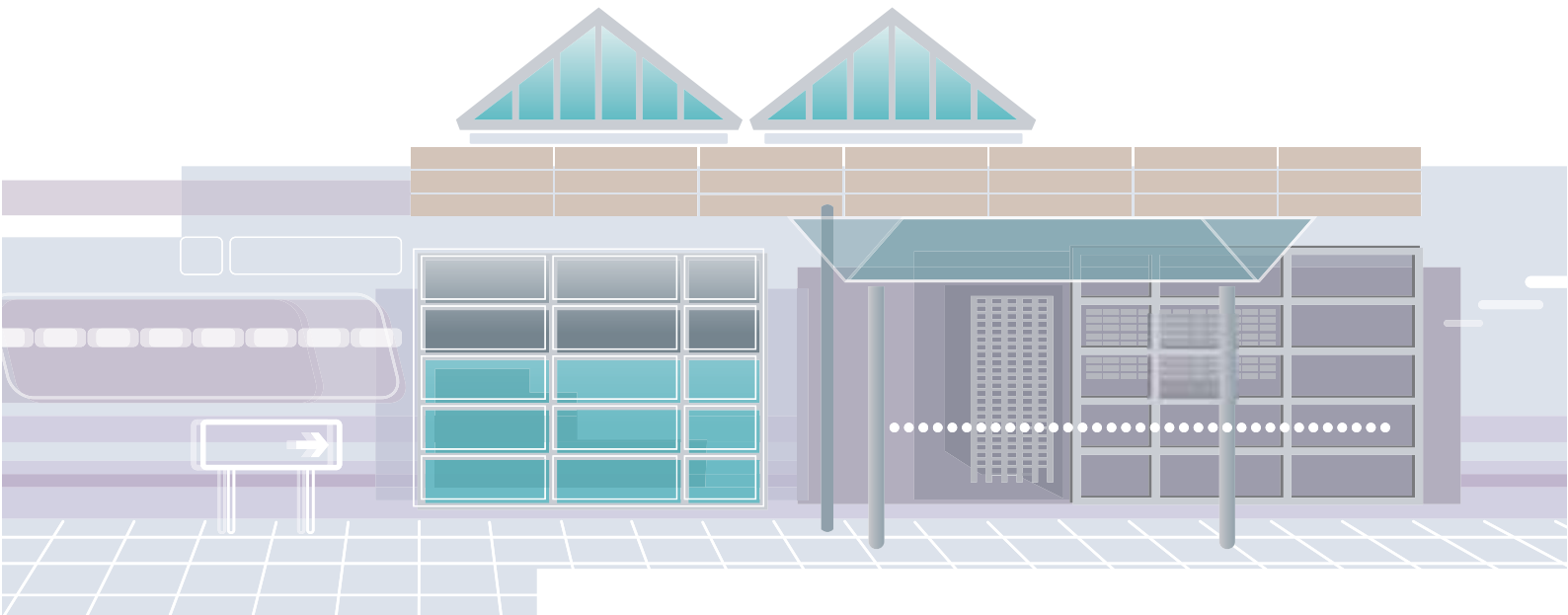


# **New Stations:**

## A Guide for Promoters



**September 2004**

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## Foreword

Stations are the gateway to the National Rail network. Yet station locations often reflect demands set in the 19th century. As new houses are built, as urban areas expand and as new industrial areas develop new stations are proposed to provide additional access to railway services.

The SRA supports the provision of additional stations where it is realistic and feasible to do so, and where this benefits both the community and the railway. However, the SRA is also required to ensure that public investment in the railway provides value for money. In a period when resources are constrained, affordability must also be considered.

This guidance document has been developed by the SRA with industry partners as the planning of new stations involves issues relevant to a number of organisations. A number of other stakeholders have advised on the document's contents and we thank them for their useful advice and input.

Over 350 new stations proposals are currently in existence, ranging in the level of development from fully assessed and appraised schemes to high level aspirations. The SRA wants to ensure that before promoters and developers spend significant sums of money developing proposals assessment is made of the viability of the proposal, taking into account all the issues relating both to the railway and to broader transport policy needs.

A large number of station proposals will not be acceptable to the industry. This guidance note should highlight the pitfalls that need to be considered, and sets out a process to highlight early in the inception process when a station is likely to be unacceptable.

The key aim of the document is to set out the approach that developers, local authorities and other interested parties should follow when engaging with the industry on new station proposals, to allow a consistent and realistic assessment of all aspects of such proposals. Delivering new stations is a complex challenge. The SRA wants to encourage best practice so that practical, beneficial and deliverable proposals are brought forward and supported across the industry.

The document details the main issues involved in this initiative, and sets out a process for the development of station ideas from project inception through to implementation. Every station proposal will be different, but this document aims to bring clarity to the process, and highlights when the SRA will engage with promoters on new station proposals.



**Richard Bowker**  
**Chairman and Chief Executive**  
**Strategic Rail Authority**  
**September 2004**

## Preface

1. The rail industry is committed to good planning. The SRA's function is to deliver increased use of Britain's railways and ensure that the rail industry is securely financed. Network Rail's objective is to maintain and deliver the railway infrastructure at a high and improving level of performance; good planning is a prerequisite to the delivery of these goals.
2. The promotion of a new station proposal will involve a number of industry participants. Before a proposal can proceed the support of the rail industry must be obtained. In many cases initial development work will lead to the conclusion that investment is better directed into existing railway facilities. There will be a need to liaise with and gain the support of Network Rail, Train Operating Companies (TOCs) and the Office of Rail Regulation (ORR), amongst others. The support of the public sector (SRA/DfT etc) will also be required. This guidance has been produced to help promoters develop proposals for new stations in a timely and efficient manner.
3. This guidance document has been produced for promoters of new railway stations and those with an interest in land-use and transport planning. The target audience for this guidance is:
  - Local Authorities and Passenger Transport Authorities/Executives (PTAs/PTEs) which, as authorities with statutory responsibilities for public transport, may wish to promote new railway stations as part of either the English and Welsh Local Transport Plan process or Scottish Local Transport Strategy process;
  - Local Authorities with land use planning responsibilities preparing Development Plans (or their successor documents) and other planning documents, or which are determining planning applications for which a new station proposal may be a material consideration;
  - Regional Assemblies and Regional Development Agencies which may propose new stations as part of a Regional Transport Strategy or Regional Economic Strategy or forthcoming Regional Spatial Strategy;
  - Developers who may be seeking to promote a new station as an integral part of a wider commercial land-use development proposal; and
  - Other interested public sector and non-governmental organisations that may wish to influence local, regional or national transport decisions with respect to new station proposals.
4. The SRA encourages proposals for new stations that will contribute to meeting its wider goals and objectives; which provide value-for-money and are affordable to the rail industry. It also encourages schemes that support and are consistent with other SRA policies, such as its policy towards capacity utilisation. In most cases the SRA will only normally support new stations which improve the long term financial standing of the railway industry.

5. The SRA and Network Rail will themselves bring forward proposals to enhance the capabilities of the railway, including new stations, to meet these objectives within value-for-money and affordability constraints.
6. Network Rail is a 'not for dividend' organisation responsible for the delivery and ongoing maintenance of the national rail network to ensure that performance standards are met. Accordingly proposals for new stations will need to demonstrate that their impact on performance does not compromise Network Rail's objectives and obligations to its customers.
7. In the context of this guidance document, a new station is defined as being proposed for a site where currently there is no operational station. It covers proposals for relocating existing stations (i.e. constructing a new station, but closing an existing one) if such proposals require modifications to the established timetable, capital spend on the permanent way and/or signalling and telecommunications equipment. For the purpose of this guidance, a re-opening of a closed station is considered as a new station proposal.
8. This guidance does not apply to works on existing stations that do not affect the timetable, permanent way or signalling and telecommunications equipment, or which are commercial property development projects within existing stations. It does not apply to new station proposals that are an integral part of a larger major rail project, for example proposals for the reopening of a disused or freight-only line or the construction of a new route. Such station proposals would be considered as part of the wider case for those schemes. However, many of the issues raised in this guidance are applicable in these circumstances.
9. It is important to note that this is a guidance document. It does not establish policy. It is a collation of existing policy and it identifies good practice. It codifies the approach that the SRA will take to the development of new stations. It sets out the process that the promoters should take to engage both the SRA and Network Rail in discussions about their proposition.
10. This guidance should be read in conjunction with the SRA's Directions and Guidance from the Secretary of State for Transport, the Scottish Ministers and the Mayor of London, all of which are updated from time to time. Of the SRA's established policy documents two are of particular relevance, the *Appraisal Criteria* and the *Capacity Utilisation Policy*. These policy documents have primacy over this guidance.
11. The guidance has been prepared by the SRA with support from Network Rail, the Office of Rail Regulation and other partner organisations. It is intended that the guidance will be updated from time to time, as and when there is a requirement to do so.

## Industry Review

The Secretary of State announced a new streamlined structure for the rail industry in the White Paper "The Future of Rail" which was published on 15 July 2004.

The Government will take charge of setting the strategy for the railways. It will have clear agreements with each part of the industry, set levels of public expenditure and take decisions on what it should buy. The SRA will be closed and its strategic functions and financial obligations moved to the Department for Transport.

The Office of Rail Regulation will take responsibility for independently regulating safety, performance and cost. Network Rail will be given a stronger role as network operator, putting it in charge of industry planning, timetables and co-ordinating service recovery. Track and train companies will work more closely together. In time the number of franchises will be reduced and aligned more closely with Network Rail's regional structure. There will be greater clarity of roles and incentives will be aligned.

There will be an increased role for the Scottish Executive, the Welsh Assembly Government and the Government and the London Mayor, and more local decision-making in England: They will be given increased flexibility over passenger service specification and, where appropriate, infrastructure.

A number of these changes will require primary legislation, notably the closure of the SRA, the transfer of safety regulation from HSE, and proposals relating to devolved decision-making. The Government will implement these changes as soon as Parliamentary time permits.

The SRA is aware, however, of the large number of new station proposals that exist, and the pressure from developers and local authorities for the rail industry to engage in these proposals, especially given aspirations within the sustainable transport agenda.

Promoters of new stations must remain aware of the main issues that must be considered and assessed. The principals in this document are applicable irrespective of changes to the institutional structure of the railway. The process of detailed implementation will change as new responsibilities are established.

This guidance has been developed closely with Network Rail and the SRA has held discussions with other interested parties (Scottish Executive, Welsh Assembly Government, representatives of English Regional Assemblies and Development Agencies, TfL, County Councils, PTEs and developers). The production of this document has been welcomed by private and public sectors alike.

