services and initial views on constructability, was investigated under Stage 2 (Feasibility) of Network Rail's Governance for Railway Investment Projects (GRIP) Process. GRIP is an eight-stage process that sees the concept of a major investment project – in this case a new two-platform railway station - from feasibility, option identification, option selection and subsequent single option development through to detailed design, construction and commissioning of a completed station.

While the GRIP process helps to eliminate non-viable options and provides costs for preferred option construction and commissioning, it does not identify how a project would be funded. Those invested in the process would undertake this in parallel.

In this case, as the Council has identified the requirement for a new station based on many factors including the envisaged local benefits it will deliver, it is the Council's responsibility to source funding by exploring potential contributions from developers and other stakeholders such as Network Rail, the University of Surrey, Surrey County Council, the EM3 LEP, etc. The extent of funding required will become clearer as the Council moves through the necessary GRIP stages.
The next stage (GRIP 3 – Option Selection) will allow the Council to review the options put forward in the GRIP 2 Feasibility Report in more detail. It will identify any unforeseen issues e.g. topography, bearing capacity etc. that could eliminate a GRIP 2 option from coming forward.

An allocation had been identified in the Local Plan for the proposed new station - it is one of the two options put forward under GRIP 2 for consideration. It is anticipated that the work undertaken under GRIP 3 will confirm its viability and identification as the preferred location, but this cannot be assumed at the current time until the full option appraisal has been completed.

There will be some land requirements for the options to be considered in GRIP 3 and this may influence the final option selection. Discussions have already been initiated with Network Rail, Great Western Railway (GWR), South Western Railway (SWR) Royal Surrey County Hospital and University of Surrey in this respect.

Matters such as station design, access, and the necessary amount, type and location of car parking required to support a new station here will be considered in more detail at the appropriate time under GRIP Stages 3 and 4.

This report:

- provides a project progress update
- seeks authorisation to move the project forward to Stage 3 (Option Selection) of Network Rail's Governance for Railway Investment Projects (GRIP) methodology
- seeks Executive approval for the transfer of the provisional capital budget required to initiate the next stages of the project (GRIP 4 (Single Option Development) onwards) to the approved capital programme

Recommendations to the Executive

That the Executive:

1. endorses the findings of the previously-completed GRIP 2 (Feasibility) study;
2. approves progression of the project to GRIP 3 (Option Selection);
3. authorises the Director of Planning and Regeneration:
   a. to take all necessary steps in accordance with the Council’s Procurement Procedure Rules to procure services and enter into a contract with the preferred supplier, in order to deliver GRIP 3; and
   b. to establish a new Project Board
4. approves the transfer of £500,000 from the provisional capital budget of £5.2 million for this project to the approved programme, ready to commence works on GRIP 4 once the GRIP 3 work has been formally signed-off.

Reason for Recommendation:
To progress works necessary for the future delivery of the Guildford West Rail Station at Park Barn.
1. **Purpose of Report**

1.1 To provide the Executive with a progress update on the new Guildford West Rail Station project and to seek approval to proceed to the next stage as per the recommendations.

2. **Strategic Priorities**

2.1 The recommendations support the delivery of the following priorities from the Corporate Plan 2018-2023:

   (i) Delivering the Guildford Borough Local Plan and facilitating or directly delivering a range of housing that people need, particularly affordable homes.
   (ii) Making travel in Guildford and across the borough easier.
   (iii) Encouraging sustainable and proportionate economic growth to help provide the prosperity and employment that people need.

3. **Background**

3.1 The North Downs Line running between Redhill and Gatwick in the east and Reading in the west offers excellent links for east-west commuting and connections to Gatwick Airport as well as a good connection to Heathrow via Reading.

3.2 The line passes through an area of West Guildford where there is a significant catchment of potential rail users. These users would increase utilisation of the service through the provision of a new railway station located somewhere on the stretch of line from the rear of the Royal Surrey County Hospital to the Pinks Hill Bridge to the west.