# 1 Introduction and context

- 1.1** The rail industry encourages and supports the development of robust and affordable proposals for new stations. In publishing this guidance document it provides a framework for the development of proposals for new stations. Public and private sector bodies that may wish to promote new stations will be assisted towards ensuring that their proposals meet rail industry requirements. In many cases initial development work will lead to the conclusion that investment is better directed into existing railway facilities.
- 1.2** New stations can contribute to achieving the Government's objectives for transport. Well-planned station proposals can promote increased use of the rail network, resulting in economic benefits to users and non-users alike, as well as strengthening the financial performance of the railway. Proposals may provide environmental benefits, for example a potential reduction in emissions from road traffic. There are also potential safety benefits through encouraging modal shift to an inherently safer form of transport than the private car, and new stations can promote improved accessibility and transport integration.
- 1.3** New stations can also contribute to the achievement of local objectives and targets, such as those set out by English and Welsh local authorities in Local Transport Plans (LTPs) and in Scotland Local Transport Strategies (LTSS) and Strathclyde PTE's Public Transport Strategy, as well as local land use planning and development frameworks.
- 1.4** Proposals for new stations must offer value-for-money and they must be affordable. They may also have an impact on network capacity and the operation of existing passenger and freight services. Where appropriate, promoters of new stations should consider private sources of funding including but not limited to Section 106<sup>1</sup> or equivalent monies. Even where a station is identified through the town planning process it will still be necessary to apply the tests set out in this document before the SRA can endorse the proposal.
- 1.5** Proposals for new stations must be accompanied by a robust assessment of their costs, both capital costs associated with construction and ongoing operating costs including maintenance and renewals. The long term impacts of station proposals on rail industry finances, even where stations are provided free to the industry, will need to be carefully considered. Proposals may have disbenefits associated with them, for example the impact of an additional stop lengthening journey times for existing passengers. The environmental consequences of constructing a new station may also result in disbenefit. It is vital that a rigorous process is used to assess both benefits and disbenefits and so establish whether a new station proposal is viable.
- 1.6** New station proposals must not have a negative effect on network performance. The rail industry is focused on ensuring that punctuality and reliability improve and proposals must take this into account. Increasingly rigorous analysis is necessary as proposals develop.

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<sup>1</sup> Town and Country Planning Act 1990

- 1.7** The SRA is keen to encourage new station schemes that accentuate the advantages of the rail network and focus on what the network does best. In that context, in the SRA's view schemes that encourage very short distance commuting by rail need to be carefully assessed against other public transport options that may provide more cost effective solutions.
- 1.8** The intention in providing this guidance is to ensure that promoters are properly equipped to develop new station proposals that meet the requirements for SRA support and which are approved by key players in the rail industry, such as Network Rail, HMRI, etc. It should be noted that in general SRA support for a new station proposal does not indicate that the SRA would fund such a proposal.
- 1.9** Through providing this framework, the SRA's intention is to encourage promoters to identify at an early stage, and in a cost-effective way, proposals that are unlikely to meet with approval. This will provide an opportunity to modify proposals or to identify alternative approaches to meeting their objectives through the use of other modes of public transport including bus, light rail or demand management measures.

### **Scope and applicability of guidance**

The guidance in this document is based around established SRA policy.

The Secretary of State's Directions and Guidance also refer to a number of strategy and policy documents on which the SRA must consult and for which it must obtain the approval of the Secretary of State. This guidance does not form such a strategy or policy. Such strategy and policy documents have primacy over this guidance. Relevant documents include the *SRA's Appraisal Criteria* and *Capacity Utilisation Policy*.

The guidance in this document applies to all new stations proposed on the existing national rail network. A new station may be a new-build proposal; the relocation of an existing station to a new site that requires capital spend on the permanent way and/or signalling and telecommunications equipment and/or modification of the timetable. Similarly the guidance extends to substantial development of stations on existing sites that affect the operational railway and/or the timetable.

The Scottish Executive and the SRA work in partnership in Scotland to promote and develop railways. The Scottish Executive provides Directions and Guidance to the SRA in relation to the Scotrail Franchise and sets its priorities for transport investment in Scotland. In Scotland the Executive uses a separate but similar approach to the SRA to appraise transport schemes. The process is set out in Scottish Transport Appraisal Guidance (STAG). Where appropriate, the Executive and the Authority will jointly review appraisal outputs to ensure that there is a common understanding of the costs and benefits of the proposed station, compliant with the Scottish Executive's requirements, given in this document. The SRA will advise the Scottish Executive on new station proposals in accordance with this guidance.

Given their statutory planning role and their role in coordinating and promoting public transport and as co-signatories to the Franchise Agreement, the SRA will also advise and consult with PTEs on station proposals as they develop. The Authority would expect a similar development process to apply.

The SRA also works with Transport for London (TfL) to provide rail services in London. TfL as an executive agency of the Greater London Assembly works to deliver the policies of the Mayor as described in The Mayor's Transport Strategy. Promoters wishing to develop proposals for stations within the TfL area should involve TfL at an appropriate stage.

## Role of the SRA

- 1.10 The SRA has a statutory duty to ensure that public investment in the railway provides value for money. It also has a duty to contribute to the delivery of the Government's transport objectives and to improve the reliability of the railway.
- 1.11 The explicit support of the SRA is required to implement a new station on the national rail network. In many cases, it will be necessary to incorporate the proposed station into a relevant train operator's franchise. To do this requires the agreement and involvement of the SRA. The SRA is the operator of last resort in the event of a failed franchise and as such any proposal to increase the scope of the rail network creates a contingent liability that may fall to the SRA.
- 1.12 In producing this guidance, the SRA anticipates that promoters will develop proposals that will allow the SRA to prioritise resources to achieve its objectives and which are affordable.

## Role of Network Rail

- 1.13 Network Rail operates, maintains and renews every aspect of the railway infrastructure. Condition 7 of its Network Licence, which relates to stewardship of the network, requires Network Rail to take such steps as are necessary or expedient to secure the operation and maintenance of the network, the renewal and replacement of the network and the improvement, enhancement and development of the network, so as to satisfy the reasonable requirements of its customers and funders in respect of the quality and capability of the network.

## Appraisal Criteria

- 1.14 The SRA's *Appraisal Criteria* set out the approach used to appraise proposals for changes to publicly-supported rail services and the criteria that will be applied to set priorities and allocate funds available to the SRA. They reflect the SRA's statutory obligation to secure

value-for-money from its expenditure. The *Appraisal Criteria* have been approved by the Secretary of State for Transport.

- 1.15** All new station proposals that require SRA funding and/or support require a compliant appraisal. Any proposal that does not require funding from the SRA must also be appraised in accordance with the *Appraisal Criteria* guidance to allow the SRA to be satisfied that the impacts on all rail passengers or freight movements are identified, understood and deemed acceptable.
- 1.16** The *Appraisal Criteria* require explicit consideration of the contribution of new stations to the attainment of each of the Government's five objectives defined in *A New Deal For Transport – Better For Everyone*. Central to the appraisal is a consideration of the affordability and value-for-money offered by the proposal, and this will be a key determinant of the SRA's support (or otherwise) for any new station proposals. Subject to demonstrating a fit with wider national and local government policy, and the SRA's policies, especially those relating to capacity utilisation, proposals that minimise calls on the public purse in general and SRA finances in particular will, in general, be favoured over those that require substantial public investment.
- 1.17** Projects that maximise the economic return on the SRA and public investment, when assessed under the *Appraisal Criteria*, are more likely to be supported.

## **Capacity Utilisation Policy**

- 1.18** The *Capacity Utilisation Policy* was produced to facilitate the SRA's obligation to promote a more reliable and punctual railway. In recent years there has been a significant growth in the number of services operating on the rail network. It recognises that past decisions have not always resulted in the best use of the limited capacity available. It sets out the SRA's approach to the trade-off it faces in balancing service provision, maintenance access and performance levels.
- 1.19** An integral part of the *Capacity Utilisation Policy* is the *Network Utilisation Strategy*. It sets out how the SRA will apply the principles of the *Capacity Utilisation Policy*. This includes planning assumptions on future demand growth, and a Long Distance Statement setting out the SRA's working assumptions on freight and passenger levels until 2011. The Long Distance Statement contains an overview of the capacity and service provision on strategic routes. Promoters of new stations should be aware of these planning assumptions and as such new station should be designed to accommodate future levels of passenger use.
- 1.20** The capacity on any line is determined through a complex combination of factors, including the number of tracks available, the signalling system in use and the location and spacing of signals, the speed at which different types of trains can operate, the types of rolling stock used and their different performance characteristics, the distance between stations and the stopping patterns of passenger services. A new station can have an impact on some or all of these and will therefore affect overall route capacity.

- 1.21** Evaluating the impact of a new station proposal on network capacity will be a key component of the promotion process. Unless other benefits are very significant, the SRA will not normally support proposals that result in a reduction in the capacity, or impact on the performance of, highly-utilised sections of the rail network, unless mitigating measures are costed and included within the business case for the scheme. Potential new stations on more lightly-used sections of the network are more likely to be acceptable in terms of operational performance.

## **The planning process**

- 1.22** The SRA is developing *Regional Planning Assessments* (RPAs) as part of its wider planning process. These will apply to each of the English regions as well as to Scotland and Wales. The South East of England will be sub-divided into three studies reflecting the geography of the rail network. Each RPA will establish what are the core functions of the railway in a region and how these should evolve in the future. They will also set out the priority passenger and freight markets, and what levels of capacity, frequency and journey times are justifiable. They will give the SRA's view of the best way of achieving these, including potential areas for capital investment. The programme will be complete in winter 2005.
- 1.23** The RPAs will look ahead over a 20-year planning horizon. While they will prioritise options for investment, it is unlikely that the RPAs will comment on the acceptability or otherwise of specific new station proposals. They will provide a guide to the routes on which proposals are more likely to be acceptable and the markets that they should be seeking to serve.
- 1.24** To inform decisions on capacity utilisation on a number of key routes, the SRA is developing Route Utilisation Strategies. These are daughter documents of the *Capacity Utilisation Policy* and focus on the short to medium term (three to ten years) railway service provision. They are particularly focused on corridors where network capacity is constrained and where there is pressure for further development of rail services.
- 1.25** If a Route Utilisation Strategy has been completed for an area where a promoter is proposing a new station, it will be an important source document to establish whether there is likely to be sufficient capacity to provide a service. The existence of a Route Utilisation Strategy does not remove the obligation on promoters to consider the impact of a proposal on network capacity, but does provide a framework within which to consider whether capacity exists.
- 1.26** Promoters will be required to demonstrate, on a case-by-case basis, that their proposal is consistent with national, regional and local policy considerations for transport as a whole and the rail network in particular.
- 1.27** Details on the timetable for the production of each Route Utilisation Strategy and Regional Planning Assessment can be found on the SRA website ([www.sra.gov.uk](http://www.sra.gov.uk)).

## **2 New railway stations: general principles**

- 2.1** Since rail privatisation began in 1994, a number of new stations have been opened on the national rail network. This chapter sets out the industry's approach to new station proposals in the light of experience gained, and offers general guidance to promoters.
- 2.2** In order for a new station proposal to receive general endorsement, there are a number of key issues that need to be addressed. Promoters must consider all aspects of their proposal, at a level of detail consistent with the stage of project development. In some cases these issues may present major obstacles to progressing a proposal and promoters should be careful to develop a comprehensive approach from the inception of any proposal. In many cases initial development work will lead to the conclusion that investment is better directed into existing railway facilities.

### **Industry structure**

- 2.3** The national rail network is owned and operated by Network Rail. Licensed Train Operating Companies (TOCs) and open access Freight Operating Companies (FOCs) operate passenger and freight services across the network. In a few cases franchised services operate over infrastructure owned by London Underground Ltd. In addition there are open access passenger operators who provide non-franchised rail services on the national rail network, including Hull Trains and Heathrow Express.
- 2.4** Relationships between these bodies are set out in a number of contracts governing rights of access to the rail network as well as undertakings to maintain and operate the network. The delivery of a new station will require the co-operation of these bodies with the project promoter as well as changes to the existing contractual relationships.
- 2.5** Many aspects of the relationships between Network Rail, TOCs, FOCs, the SRA and the Office of Rail Regulation are determined by legislation. Any proposal for the delivery of a new station must comply with relevant legislation. Further details of these are contained in Appendix A and are subject to change following the implementation of the Government's Railways White Paper.

### **The role of a new station: access**

- 2.6** A railway station is the point of passenger access to the rail network, or a point at which passengers change between services. It can provide information and be a location for the sale of tickets.
- 2.7** A well-sited new station can increase the catchment area and attractiveness of the railway system to the benefit of local communities. In order for the proposal to progress it is

necessary for the catchment area to provide sufficient new traffic for a positive business case to be made for station provision.

- 2.8** Strategically-located new stations, such as those provided within easy reach of the trunk road network, can provide opportunities to provide park-and-ride facilities. For example, the new Warwick Parkway station, completed in October 2000, provides both park-and-ride facilities and congestion relief for strategic roads including the M40 and M42.
- 2.9** Proposals for new stations must comply with cross-industry design standards designed to ensure that they are safe, secure and accessible to all. The relevant standards are outlined in Chapter 5. Promoters are responsible for ensuring that station design is compliant with these standards.



**Warwick Parkway: Photograph courtesy of Chiltern Railways**

## **The role of a new station: supporting sustainable development**

- 2.10** In the right circumstances, new stations can form a component of a sustainable transport strategy that supports land use development. There have been a number of proposals put forward to construct new rail stations to serve new developments.
- 2.11** For investment in the rail network to offer value-for-money and to deliver transport benefits that support land use development, the development under consideration would normally have to be of a scale to generate a significant number of rail trips with a pattern of movement that can best be catered for the services provided on the national rail network. Rail services are amongst the most costly forms of all public transport provision. It must be demonstrated that investment in the railway network is the most appropriate solution and that other, lower cost, measures do not deliver the required service more cost effectively. In many instances,

developments may be better served by other modes of public transport such as bus, light rail or community transport. These could provide public transport access to an existing station on the rail network.

- 2.12** Promoters bringing forward proposals for new stations as part of wider developments will be expected to demonstrate that they have examined alternative means of providing public transport access, and that the new station proposal represents the optimal means of delivering public transport access.
- 2.13** The re-opening of Chandlers Ford station in 2003 is an example of where rail service provision can provide support for wider development. The area has grown significantly since train services were withdrawn in 1970, and there are approximately 23,000 people living within a 15-minute radius (driving or walking) of the station. Local bus services serve the station, and car parking and cycle storage facilities have been provided. This was part-funded by the RPP scheme, and involved substantial contributions from Hampshire County Council and the SRA.

### **The role of a new station: improving value-for-money from rail**

- 2.14** The opening of new stations can contribute to the overall value-for-money offered by the railway. New stations to serve major land use developments can open up new and profitable markets for rail services. In some instances parts of the rail network are served by two closely located stations, which, given changing patterns of demand, are no longer appropriately sited to serve the local community. In such circumstance new stations have a role to play in providing a more appropriate transport solution.
- 2.15** Where the construction of a new station will result in the closure of an existing station or stations the statutory station closure procedures will need to be followed. These are defined by the Railways Act 1993 and the Transport Act 2000. The final decision on closure is taken by the Secretary of State for Transport.

### **Overall viability**

- 2.16** Promoters wishing to bring forward proposals for new stations need to consider a wide range of issues. These include whether or not there is a viable demand for a station, whether it is feasible to provide a train service to the station without affecting performance and the technical and engineering aspects of station design. Only if a proposal is both technically feasible and affordable should development work proceed.
- 2.17** Promoters of new stations should develop their options at an appropriate level of detail commensurate with the stage at which the evaluation has reached. The option development process is set out in the detailed guidance chapters that follow.

## Commercial issues

- 2.18** A new station's location must be considered both in relation to its traffic-generating potential and its proximity to existing stations. If the principal source of traffic at a new station is likely to be passengers abstracted from a current station, it is unlikely that there will be a viable business case. If there is the potential for generating increased demand, for example through improving park-and-ride access to the network, or through a development project, then a better business case may be made. Developers should also consider opportunities to build in retail facilities into station designs, where appropriate, to enhance commercial returns and the associated business case.
- 2.19** Proposals for new stations that are too close to existing stations may also pose capacity and performance challenges. Promoters should consider whether alternative access to the network is possible, such as bus links or demand-responsive transport, and whether this would offer better value-for-money.
- 2.20** Stations that generate new traffic have been successful. These include Dunfermline Queen Margaret, opened on the Fife Circle line in 2002, providing access to significant new housing and commercial developments. Warwick Parkway relieves pressure on limited car parking facilities at Leamington Spa and Warwick in addition to providing road congestion relief. The initial service level has been doubled to two trains per hour.

## Station location

- 2.21** Promoters must take into account whether a suitable station site exists. A new station will require sufficient land for platforms, any station buildings and facilities and access for passengers, as well as potentially a car park. There may be modifications required to highways to provide access to the station site and for cars and for interchange with other public transport modes.
- 2.22** In promoting a new station, land ownership issues must be addressed. In many cases, there is insufficient land within Network Rail ownership to provide a suitable footprint for a station. Therefore it may be necessary to purchase additional land.
- 2.23** A site may not be suitable for station construction if it does not meet Railway Group Standards. If the railway is on a gradient greater than 1 in 500, or the potential site is on a curved section of track, then modifications may be needed to the infrastructure that incur significant costs over and above station construction. A proposed site in a cutting or on an embankment may be expensive and pose major accessibility issues.
- 2.24** Under Section 207 of the Transport Act 2000 the SRA, in exercising its functions, must have regard to the interest of persons who are disabled. The SRA's policy in this area is outlined within its Code of Practice: *Train and Station Services for Disabled Passengers* which is available on the SRA's website.

- 2.25** If a station is proposed on a double-track railway, best practice is, where feasible, to locate it adjacent to an existing road overbridge or underbridge, where appropriate. This will assist in providing access to the platforms without the additional expense of providing a DDA-compliant footbridge to cross between platforms.
- 2.26** Information on the physical characteristics of the railway network is available from Network Rail.

## **Operational, infrastructure and performance issues**

- 2.27** In many cases, the provision of a new station cannot be achieved without work to alter signalling or the permanent way. In some circumstances the provision of additional capacity may be required. The railway is a complex system and such work may not be confined to the immediate vicinity of the station site in order to provide sufficient capacity and operational resilience.
- 2.28** New station construction may require disruption to existing rail services due to the need for engineering possessions. Possessions to undertake regular maintenance are planned in advance by Network Rail and may provide opportunities for engineering access to allow station construction and associated activities. These are typically of a relatively short duration, and although promoters are encouraged to devise a construction strategy and schedule that makes best use of pre-existing possessions, certain construction activities may not be feasible within the timeframes they provide.
- 2.29** Possessions to deliver enhancements require cross-industry collaboration and compensation to be paid to relevant passenger and freight operators to compensate for revenue lost during disruption. A long lead time (up to 18 months) is required to allow alternative arrangements to be made and for information on associated service changes to be communicated to passenger and freight users.
- 2.30** Most new stations are promoted on the basis that train services will be provided through additional stops in existing train services. If a service already exists, it cannot be assumed that there will be rolling stock or track capacity available that will allow a new station to be served. If additional resources are required it is less likely that the proposal will offer value-for-money to the public sector, given the additional costs involved.
- 2.31** In some cases, there is no existing passenger service. Chandlers Ford is situated on the route between Romsey and Eastleigh, which had previously been used for freight traffic, a vestigial passenger service and engineering diversions. Funding was required for leasing an additional train to allow the extension of an existing local stopping service from Eastleigh to Southampton Central, providing a through service between Romsey and Totton via Eastleigh. In such circumstances where new train services are required to serve a station, these will also need to be funded and justified in addition to the cost associated with the station itself.

- 2.32** New stations may extend journey time for existing passengers. Extra costs are incurred by the TOC as a result of extended journey times, increased costs for fuel and higher wear on train moving parts. New stations may also increase crowding on train services. On routes where there is already a crowding problem, or where journey times are extended to provide services at a new station, a requirement for additional rolling stock will arise. This may result in additional costs being incurred, and indeed being required elsewhere on the network. Promoters must consider the impact of additional stops on current rail passengers and the financial consequences on TOCs.
- 2.33** The addition of a station to the rail network will affect its capacity. The design of all railway signalling systems ensures that only one train occupies a section of track at any one time. These are referred to as block lengths. Line speed and traction characteristics determine the theoretical capacity of a route. Introducing new station stops will increase the time that a train spends in a block or will require the provision of additional signalling to increase the number of block lengths. In both instances, overall capacity on a route can be degraded. If a railway is operating near its limit of capacity this could cause performance and reliability problems. Capacity issues can be overcome through revisions to signalling systems, and provision of extra capacity, but these can add a substantial cost to a new station project, which will impact on its affordability and value-for-money.
- 2.34** The CUP and, in some cases, the RUS programme provides an overview of the capacity of the system, both available and currently used.
- 2.35** The SRA has recently consulted (February 2004) a strategy for Community Railways for publication later this year. Development of new stations on such routes will need to follow the same approach as noted within the guidance note. However, it is likely that the railways designated as community railways will have fewer capacity issues to resolve or conflict with other services, be they passenger or freight. It is also likely that the standards applied to community rail routes will be more appropriate to the route and thus costs associated with development on such routes will be lower, potentially reducing the cost of the development.