3.3 Existing development that would generate passenger journeys includes the Royal Surrey County Hospital (RSCH), the existing Surrey Research Park, the University of Surrey’s Manor Park and Stag Hill campuses, the Surrey Sports Park, the existing Park Barn residential area and potentially the Holiday Inn hotel. In addition, the plans for the continued expansion of the Royal Surrey County Hospital, the planned extension of the current Surrey Research Park as allocated in the adopted Local Plan, and the growth of the University of Surrey’s Manor Park site, will result in a very significant increase in the use of the land that this station will serve.

3.4 The current plans set out in the Adopted Local Plan for Guildford from 2015-2034, include the provision of a further 1,800 homes and a substantial extension to the Surrey Research Park on a site adjacent to the proposed station at Blackwell Farm. A site for a potential new railway station is also included as a specific Local Plan allocation.

3.5 Recent studies show that this area is already an important part of Guildford’s economy to which future plans will add substantial economic growth and create a strategically important economic footprint. This is significant for the whole EM3 LEP area, and for Guildford as an identified Growth Town.

3.6 The initial likely preference is to locate the new station immediately north of the RSCH (at Park Barn). An option to locate the station adjacent to Pink’s Hill
Bridge (at the Blackwell Park allocated site) has also been assessed under the completed GRIP 2 work, along with a lower cost option to improve local bus services.

3.7 A network map of the North Downs Line with the proposed station location indicated is included in Appendix 1.

3.8 The benefits of the proposed station are numerous and include:

(i) It will provide a realistic and convenient alternative to the use of the car as a means of access to an already significant area of economic activity – thereby encouraging sustainable modal shift.
(ii) It will complement and interface with Phase I (West) of the Council’s Sustainable Movement Corridor.
(iii) It will increase the catchment area from which staff and students that work and study in the area are drawn, thereby helping to sustain very important local institutions. Habitation postcode evidence obtained under the work undertaken for GRIP 2 indicates that a large number of RSCH staff live outside of the borough (presumably as a result of prohibitively high rent and house prices), with a significant concentration to the west close to stations on the North Downs Line. This is particularly likely to apply to nurses and auxiliary staff,
(iv) The station will enable this increased economic development without increasing traffic congestion and the existing high demand for parking, which are together a barrier to the future economic growth of this strategically important (local and regional), and growing, economic hub.
(v) Rail access will improve productivity, support inward investment and key company retention.

3.9 The potential business case for the station at Guildford West (with Park Barn being the preferred location) was highlighted in the Surrey Rail Strategy, the Guildford Town and Approaches Movement Study (GTAMS) and the 2017 Guildford Transport Strategy, is endorsed within the EM3 LEP SEP and is included in the Adopted Local Plan for Guildford 2015-2034. The Park Barn station option was specifically supported in both Guildford Borough Council and Surrey County Council responses to the South West Franchise stakeholder consultation and was included as a key desire in the EM3 LEP’s response to the Network Rail Wessex Route Study Consultation.

GRIP 2 Study

3.10 The Network Rail acronym ‘GRIP’ stands for ‘Governance for Railway Investment Projects’ and is used for delivering major investment projects on the operational railway. The eight-stage GRIP lifecycle is set out below, and in more detail in Appendix 1.

<table>
<thead>
<tr>
<th>Initiate</th>
<th>Choose Option</th>
<th>Design</th>
<th>Build</th>
<th>Close</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Output Definition</td>
<td>2 Feasibility</td>
<td>3 Option Selection</td>
<td>4 Single Option Development</td>
<td>5 Detailed Design</td>
</tr>
<tr>
<td>6 Construction Testing &amp; Commission</td>
<td>7 Scheme Handbook</td>
<td>8 Project Close Out</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3.11 It is anticipated the new station will ultimately be transferred to Network Rail for management and maintenance as a network asset – likely through lease to one of the Train Operating Companies (TOCs). It is therefore imperative that development of the proposed station from conception through to delivery follows the national GRIP process.

3.12 In 2016, White Young Green (WYG) was commissioned to complete up to GRIP Stage 2 – Feasibility, and have subsequently produced the Strategic Outline Business Case, a Feasibility Report and the Outline Business Case. Specialist advice on all rail matters, such as track geometry, station requirements, passenger numbers and network timetabling, was obtained from another company, Reid Rail, working closely with WYG.