**Chandler's Ford: Photograph courtesy of South West Trains**

## Station cost issues

- 2.36** A new station will result in additional costs for the rail industry. All buildings and systems require ongoing maintenance, repair and, from time to time, renewal. Services such as lighting, CCTV, customer information systems and other station facilities consume power. Provision of information and station administration is not costless. If a station is to be permanently staffed then this also incurs a cost.
- 2.37** The funding model adopted for a station will determine which party has responsibility for ongoing costs, since operating costs for a station usually include some form of station access charge (the charge levied by the station owner on those train operators using that station). If the station is funded by capital grant from developers, local authorities etc, it is likely that the access charges will be low, reflecting the fact that capital costs do not need to be repaid. If however, Network Rail or a third party fund the station these costs will need to be recouped and will be reflected in access charges.
- 2.38** Ticket sales can be carried out in one of three ways. The simplest solution is for tickets to be sold by on-train staff, but this requires a relatively low density of passengers and sufficient time between station stops for ticket sales and revenue protection. The provision of a ticket office requires a staff presence, which incurs a cost in respect of operating costs and of the provision of a safe and secure working environment for staff. The use of ticket vending machines may appear to reduce the ongoing costs of station operation; however they require servicing and maintenance as well as surveillance and monitoring.
- 2.39** Staffing requirements may also be constrained if there is a Penalty Fares regime operated by the Station Facility Owner and applicable to the services that may call at the station. Guidance on Penalty Fares regimes is available through the SRA website ([www.sra.gov.uk](http://www.sra.gov.uk)).
- 2.40** Any cost estimate employed in a business case must reflect the specification of the proposed station and should include allowances for the whole life costs. The specification and costing of the station should be appropriate for the transportation benefits that the station is forecast to generate. This must include the cost of providing full accessibility.
- 2.41** The Office of Rail Regulation issues licences for the operation of stations (a Station Licence). Operation of passenger services requires a Passenger Licence. In addition to an annual licence fee the licenses contain obligations that need to be costed as part of the overall scheme. Further details can be obtained from the ORR's website ([www.rail-reg.gov.uk](http://www.rail-reg.gov.uk)).

## Project funding and management

- 2.42** Promoters should expect to fund project development activity, including the input of Network Rail. Network Rail's involvement is governed by the Dependent Persons' Code of Practice, available on their website.

- 2.43** For a new station proposal to proceed to implementation, funding will need to be in place both for construction and ongoing operational costs (especially where a station operates at a loss for the first few years of operation). The availability of funds from the SRA and other public sector sources is likely to be limited and will be subject to value-for-money and affordability tests, as outlined above. The SRA's overall endorsement of a station proposal does not indicate that the SRA would itself be willing or able to fund that station.
- 2.44** A commercially viable proposal will not require SRA funding. For instance Warwick Parkway was financed by M40 Trains (Chiltern Railways' parent company, part of the Laing Group), Railtrack and Warwickshire County Council. The station was constructed by a private contractor (also part of Laing), with Railtrack carrying out minor modifications to the railway infrastructure. The level of service calling at the station was set out in the franchise agreement to guarantee the ongoing role of the station.
- 2.45** There is no single model that can be applied for funding and project management.

### **The SRA's view on new station proposals**

The SRA believes that well-planned new stations can contribute towards its objective of increasing the use of the rail network, and to improving the financial standing of the railway industry.

All new station proposals on the national rail network require SRA approval whether or not SRA funds are required as their impact may increase industry costs, including those of providing franchised passenger train services.

New station proposals will only be approved if it can be demonstrated that they provide value-for-money and do not adversely affect the reliability and punctuality of passenger and freight services. Proposals must be affordable.

Consequently, the SRA believes that it is important for promoters of new stations to consider at an early stage the impact that their proposals have on network capacity and performance. The SRA also recommends that promoters of new stations consider early in the development process whether the plan would provide value-for-money. Promoters should also demonstrate that any new station proposal is firmly rooted in regional and local transport policy.

To this end, the SRA recommends that promoters follow a staged process of project development in which the decision to proceed is reviewed at defined intervals. This process is described in detail in Chapters 3 to 6 of this guidance. The resources allocated at each stage of the development should be commensurate with the work required. In this way, promoters can avoid abortive work on proposals that are inappropriate to progress to the next stage of project development.

## 3. Overview of process for station proposals

### A Staged Process

- 3.1** Promoters of new station proposals should adopt a staged process to their development. This will enable promoters and the rail industry to commit an appropriate level of resources to a project given its stage of development and its emerging viability.
- 3.2** At each stage proposals should be tested within the framework before progressing to the next. However, while this document sets out a guide to the development of new station proposals, the nature of station proposals means that hard and fast rules as to the level of detail and focus of the development work in each stage cannot be given.
- 3.3** The process consists of six stages and is set out in the diagram on page 23. The stages are defined as follows:
- Stage 1 – Project Inception;
  - Stage 2 – Project Scoping and Initial Evaluation;
  - Stage 3 – Feasibility;
  - Stage 4 – Design Development;
  - Stage 5 – Pre Implementation; and
  - Stage 6 – Implementation.
- 3.4** Stage 1 presents an opportunity for promoters to demonstrate that the proposal under consideration is consistent with both planning policy and the policies pertaining to the railway prior to embarking upon the development of a specific proposal. It also allows promoters to test the station's feasibility against a number of tests regarding location and feasibility. It is expected that at this stage other transport solutions are examined including links to existing stations, rather than construction of a new station, especially when the proposal has a weak business case, is operationally incompatible with current services or has no recognised funding source. Some assessment of how money, such as developer contributions, could be spent enhancing the existing stations, such as by car park expansion and enhanced passenger facilities should also be carried out.
- 3.5** Stages 2 to 4 require the development of the commercial, economic, technical and operational (including performance) aspects of the proposal. At each stage a greater level of detail and accuracy is required: guidance on the completion of each stage is set out in subsequent chapters.
- 3.6** Stage 2 is the stage at which the SRA will normally expect to become involved, although this involvement is expected to be minimal. In many cases this may also be the most appropriate point to discuss the proposal with Network Rail. However, promoters of projects should be

aware that involving Network Rail will require funding and only after stage 3 will the SRA and Network Rail become involved in detailed analysis and project development.

- 3.7** At the end of Stages 2, 3 and 4 the SRA will review proposals submitted by a promoter before deciding whether or not it can offer any form of support to the proposal progressing through particular gateways. The SRA will review proposals to assess compliance with policy and the commercial, operational and technical implications of the proposal. Network Rail will also contribute to this review. At the end of each stage the Authority will provide promoters with a view on the station proposal.
- 3.8** To permit the SRA's consideration of any proposal, promoters should complete at each stage an Appraisal Summary Table (AST) and supply supporting information. The AST should be supported by a report. The SRA will consider the report and give its view on the proposal, and if appropriate give advice to the promoter on the issues that should be addressed in later stages of the development of the project.
- 3.9** The SRA will provide advice on the extent of its involvement for proposals at Stage 5 (Pre-Implementation) on a case-by-case basis.
- 3.10** Stages 5 and 6 relate to the procurement and implementation of a new station and are not the subject of this guidance. However, it should be noted by promoters of new stations that appropriate funds and resources are made available for these stages of work, which can include both the costs of legal and rail industry advice.
- 3.11** The development of a station proposal can be a lengthy and costly process. Moreover, before supporting any proposal the SRA will need to be satisfied that it is acceptable to the rail industry and this will mean that there may be periods where discussions are ongoing between industry partners. It is likely that timescales will be influenced by the complexity and issues raised by the proposal.
- 3.12** In addition to gaining the support of the SRA the construction and operation of a new rail station will require either planning permission, or where land is to be acquired via compulsory purchase Transport and Works Act procedures may have to be followed. Under Network Rail's network licence (condition 26) it is required to seek ORR approval for the disposal of land other than disposals that fall within the General Consent, which include intra industry disposals.

### **Three workstreams**

- 3.13** Within the six stages there are three overarching work streams relating to an assessment of the proposal's commercial, operational and technical feasibility, these are described below.

#### ***Commercial and economic***

The commercial work stream addresses the business and transportation case for the proposal. It includes assessing the positive and negative impacts upon rail travellers and the

wider community and the financial viability of the rail industry at all levels. This work stream includes demand and revenue forecasts, assessments of wider benefits, estimate of capital and revenue costs, as well as an assessment of the associated risks and contingencies. A range of key issues requiring consideration is set out below:

***Key issues***

- Projections of passenger numbers and revenue;
- Timetable development;
- The extent to which forecast benefits outweigh forecast costs (including an assessment of the wider benefits of a station);
- The likely ongoing cost associated with the proposal and the impact upon rail industry finances;
- The extent to which forecast revenues (including car parking and other activities) generate a net gain to the rail industry; and
- The extent to which the proposal may exacerbate overcrowding on existing train services.

***Operational and performance***

- 3.15** The operational and performance work stream represents the activities that need to be undertaken to ensure a solution is developed that integrates with other services and infrastructure constraints and ensures the most appropriate use of line capacity would be made as a result of any proposal. Issues requiring consideration are set out below:

***Key issues***

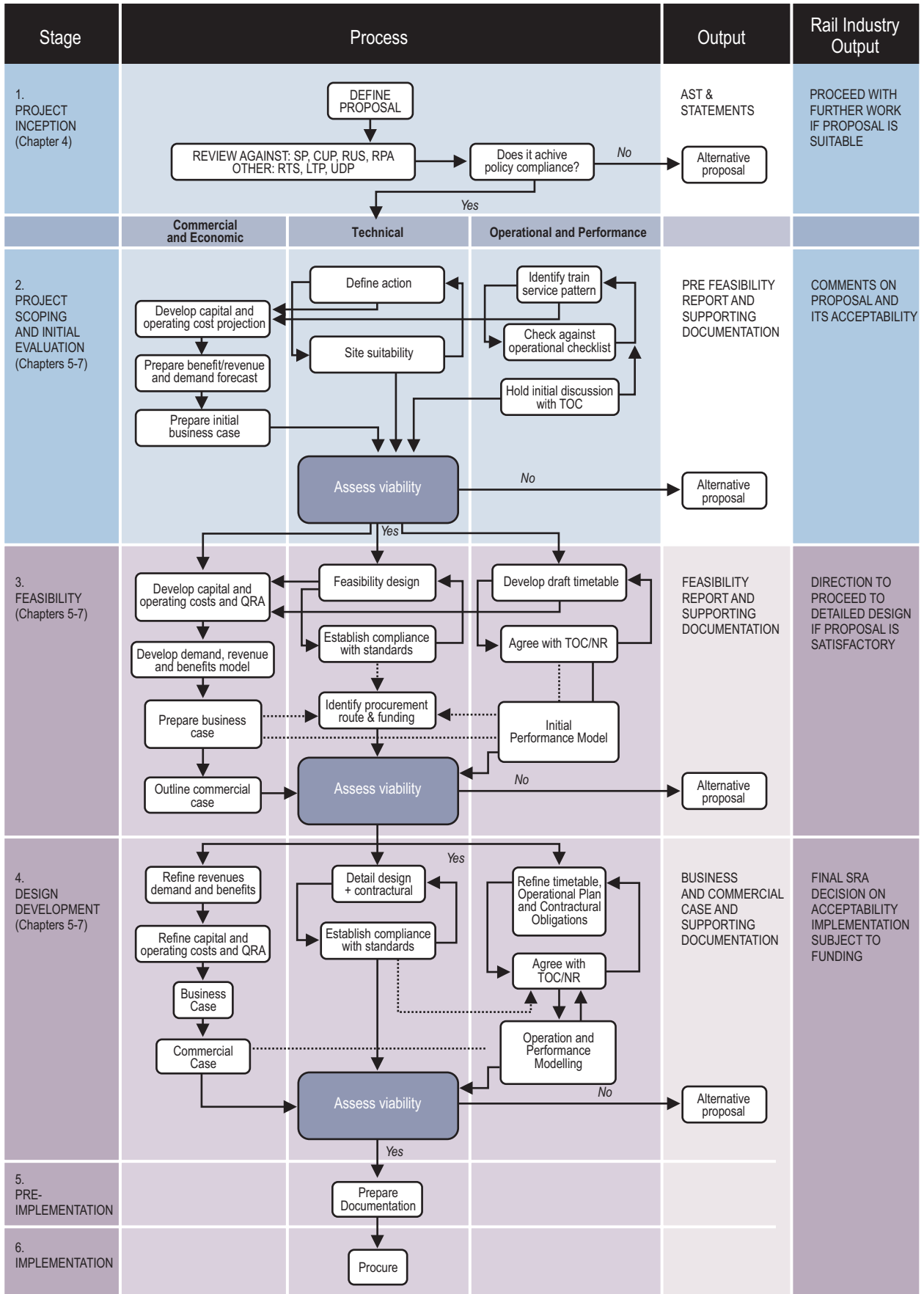
- The impact upon line capacity and hence performance and reliability of existing and planned passenger and freight train services;
- The compliance of the proposal with the legislation and standards that govern the rail industry;
- The fit between the volume and pattern of forecast demand and the pattern of existing train operations; and
- It will also be important at this stage to consider the potential funding sources for the project and whether third party funding would be available.

***Technical***

- 3.16** The railway operates under a number of standards, which set out the level of service a passenger can expect and provide guidance as to the specification of railway assets. Any solution brought forward will be required to conform with established standards unless derogations are appropriate and can be obtained. Again, relevant issues are set out below:

***Key issues***

- Likely station footprint in relation to proposed site;
- Compliance with standards;
- Track alignment and gradient; and
- Provision for step free access within stations.



 SRA & Network Rail Involvement

**Figure 3.1 • New Station Flow Chart**

## 4. Stage 1 – Project inception

- 4.1** The purpose of this stage is two fold: to determine the extent to which the proposal is compliant with both SRA and local planning policies and to assess the suitability of the site as a location for a railway station.

### Planning policy

- 4.2** The SRA recognises that a range of bodies promote proposals for new stations. Proposals for all new stations need to be well-founded in the relevant local, regional and national policies. The SRA will normally only consider proposals for stations which are supported explicitly within at least one of the following:
- Local Transport Plans/Annual Progress Report (in England and Wales), or Local Development Documents/Local Development Frameworks as they are produced
  - Local Transport Strategy (in Scotland);
  - The Strategies of the GLA/TfL; or
  - Explicit local authority support as demonstrated, for example, by resolution of the council. In such cases the onus will be on the promoter to demonstrate how the proposal fits with the objectives of the Local Transport Plan and the policies of other relevant planning authorities.
- 4.3** In some instances proposals for stations that are not supported by the relevant local authority will be endorsed if it can be shown there is a significant benefit to the national rail network.
- 4.4** Whilst it is unlikely that all proposals for new stations will be mentioned by name in regional planning documentation it will be necessary for promoters to demonstrate a fit with the following:
- Regional Transport Strategy;
  - Regional Economic Strategy; and
  - (In the future) Regional Spatial Strategies (including The London Plan).

Within the jurisdiction of the Scottish Executive promoters will need to demonstrate compatibility with the equivalent strategies.

- 4.5** Proposals for new stations developed by bodies which do not hold statutory planning powers, such as developers and passenger groups will need to gain the endorsement of the relevant local planning authority prior to the SRA considering a proposal. In England these are County Councils in areas where there is a two-tier structure. Elsewhere, Unitary Authorities

or PTEs are the relevant bodies. In Scotland it is the public transport authority, the respective unitary authority and, if appropriate, Strathclyde PTE. In London it is TfL and the London Boroughs.

- 4.6 To demonstrate the impact of the proposal upon the delivery of local and regional planning policy promoters are required to complete a *policy compliance statement*.
- 4.7 It is recognised that not all planning, strategic or policy issues can be resolved within this stage and that some iteration of the planning issues will need to occur as the development of the proposal progresses. It may be the case that additional planning issues emerge as detailed design works progresses.

### Capacity Utilisation Policy

- 4.8 The SRA's policy on the use of network capacity is as set out in the *Capacity Utilisation Policy (CUP)*. An integral part of the CUP is the *Network Utilisation Strategy*. The CUP sets out objectives for the use of rail capacity and a strategy for achieving those objectives. For a number of routes/areas the CUP informs a route specific consideration of capacity in a Route Utilisation Strategy (RUS).
- 4.9 Through the use of the Capacity Utilisation Index (CUI), the *Network Utilisation Strategy* presents information on the current usage of existing rail capacity. To demonstrate the impact of the proposal on capacity promoters will need to prepare a capacity utilisation statement. Promoters should within the statement demonstrate the extent to which the proposal complies with objectives of the RUS (where one exists) and the impact of the proposal upon capacity utilisation. Proposals to introduce stations to sections of the railway that currently operate at a CUI in excess of 70% will not normally be considered to be acceptable, unless it can be demonstrated that at worst, the proposal has a neutral impact on performance or preferably leads to an improvement. An explanation of how to calculate the CUI is contained within the *Network Utilisation Strategy*.
- 4.10 The purpose of the capacity utilisation statement is to ensure that rail capacity is used in a manner consistent with policy and that the proposal represents a sound use of capacity. Where a RUS has been completed, this will be a source document for the capacity utilisation statement. It will not, however, obviate the need for a site specific consideration of capacity and performance issues.

### Site suitability

- 4.11 Tables 4.1 to 4.3 provide a checklist of issues that should be considered when developing proposals for new stations. This is provided to assist in the completion of the site suitability statement. Given the nature of the questions addressed some detailed technical advice is likely to be required.

**Table 4.1 • Considerations for a new railway station – physical**

<b>ISSUE</b>	Are the track gradients acceptable at the location of the proposed station?
<b>REASON</b>	Gradients greater than 1 in 500 are not encouraged by HSE; greater than 1 in 270 may not prove feasible. Steep gradients can make stopping and starting trains difficult especially in areas affected by heavy leaf fall.
<b>ISSUE</b>	Is the railway straight or curved at the location of the proposed station?
<b>REASON</b>	The HSE's station guidance (2.23.6) requires that new station platforms should be straight. Curved platforms can cause problems with meeting the industry's implementation of the requirements of the Disability Discrimination Act 1995 (DDA) due to gaps between the train and platform. In addition they make sighting of train doors by crew more difficult.
<b>ISSUE</b>	Location in relation to existing stations.
<b>REASON</b>	Less likely to be an operational or economic case if other stations are close and significant demand is abstracted.
<b>ISSUE</b>	Is the railway in a cutting/on an embankment/difficult to access?
<b>REASON</b>	Construction costs may be affected by passenger accessibility issues; meeting DDA implementation requirements is more difficult in these locations.

**Table 4.2 • Considerations for a new railway station – railway operations**

<b>ISSUE</b>	Is the railway single, double or multiple track?
<b>REASON</b>	Affects the likelihood and cost of accommodating trains stopping at the station within the current service, and also, physically locating the platforms and their access. Any requirements for changing lines (for example into platform loops) will incur additional costs.
<b>ISSUE</b>	Is the railway signalled from local signalboxes, with traditional signalling, or remotely with modern colour light signals?
<b>REASON</b>	Signalling type affects capacity of the railway to accommodate additional stops/ additional services.
<b>ISSUE</b>	Are there signals and associated equipment at or close to the station site?
<b>REASON</b>	Signalling and other safety equipment may be difficult or in some locations impossible to relocate if its location is incompatible with the siting of the station.

**Table 4.3 • Considerations for a new railway station – railway services**

<b>ISSUE</b>	What type of service is currently provided along the line e.g. commuter, stopping, long distance, express, freight etc?
<b>REASON</b>	If the site is on a major express route, or a very intensively used section of track, inclusion of a new station may prove incompatible with current services. If inclusion of a new station is likely to be detrimental to existing journey times (particularly for long distance journeys) the operator/SRA may be unwilling to stop trains at the new station. A freight-only line may not be maintained or signalled to the standards required for passenger operation and upgrading may be necessary.
<b>ISSUE</b>	Is the railway used exclusively by one type of service, or a mixture (e.g. stopping, express, freight etc)?
<b>REASON</b>	It may be easier to accommodate the station if all services are currently stopping trains rather than all express, or a mixture.
<b>ISSUE</b>	What sort of service is sought for the new station?
<b>REASON</b>	This may be incompatible with current services, or current rolling stock types etc, which can also affect platform length requirements. Additional infrastructure may be required if services are to terminate/start back from the station.
<b>ISSUE</b>	In terms of destinations, timing and stopping pattern, do existing services passing the site 'fit' with the anticipated patterns of travel from the new station?
<b>REASON</b>	If not, service provision is likely to be much more expensive.

### Preliminary cost estimate

**4.12** The promoter should also complete a preliminary assessment of the operating and capital costs associated with the proposal. These should be described in a costing statement. Below (Table 4.4) are examples of station costs associated with various kinds of station design. They should be seen as indicative as each station will differ in terms of topography and design etc.