3.13 The outputs from the GRIP2 stage identified two options (below) as being worthy of further consideration, with a third potential option ‘bus enhancement measures’ being ruled out:

- Option 1: Park Barn, in the vicinity of the former Apple Tree public house (land recently redeveloped for housing purposes); and
- Option 2: Blackwell Park West of Pinks Hill Road Bridge

3.14 The GRIP2 feasibility work concluded that the Park Barn location (Option 1) is likely to provide the best set of circumstances for the provision of a new station, in terms of the number of passenger journeys and other factors relevant, and it is believed likely that this is the option that will ultimately be taken forward for further detailed consideration under the next stages (Single Option Development and then Detailed Design). However, under GRIP3 (Option Selection), the Council is required to review both potential options in more detail and then recommend and obtain ‘approval in principle’ from Network Rail to take a preferred single option through the next GRIP stages.

3.15 We therefore need, for the sake of robustness to be able to explain under GRIP3, with objective evidence, why we are choosing to take forward a particular option and to give reasoned justification as to why other options have been discounted. The Council must have sufficiently robust information to withstand challenge from any quarter as to our reasoning to go with one option rather than another, otherwise it will not get sign off for GRIP3 from Network Rail and will not be able to progress the project through to the next stage(s).

3.16 Network Rail have supplied us with a letter confirming they are content with the work undertaken under GRIP Stage 2 and that the project can progress to GRIP 3, but have asked us to revisit the outline business case as part of the next GRIP stage. This letter is included in Appendix 2.

Outline Business Case

3.17 The Outline Business Case (OBC) was developed following completion of the feasibility report. The OBC indicates that a new Guildford West station at Park Barn is considered to be feasible and demonstrates a strong strategic and economic business case. The proposed new station would increase the volume of rail passengers that could be attracted to rail services and that trains can call at the new station without requiring additional train sets to maintain the service.
3.18 Option 1 (Park Barn) location provides high value for money. Option 2 (Blackwell Park) and Option 3 (bus option) represent very poor/low respectively value for money. As such, Option 1 at Park Barn was considered likely to be the preferred option. However, as set out above, we cannot discount Option 2 at this time and further analysis needs to be undertaken under GRIP 3

**Timescales and Dependencies**

3.19 The anticipated programme for the project is shown in Table 1: Programme below.

<table>
<thead>
<tr>
<th>Item</th>
<th>Stage of Project</th>
<th>Start</th>
<th>Finish</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Development of the outline business case and client approval for project to proceed.</td>
<td>May 2016</td>
<td>Dec 2017</td>
</tr>
<tr>
<td>2</td>
<td>GRIP 2 Gateway – outputs revisit and GRIP 3 Procurement</td>
<td>May 2019</td>
<td>August 2019</td>
</tr>
<tr>
<td>3</td>
<td>GRIP 3 Option selection</td>
<td>September 2019</td>
<td>March 2020</td>
</tr>
<tr>
<td>4</td>
<td>Approval of GRIP 3 recommendations and decision on proceeding with GRIP 4</td>
<td>April 2020</td>
<td>May 2020</td>
</tr>
<tr>
<td>5</td>
<td>GRIP 4 Single Option Development</td>
<td>June 2020</td>
<td>Feb 2021</td>
</tr>
<tr>
<td>6</td>
<td>Approval of GRIP 4 recommendations and decision on proceeding with GRIP 5</td>
<td>Feb 2021</td>
<td>June 2021</td>
</tr>
<tr>
<td>7</td>
<td>GRIP 5 Detailed Design</td>
<td>June 2021</td>
<td>June 2022</td>
</tr>
<tr>
<td>8</td>
<td>Approval of GRIP 5 recommendations and decision on proceeding with Procurement of construction contractors.</td>
<td>June 2022</td>
<td>July 2022</td>
</tr>
<tr>
<td>9</td>
<td>Procurement</td>
<td>July 2022</td>
<td>Nov 2022</td>
</tr>
<tr>
<td>10</td>
<td>Approval of recommended contractor and contract signing</td>
<td>Nov 2022</td>
<td>Jan 2023</td>
</tr>
<tr>
<td>11</td>
<td>GRIP 6 to 8 Construction, Test and Commission / Scheme Handback / Project Closeout</td>
<td>Feb 2023</td>
<td>Feb 2025</td>
</tr>
</tbody>
</table>