**Table 4.4 • Indicative Station Costs**

<b>DESCRIPTION</b>	Single platform station, on single track railway with small station building and little requirements for track works.
<b>CAPITAL COST</b>	£2m -£4m
<b>DESCRIPTION</b>	Two platform station on twin track railway with booking hall, toilets and minor infrastructure changes.
<b>CAPITAL COST</b>	£5m – £7m
<b>DESCRIPTION</b>	Four platform station, on four track railway with appropriate station buildings and need for significant track, signalling and overhead line changes.
<b>CAPITAL COST</b>	£15m - £20m

## Preliminary Appraisal Summary Table

- 4.13** As has been described elsewhere in the guidance, the SRA's *Appraisal Criteria* 'Appraisal Summary Table' provides a framework, the completion of which will ensure that all pertinent issues relating to customised benefits are introduced. A preliminary AST should be completed at the end of Stage 1.
- 4.14** The promoter of the station proposal should also include a Transport Needs Statement. This should summarise the transport problem or opportunity that the proposal is seeking to address and describe the process by which alternative solutions were evaluated and the decision to produce a new railway station was made.

### Output Stage 1: Operation and performance

The SRA will expect a report covering:

- Preliminary Appraisal Summary Table
- Policy Compliance Statement
- Capacity Utilisation Statement
- Site Suitability Statement
- Costing Statement
- Transport Needs Statement  
(including assessment of alternative transport solutions)

- 4.15** It should be noted that the SRA requires this report to ensure that promoters have assessed a number of the key considerations when looking at new stations. This process is not intended to be exhaustive but is intended to ensure that all these important railway issues are considered from the start.
- 4.16** Once the SRA has received these reports the SRA will provide comments to the promoter on the scheme and indicate whether the scheme should be progressed to the next stage of assessment.

## 5. Stages 2 to 4: Operations, performance and technical work streams

- 5.1** This chapter sets out the activities that will require completion in Stages 2 to 4 of the process for the development of station proposals for the operational, performance and technical work streams.
- 5.2** A successful and viable new station proposal requires the development of an acceptable station design and train service proposal that complies with the standards set out in the following documents and guidance:
- Technical Specifications for Interoperability ([www.rgs.online.co.uk](http://www.rgs.online.co.uk)) (2002 and ongoing);
  - Railway Group Standards (Railway Safety and Standards Board – [www.rgsonline.co.uk](http://www.rgsonline.co.uk)); (June 2004 and ongoing)
  - Network Rail’s Rules of the Plan; Network Rail Network Statement (current edition May 2004 and ongoing)
  - Train and Station Services for Disabled Passengers: A Code of Practice, Strategic Rail Authority; ([www.sra.gov.uk](http://www.sra.gov.uk)) (Feb 2002)
  - Secure Stations Scheme, Department For Transport; ([www.dft.gov.uk](http://www.dft.gov.uk)) (October 2002)
  - Safer Car Park award criteria, Department for Transport; (part of Secure Stations scheme, also Home Office Secured Car Park awards, 1992)
  - Personal Security on Public Transport, Department for Transport; [www.dft.gov.uk](http://www.dft.gov.uk) (Sept 1996 and Jul 1998)
  - TRANSEC statutory requirements and guidelines; [www.dft.gov.uk](http://www.dft.gov.uk) contained in Railway Group Standard GO/RT3600 Requirements for Operational Security (December 2003) available at [www.rgsonline.co.uk](http://www.rgsonline.co.uk); and
  - Railway Safety Principles and Guidance – Health and Safety Executive. (Parts 1,2A and 2G) (2002) available from [www.hsebooks.com](http://www.hsebooks.com)

These documents are available from the relevant organisations. In many cases they are directly accessible from the Internet.

- 5.3** A robust and deliverable timetable is required that can accommodate the proposed station in a manner consistent with the CUP and (if relevant) local RUS and must maintain the on-going performance of the railway.
- 5.4** The degree of detail required at the various stages of development varies in line with the complexity of the project, the risks associated with its implementation and operation, in

addition to its magnitude and as such there can be no hard and fast rules as to the level of detail required at differing stages of the development process. The work streams for developing each proposal must be identified on a case-by-case basis. Guidelines are set out below to assist in the development of a station and timetable proposal.

## **Operations and performance**

### **Stage 2: Project scoping and initial appraisal**

**5.5** In the project scoping phase it is necessary to identify the train service that is proposed to serve the station. It is anticipated that for most station proposals the quantum of train service will remain unchanged with some or all existing services currently passing the new station site calling at it. In such instances promoters of station proposals should complete at least the following tasks:

- Identify the train service to call at the proposed station and consider its suitability for the anticipated market, for instance a long distance high speed operator is unlikely to be able to deliver a commuter service in an efficient manner;
- Establish the 'in principle' capability of the infrastructure to accommodate the additional station calls without reducing performance;
- Establish from the timetable and through discussions with TOCs the ability of the available rolling stock fleet to accommodate lengthened journey time and/or additional passenger demand;
- Prepare a draft timetable. Advice will be provided on the appropriate base timetable to use although it is likely that some specialist technical advice is required;
- Establish the likely effect on operating performance of the draft timetable; and
- Provide an initial assessment of the proposal on the Capacity Utilisation Index.

**5.6** An initial estimate of incremental operating costs should be prepared from the information assimilated above. This estimate should include consideration of the following cost headings:

- Train crew and station staffing;
- Power/fuel;
- Renewal, maintenance and overhead costs of the station infrastructure;
- Rolling stock costs; and
- Station Access Charges.

**5.7** Where proposals require a new train service to be provided the scoping exercise needs to establish the ‘in principle’ availability of line capacity to deliver the service. To achieve this the following tasks should be completed:

- I Identify the train service to be overlaid upon or integrated within the timetable (frequency, route and most likely operator);
- II Establish from the timetable and Rules of the Plan the ‘in principle’ capability of the infrastructure along the entire route to accommodate the train service;
- III Identify rolling stock requirements;
- IV Prepare a draft timetable;
- V Establish the likely effect on operating performance of the draft timetable;
- VI Initial discussions with TOC; and
- VII Provide an initial assessment of the proposal on the Capacity Utilisation Index along the entire route and overall performance.

This work stream will need to be carried out if a new service is proposed; many of the stages overlap with those required if a new station is to be served by additional calls by existing services.

#### **Output Stage 2: Operations and performance work stream**

The SRA will expect a report at this stage covering

- Timetable development and draft timetable
- Impact of the proposal upon performance and CUI
- Calculation of additional operating costs.

#### **Stage 3: Feasibility**

**5.8** The output of this stage is a provisional timetable for the peak and inter-peak services defined in Stage 2. The timetable should be agreed with the relevant TOC(s) and Network Rail. It is intended that at this stage a timetable that is supported by the network provider and the likely franchise holder should be developed.

**5.9** As an integral component of the timetable development process an assessment of the performance implications should be completed. This should take the form of a report to be delivered in a format agreed between the promoter, the SRA and Network Rail.

- 5.10** Promoters of new stations should refer to *Dependent Persons' Code of Practice*<sup>2</sup> when dealing with Network Rail. This sets out Network Rail's obligations to parties who have dealings with Network Rail. Copies of the code are available via Network Rail's website ([www.networkrail.co.uk](http://www.networkrail.co.uk)). Promoters should be aware that Network Rail will require funding to undertake any work associated with the proposal and in certain circumstances commercial priorities may mean that Network Rail does not wish to engage in the development of proposals.
- 5.11** The draft timetable should include wider changes to the timetable that are planned to be implemented prior to the opening of the proposed station. These should be agreed with the SRA, which may require the proposal to be tested under a range of alternative timetable and service options.
- 5.12** The timetable should show the services arriving and departing from the station as well as those services (both passenger and freight) that pass through but do not call at the station.

### Output Stage 3: Operations and performance

The SRA will expect a report covering:

- Impact of the proposal on performance;
- Development of peak and off peak timetable.

### Stage 4: Design development

- 5.13** During the design development stage the draft timetable needs to be continuously progressed in conjunction with the development of the proposal. At this stage in the development of the proposal the emphasis within the timetable development process will be driven by the nature of the project. The culmination of this stage of the development is a 'design freeze' timetable and a timetable/operations report which provides conclusive evidence that the station and associated train service is operationally viable and does not degrade performance or preclude the attainment of performance targets.
- 5.14** Promoters should be able to demonstrate that the draft timetable is not likely to have adverse effects on train services. In particular the possible secondary or reactionary delay effects the new timetable may introduce should be evaluated. These effects can spread over a wide area and are best identified through the use of an appropriate performance model of the network around the proposed station. It is recommended that advice is sought on the extent of performance modelling and techniques to employ. Where the rail industry has already commissioned a model for its own purposes it is often possible to make it available for further use, on an 'at cost' basis.

<sup>2</sup> Office of Rail Regulation – Network Rail's network licence: condition 25

## Output Stage 4: Operations and performance

The SRA will expect a report covering:

- Design Freeze Timetable;
- Detailed Performance evaluation.

## Technical



**Luton Airport Parkway: Photograph courtesy of Thameslink**

### Stage 2: Project scoping and initial appraisal

- 5.15** In Stage 2 an indicative station footprint and cost estimate should be prepared for use when assessing whether alternative sites satisfy the desired operational requirements. Station design will also need to take into account maintenance and operational considerations and also need to consider the design and layout of other stations on the route.
- 5.16** Station design is required to be compliant with Railway Group Standards. The guidance set out below is based around current standards. Detailed design development must take account of any changes that are made subsequent to the production of this guidance.
- 5.17** The indicative station footprint is determined from the layout of the railway, the characteristics of the proposed train service and the expected peak passenger traffic. The number of platforms will be determined from the number and direction of tracks on which stopping trains will run.
- 5.18** The width of each platform should be sufficient to accommodate peak passenger numbers and the emergency evacuation of a full train. The platform width should be greater where

trains pass without stopping at speeds greater than 100 mph. Platforms are not permitted on tracks where trains pass at speeds greater than 125 mph. The arrangements for passengers to gain access across the line will affect the width of island platforms, since the platform will need to be wider than the staircase or ramp leading to a footbridge or subway. Facilities to be provided such as customer information, lifts, shelters, ticketing, refreshments, toilets and staff accommodation will also determine the platform width.

**5.19** As a minimum, the length of each platform should be 2 metres longer than the longest trains anticipated to stop at the station, taking into account any longer term proposals for the route. At terminal stations and where long distance services are required to call then the length is required to be 5 metres longer. Where train and line speeds are higher, performance concerns, particularly around defensive driving techniques, may require a longer platform length (up to 10% of the maximum train length). Promoters should ensure that an appropriate platform length is specified through discussion with Network Rail and, where applicable, the TOC or TOCs with whom they are consulting.