This represents the shortest likely programme for the project and it depends on timely assessment and approvals of outputs by relevant parties at each stage of the process, availability of access to site from Landowners and Network Rail, availability of necessary track occupations (possessions) as well as availability of resources within the construction industry.

3.20 Key dependencies of the project are:

a) Royal Surrey County Hospital – who own the land adjacent to the rail line.

b) Network Rail – for land and infrastructure ownership, approvals and access.

c) Train Operating Company who will manage the station and train timetabling

d) Planning Services - obtaining planning permission

3.21 In terms of land assembly, from informal discussions that have taken place to-date it is assumed, at this time, that both the Royal Surrey County Hospital
and Network Rail would be prepared to provide the land necessary to deliver the new station at nil, or minimal, cost. However, further early engagement with both parties will be crucial to confirming their agreement to this.

Current spend

3.22 At the close of the 2018-19 financial year, the total spend on the Guildford West Rail Station project was £130,593. The costs so far have delivered the Strategic Outline Business Case, the Feasibility Report, the Outline Business Case and completed GRIP 2 study.

3.23 Including carry forwards and virements, the total revenue budget for the next stage – GRIP 3 is £150,000. Based on initial indications as to the scope of the GRIP 3 work, it is expected that this will be sufficient. It should be noted, however, that project costs can be capitalised from GRIP 4 forward.

3.24 Currently there is a provisionally approved capital budget for this project of £5.2 million. While initial computations on output from GRIP 2 indicate that potential costs for construction of the Guildford West Station could be in the range of £7 million to £10 million, these figures are based on assumptions where there is currently little detail. It is more likely that, based on other similar projects (such as Reading Green Park station), the cost will more likely fall within the £15 million to £20 million range.

3.25 A more accurate cost for the construction of the Railway Station will be provided under the GRIP 3 products, but will only begin to be refined in detail towards the end of GRIP 4. Costings will be effectively finalised with the development and approval of a complete and robust engineering design for construction purposes at the end of GRIP 5. It is therefore expected that the next major decision point for the project will be at the completion of GRIP 4, although it will be necessary to keep the Executive and other interested parties appraised of progress at regular stages throughout the process.

Next stages of the project

3.26 The next stage of the project will be to initiate and complete GRIP 3. The main output of this stage of the governance process will be the determination of a single option with stakeholder approval for that option secured through ‘approval in principle’ from Network Rail. This involves a significant amount of technical work and agreement reached with Network Rail as to the specific ‘products’ they expect to be advanced under GRIP 3.

3.27 A number of available procurement options to deliver GRIP 3 are currently being explored. Indicative costings for this stage are in the region of £120,000 to £150,000. These options include, but are not limited to:

a) Network Rail delivering this stage under a direct award basic services contract
b) A mini competition or direct award under a framework
c) An open tender process.

A procurement specification is currently being developed based on the output of GRIP 2.
4. **Consultations**

4.1 Widespread stakeholder engagement has already taken place with councillors, Network Rail, train operating companies, RSCH, University of Surrey, the Surrey Research Park and neighbouring authorities. This will continue along with public consultation prior to any planning submission.

4.2 Further public consultation should be undertaken under GRIP 4. Full consultation will also be undertaken as part of the planning process and the Planning Committee will consider any representations.

5. **Executive Advisory Board comment**

5.1 This report has not been taken to an Executive Advisory Board.

6. **Equality and Diversity Implications**

6.1 No specific equality and diversity implications have been identified at this time. A full Equalities Impact Assessment will be required under a later GRIP Stage.