5.20 Promoters of station proposals should therefore consider the following:

- Number of railway tracks to be served by the station;
- Platform layout – number and location of side or island platforms;
- Maximum length of trains stopping at the station (type, length and number of units of rolling stock used by each train operator);
- Peak passenger numbers and emergency train evacuation;
- Possibility of high-speed train services, which do not stop at the station;
- Passenger access between platforms; and
- On-platform facilities.

**5.21** If a new station is proposed on a route where there are more than two tracks, then consideration needs to be given as to whether platforms need to be provided on all lines. This needs to take into account whether the lines are separated for fast and slow services, and whether alternative arrangements apply when engineering maintenance is taking place. This should be influenced by arrangements made at other stations on the line of route.

**5.22** Consideration of the above should allow promoters to determine an indicative platform layout and station footprint (e.g. twin 260 metres long side platforms for 12 car-trains, 2.5 metres wide, widened locally behind platform to accommodate station facilities, footbridge, staircase and accessible lift or ramp).

**5.23** The indicative station footprint should then be used to assess potential station locations on the section of railway under consideration. The suitability of such sites is governed by the alignment of the railway tracks both in terms of horizontal alignment and gradient, the location

of railway infrastructure such as switches and crossings, signalling and telecommunications infrastructure, electrification equipment and the potential for suitable external access for passengers and road vehicles (including vehicular access during periods of maintenance).

- 5.24** Although many existing stations have platforms on curved track, new platforms are required to be straight or to have no more than a very flat curve. Curved platforms increase the gap and stepping distances between the platform and the train, and impede the sight lines along the platform necessary for safe train dispatch. Curved track is generally canted (i.e. has a slant) which makes it more difficult for passengers to board and alight, especially for the mobility impaired. The safety aspects and operational implications of curved platforms are not therefore generally acceptable for new stations.
- 5.25** Platforms should not be constructed on sections of line where there are crossovers between tracks because the platform edge has to be set back to provide clearance to the end throw of rolling stock using the crossover. This increases the stepping distances between platform and train.
- 5.26** The track profile at the platform should be constant and as near level as possible. The recommended maximum track gradient at a platform is no steeper than 1 in 500. This requirement may present difficulties since few sections of the railway are flat over the length necessary to accommodate a platform. It is possible to construct platforms on steeper gradients if trains do not terminate or reverse at the station and where no traction or adhesion problems are expected. In order to promote a station at a site on a gradient steeper than 1 in 500 the support of the train operators and Network Rail should be obtained. It is not normally practicable to alter the profile of the track at the site of a station because of the disruption to trackside infrastructure and the need to increase the gradient elsewhere to compensate.
- 5.27** When locating a station it is prudent to minimise the changes required to other railway infrastructure. Such changes substantially increase the costs of implementation and disruption to existing services. This infrastructure includes the track electrification and signalling equipment.
- 5.28** Platforms should not be located between the train protection device inductor in advance of a signal and the overlap distance beyond the signal. Typically this is 200-300 metres either side of the signal. New platforms within the vicinity of level crossings will require changes to the timing of operation of the crossing.
- 5.29** If a line has overhead electrification it is likely that the support masts will have to be set back through the station and other passenger protection measures will certainly be required. Where third rail electrification is in place the conductor rails have to be located on the opposite side of the track to the platform and if they do not then additional costs may be incurred.

**5.30** Stations should be sited to provide for convenient interchange for passengers starting or continuing their journeys by other modes. The availability of land to provide parking and other access arrangement must be a consideration. Promoters should consider the provision of bus interchange facilities. Compliance with DDA regarding passenger accessibility is required, which may include the provision of lifts or ramps suitable for use by the mobility impaired will normally be required where changes between levels by stairs or escalators are proposed. This may add significantly to the cost. Access to the station for emergency vehicles will also be required.

**5.31** Stations are required to have an emergency evacuation route to a safe area. The route must have sufficient capacity for evacuation of both a fully-loaded train and the peak station loading. Detailed design work will need to consider how this requirement will be achieved for each site option.

**5.32** The following criteria should therefore be considered in assessing the suitability of alternative sites for a new station using the indicative footprint described above:

- Horizontal alignment of track should be straight or not less than 1,000 metre radius;
- Vertical alignment of track should be uniform over length of station and preferably not steeper than 1 in 500. For stations at sites on steeper gradients the support of the train operators and the infrastructure controller should be obtained;
- Avoidance of trackwork alterations as far as possible;
- Avoidance of existing signalling and electrification equipment insofar as possible;
- Highway access and parking;
- Emergency evacuation routes; and
- Ease of access for disabled people.

**5.33** If, as part of a station proposal, the station is defined as an 'underground' station and therefore subject to the provisions of Section 12 Fire Precautions Act 1971 with the regulations set down in the Fire Precautions (Sub-Surface Railway Stations) Regulations 1989. These may impact upon the costs of station provision. This situation can occur when development takes place above the railway, resulting in the station platforms being enclosed.

### Output Stage 2: Technical

The SRA expects a report at this stage covering:

- Design development
- Cost estimates
- Station specification

### Stage 3: Feasibility

- 5.34** In the feasibility stage alternative outline design options should be prepared and costed, based on the station footprint and preferred site option identified in the previous stage. All the factors identified in the previous stage need to be considered in more detail leading to the development of an outline design and more rigorous cost estimate. More detailed forecasts of peak passenger boarding and alighting flow numbers will be required to determine the size of platforms, waiting areas, passageway, staircases, escalators and lift for both service and emergency use.
- 5.35** The feasibility stage includes the following tasks, however the project development process will vary from site to site and will need to be appropriate to the scope of the proposal and its associated risks:
- Alternative methods of construction considered;
  - Risk assessment;
  - Initial value engineering;
  - Health and Safety: Construction Design Management regulations;
  - Procurement route impact on design and programme;
  - Land acquisition preliminaries;
  - Initial surveys and investigations for railway plant and equipment, topographic, geotechnical, drainage, utilities, environmental;
  - Confirmation of the process for obtaining powers; and
  - On going refinement of the cost estimate.
- 5.36** In developing station proposals it is suggested a quantified risk assessment (QRA) is undertaken.

#### Output Stage 3: Technical

The SRA expects a report at this stage covering:

- Cost report;
- Scheme Delivery Report;
- Quantified Risk Assessment.

## Stage 4 Design and development

**5.37** In the design and development stage the design from Stage 3 will be developed into either a fully detailed promoter's design or a specification of design-and-build output requirements.

**5.38** The design development stage should include the following tasks:

- Detailed risk assessment;
- Approval in principle for design from Network Rail in relation to Guidance to Railway Investment Projects (GRIP) and the HSE;
- Identification of methods of construction to minimise possessions and disruption to railway by maximising offsite prefabrication;
- Chosen method of procurement, either full detailed design or output requirements and specification for design and build;
- Initial CDM regulations and planning supervisor;
- Initial possession planning; and
- Environmental Impact Assessment (appropriate to the scale of the project and the planning route being pursued).

**5.39** The SRA will provide guidance on the content of reports and a case by case basis for this work stream at Stage 4.

## 6. Stages 2 to 4: Commercial and economic work streams

### Introduction

- 6.1 All new station proposals require a robust business case. The business case is a consideration of the commercial, economic and wider societal impacts of the proposal.
- 6.2 At the heart of the commercial and economic workstream is the application of the SRA's *Appraisal Criteria*. These workstreams form an integral activity in all stages in the development of station proposals and should be employed as part of the development process to ensure that robust and affordable designs are bought forward for consideration.
- 6.3 The *Appraisal Criteria* set out the SRA's approach for the appraisal of proposals or strategies requiring the use of railway resources. The guidance set out in this chapter is based upon the *Appraisal Criteria* and as such this chapter should be read in conjunction with the *Appraisal Criteria*. The application of the *Appraisal Criteria* and the relationship with affordability is set out in the box overleaf.
- 6.4 The required outputs at each stage from the Commercial and Economic Work Stream is summarised at the end of the chapter.

### Appraisal Criteria and affordability

The *Appraisal Criteria* set out the basis for its appraisal of the value-for-money of a proposal. The value-for-money assessment is a key step in the prioritisation of proposals and options for development. The *Appraisal Criteria* set out how Treasury rules on Appraisal should be applied to the railway industry and they are approved by the Secretary of State for Transport and HM Treasury. They are consistent with other forms of transport appraisal and Treasury guidelines. The *Appraisal Criteria* explicitly include the appraisal of wider benefits, including those relating to environment, safety, economy, accessibility and integration.

The *Appraisal Criteria* set out the requirements for a cost benefit assessment of railway proposals. Such an assessment captures all capital and ongoing cost associated with the project and economic benefits to users and non-users of the railway.

It is recognised that there can be wider economic benefits not necessarily captured in the cost-benefit analysis. Chapter 6 of the *Appraisal Criteria* sets out the guidance on the treatment of wider economic impacts. This guidance points to the need to develop an Economic Impact Report in those cases where such wider impacts are believed to exist.

The *Appraisal Criteria* provide information on how such a report needs to relate to railway proposals and directs the 'sponsor' of such schemes to the DfT, which has produced guidance on their preparation. The *Appraisal Criteria* are clear in the statement that:

'The SRA is keen to encourage joint sponsorship for projects with significant regeneration benefits, where these meet regional objectives of other sponsoring bodies. The SRA will take regeneration effects into account in their appraisal, but it will not provide additional subsidy in lieu of such benefits'.

Naturally the appraisals can also consider new patterns of demand – and this is particularly aided by provision of detailed plans on (a) the location of, and population, associated with new housing, and (b) the location of people's workplaces. It is understood that forecasting the latter is especially difficult and hence in all its appraisals there will need to be some sensitivity analysis.

At the end of an appraisal the SRA is able to determine whether:

- I The project is a freestanding commercial proposition.
- II The project, whilst having a value-for-money case, requires the input of non-user funds to provide for either capital or revenue expenditure.
- III The project has a negative impact on the railway industry

Many proposals for rail schemes do not pass the value-for-money test. Whilst the SRA cannot prioritise and fund schemes that do not pass this test, it would not obstruct third parties promoting such schemes, so long as they did not destroy value elsewhere on the railway network.

### **Affordability test**

- 6.5** The SRA has at its disposal limited funds for the development of the railway. The application of funds is prioritised according to the relative value-for-money of proposals as set out above. At the current time the SRA's discretionary funding is limited such that the SRA's budget is unlikely to be able to support any new proposal that requires an increase in on-going subsidy.