7. **Financial Implications**

7.1 There is £150,000 of revenue allocated to this project under the Major Projects budget for 2019-20, and a further £5.2 million provisional capital budget already previously assigned to this project (this is comprised of £1.45 million funding from the Council and £3.75 million from anticipated grants and other contributions, still to be sourced). In order to allow for a smooth transition into GRIP 4 following a successful GRIP 3, and to ensure that any delay is mitigated, it is thought prudent at this stage to request a transfer of £500,000 from the provisional capital budget of £5.2 million to the approved programme.

7.2 As stated in paragraph 3.19 above additional capital budget will be required to complete the project. The extent of this is unlikely to be known until the end of GRIP 4. Likely sources for this additional capital are yet to be explored, but will involve necessary and proportionate contributions from developers under S106/CIL and could include potential grants from DfT, the EM3 Local Enterprise Partnership and other external funding sources.

8. **Legal Implications**

8.1 No specific legal implications have been identified at this stage and will be dependent on the procurement strategy. The project manager is actively liaising with the Legal and Procurement teams.

9. **Human Resource Implications**

9.1 No human resource implications have been identified. The project is managed from within the Major Projects Team (MPT) and the associated employee related expenditure currently falls within the approved 2019-20 MPT revenue budgetary provision.
Summary of Options

<table>
<thead>
<tr>
<th>Number</th>
<th>Option description</th>
<th>Key implications</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>‘Do nothing’</td>
<td>This option was rejected because it would not address fundamental local issues with the strategic and local highway that will preclude growth at the University, Hospital and Research Park and would not deliver any local social or economic benefits to the Park Barn area.</td>
</tr>
<tr>
<td>1</td>
<td>Park Barn at the former Apple Tree public house</td>
<td>The eastern site is close to the Egerton Road overbridge. It is located immediately to the north of the existing hospital car park and would be accessed from Egerton Road. It has good footpath and cycle links through the local area, including to the hospital, local schools, shops and the Research Park. Pedestrian and cycle access would also be provided from the site of the former Apple Tree public house across the railway to the hospital car park. Concerns were initially identified regarding engineering constraints in this location, including track gradient and curvature, but these have been addressed to the satisfaction of Network Rail under the GRIP2 stage engineering report. The Strategic Outline Business Case indicated that the site next to the RSCH is the optimal option in terms of likely passenger demand and locational benefits and this is the option that has been included as a proposed allocation in the Submission Local Plan.</td>
</tr>
<tr>
<td>2</td>
<td>Blackwell Park west of Pinks Hill road bridge</td>
<td>The Pink's Hill site was adjacent to Blackwell Farm, which has been allocated as a strategic development site. It is immediately west of the existing Surrey Research Park and the University of Surrey's Manor Park Campus. It is linked to both with a series of footpaths.</td>
</tr>
<tr>
<td>3</td>
<td>Bus route</td>
<td>A low cost bus service enhancement has a low Benefit-Cost Ratio (BCR) and is considered to represent poor value for money. This option was therefore rejected.</td>
</tr>
</tbody>
</table>

Conclusion

11.1 There is a strong case for delivering a new railway station to the west of Guildford and initial work undertaken in accordance with Network Rail’s ‘Governance for Rail Investment Projects’ (GRIP) process indicates that it is feasible to provide such a station in this location. If the Council wishes to
progress this station towards delivery, it is necessary to continue through the remaining GRIP stages (3 to 8 inclusive).

11.2 As stated in the GRIP 2 Stage Outline Business Case, construction of the Guildford West Rail Station will provide significant benefits to the area. A location in Park Barn has been presently identified, as the option that will provide the best solution, but this, and, other options, needs to be properly assessed under Network Rail's GRIP Stage 3 before a single option is selected for taking forward to the option development and detailed design phases. Network Rail sign-off will be required at the completion of each stage before the next can be commenced.

12. Background Papers

The following background papers are relevant to this report:

- GRIP 2 - Feasibility Report
- Outline Business Case

13. Appendices

Appendix 1: Network Map (North Downs Line) and Network Rail Grip Stages
Appendix 2: Letter from Network Rail – Progression to GRIP 3.