## Appraisal Criteria

6.6 The *Appraisal Criteria* require proposals to be appraised against their contribution to the attainment of the Government’s objectives for transport. These are grouped under the five following headings:

- Environment;
- Safety;
- Economy;
- Integration; and
- Accessibility.

6.7 The *Appraisal Criteria* do not provide hard and fast guidance as to the level of detail required within an appraisal at differing stages in the development of a proposal. The level of detail will depend upon factors such as the scale and complexity of the proposal and the apportionment of risk. To assist promoters of station proposals, guidelines are set out below describing the approach to complete each stage of the development process.

6.8 Proposals for new stations in Scotland will require the support of the Scottish Executive and Strathclyde PTE when proposals fall within their boundary. The Scottish Executive appraises transport investment using the Scottish Transport Appraisal Guidance (STAG). A STAG appraisal comprises two stages, the first stage of a STAG appraisal is consistent with Stages 1 and 2 outlined in this document. The second stage of a STAG appraisal is consistent with Stages 3 and 4 of this guidance. While much of the economic appraisal required by STAG is common with that defined in the *Appraisal Criteria*, an important difference is that STAG requires promoters claiming wider economic benefits to complete an Economic and Location Impact Analysis (EALI). Guidance on the preparation of an EALI is contained within STAG and is not repeated here.

## Environmental factors

6.9 The *Appraisal Criteria* requires an assessment of the impacts of the proposal on the following:

- Noise and vibration;
- Local air quality;
- Global atmospheric emissions;

- Land and water pollution;
- Landscape and townscape;
- Biodiversity; and
- Heritage.

**6.10** In addition promoters seeking powers via the Transport and Works Act (TWA) process are required to produce an Environmental Impact Assessment (EIA), which needs to conform to the guidance set out in rule 11 (1) of the 2000 TWA Rules.

**6.11** Proposals requiring planning permission will need to conform to standard planning application practice. Significant proposals may require an EIA to be undertaken. This should be confirmed with the relevant planning authority at the earliest opportunity and at least before the end of Stage 2 of the process set out in this guidance.

### **Stage 2: Project scoping and initial evaluation**

**6.12** At this stage in the development of the project the SRA will expect promoters to be able to demonstrate that any potentially significant environmental impacts have been identified and that these impacts can be mitigated through the adoption of appropriate design or that the environmental impacts are outweighed by other benefits. A scoping report setting out the environmental impacts should be provided.

### **Stage 3: Feasibility**

**6.13** The completion of the feasibility stage requires a full appraisal report to be completed. Guidance on completing the environmental appraisal is set out in the *Appraisal Criteria*.

### **Stage 4: Design development**

**6.14** The environmental appraisal completed at this stage in the development of the design should contain adequate detail to support an application for the necessary powers required to build and operate the station.

### **Safety and security**

**6.15** The *Appraisal Criteria* assess the impact of proposal against the following headings:

- Accidents; and
- Personal security.

**6.16** The *Appraisal Criteria* provide an overview of the approach to quantifying the impacts of the proposal in these areas. This should be followed at all stages in the development of the appraisal, with increasing detail in line with the development of the proposal.

## **Economy**

**6.17** A business case for a new station will typically contain monetised estimates of the impact upon passengers, providers of the infrastructure and services and the external costs and benefits generated by the provision of new rail stations. It is expected that some analysis be completed on each of these elements at each stage of development although greater detail will need to be provided as the project progresses. These are set out in more detail below under headings of:

- Passenger impacts;
- Industry impacts; and
- Wider economic impacts.

## **Passenger impacts**

**6.18** The provision of a new station can impact upon rail passengers in a number of the following ways:

- Reduced time to access the rail network;
- Reduced journey time due to a change in the point of access to the rail network;
- Increased journey time due to additional station call;
- Transfer from other modes to rail and associated benefits such as reduced road congestion; and
- Changes in access mode (e.g. park and ride).

## **Industry impacts**

**6.19** The addition of a new rail station to the national rail network will impact upon the rail industry in the following areas with the extent of the impacts being dependent on the scale of the proposal, the procurement route and the level of non-rail industry support:

- Implementation expenditure;
- On-going maintenance and renewal costs;
- Station overheads;
- Station staffing;
- Train operations – both passenger and freight;
- Industry costs (revenue allocation, ticketing and marketing);
- Risk profile; and
- Revenues (passenger and car parking).

## **Wider economic impacts**

**6.20** The provision of a new station can impact upon the wider economy in a number of the following ways:

- Increasing the pool of labour available to local employers;
- Reducing congestion for non-rail users;
- Improving social inclusion;
- Providing improved accessibility;
- Improving the environment; and
- Increasing participation rates (e.g. employment).

## **Economic appraisal indicators**

**6.21** The *Appraisal Criteria* set out the measures by which the SRA prioritises and values projects. The SRA expects all supported rail projects to have a positive Net Present Value: projects which do not have a benefit to cost ratio in excess of 1:1 will not normally be endorsed. However, recognising that there is a degree of risk associated with cost estimates in the railway industry, it is expected that successful projects will have a BCR significantly in excess of 1:1, to ensure they are robust. In recognising the constraint on funding available to the railway the SRA will prioritise proposals on the basis of the ratio of Net Present Value to the present value of SRA support over the appraisal period. The relevant calculations are set out in Chapters 4 to 6 of the *Appraisal Criteria*.

## Stage 2: Project scoping and initial evaluation

- 6.22** To pass through the gateway an initial business case is expected to be prepared which will show that the proposal has a strong and robust economic case that captures the costs and benefits associated with the proposal.
- 6.23** Forecasts of benefit should include the impact upon both existing rail passengers as well as those forecast to use the proposed station. In the absence of an appropriate network model, or other suitable tool, a trip rate model based upon the approach set out in the *Passenger Demand Forecasting Handbook* (PDFH) (Section B6) may be employed to assess the attractiveness of the proposed station to those living within its catchment. The PDFH is available through a number of consultancies who are licensed users of the Handbook. A list of these is available from the Association of Train Operating Companies, 40 Bernard Street, London, WC1N 1BY, who administer the PDFH.
- 6.24** In order to value the benefit to the forecast users of the station it will be necessary to establish the time savings accruing to such users. Where a network model exists this may prove an appropriate method to estimate benefit. However, in instances where a trip rate model has been employed an approach using unit rates of benefit will be acceptable providing the choice of unit rate is justified.
- 6.25** The disbenefit accruing to through passengers can also be calculated in a similar manner. It is advisable that estimate of the through-load is developed in conjunction with the relevant TOC.
- 6.26** Promoters are required to complete the Transport Economic Efficiency (TEE) table as described in the *Appraisal Criteria*. It is recognised that this will have some omissions and will require further work to complete. It should set out clearly the expected levels of demand in the initial years of the station's operation as well as over a longer timescale.

## Stage 3: Feasibility

- 6.27** It is expected that the business case will develop in terms of detail and robustness as the proposal progresses following the general principles set out in the *Appraisal Criteria*. The approach to forecasting demand, benefit and revenue at this stage in the development of the proposal should be commensurate with the complexity and size of the proposal. Guidance can be sought from the SRA on a case-by-case basis.
- 6.28** The estimate of project costs must also progress and include at this stage a Quantitative Risk Assessment (QRA). The risks identified by the QRA exercise should be summarised in a risk register with a mitigation plan drawn up and used for the basis of the subsequent stage in the development of the project.

- 6.29** At this stage in the development of a new station proposal promoters should have identified the preferred procurement route that offers the most appropriate blend of risk transfer and value for money (see Section 7.2). The SRA will provide guidance and support in this respect. In addition to the economic case a consistent commercial case must also be presented. The case must detail the sources of funding that the promoter has assembled to fund the project including any assumptions regarding SRA support. The commercial case must also demonstrate to the satisfaction of the SRA and Network Rail that appropriate provisions have been made for the ongoing operation and renewal of the proposal.
- 6.30** Again, in this stage, promoters are required to complete the Appraisal Criteria's TEE table and a supporting report.

#### **Stage 4: Design development**

- 6.31** In Stage 4, the economic case will be updated with current estimates of costs, revenue and benefits. Again, a TEE table will be produced.
- 6.32** In addition to the economic case it will be necessary to develop a commercial case. The commercial use must include a financing plan for the implementation and ongoing operation of the station. The commercial case must present the chosen procurement method and the sources of funding being employed in the delivery of the proposal. Alternative procurement approaches are set out in the following chapter.

#### **Integration**

- 6.33** The SRA requires proposals to be assessed in terms of their integration with:
- Policies and proposals concerning other modes;
  - Wider government policy; and
  - Land use policies and proposals
- 6.34** The *Appraisal Criteria* provides advice on the assessment of proposals against the integration heading. When assessing the integration of stations with land use policies particular attention should be paid to the policies identified during the project inception stage. This approach should be adopted for all stages in the development process.

## Accessibility

- 6.35** The SRA requires an assessment of the impact of proposals against headings of:
- Reduction of barriers;
  - Severance; and
  - Option values.
- 6.36** The advice set out in the *Appraisal Criteria* should be followed when appraising proposals for new stations for all stages in the development process.

## Scotland

- 6.37** For proposals in Scotland that are seeking the support or approval of the Scottish Executive (and where applicable Strathclyde PTE) a STAG appraisal should be undertaken which should also be consistent with the requirements of this policy document.

## Outputs

- 6.38** The SRA requires the following to be covered in a report at each stage:

### Stage 2

- TEE Table;
- Economic Appraisal Methodology;
- Environmental Impact Scoping Report; and
- Statement on procurement route.

### Stage 3

- As for Stage 2 but to include;
- Refined TEE;
- QRA & Risk Register; and
- Details of preferred procurement route.

## Stage 4

- As for Stage 4 but to include a commercial case setting out funding sources for the project;
- Refined AST & TEE Table;
- Confirmation of procurement route;
- In addition any statutory planning documents should also be submitted.

## Relevant References

- *SRA Appraisal Criteria*;
- STAG;
- GOMMMS + various errata/addenda; and
- Treasury Green Book.

## 7. Financial and Contractual Issues



**Luton Airport Parkway: Photograph courtesy of Thameslink**

- 7.1** The integration of a new station into the national rail network requires amendments to a range of contractual obligations as well as changes to ticketing and revenue allocations processes. This chapter sets out an overview of the contractual process of delivering new rail stations to the national rail network and meeting the expectations of the SRA and Network Rail.

### **Procuring new stations**

- 7.2** Many recently-opened stations have been delivered by Network Rail, or previously by Railtrack. In such circumstances funds for the project have been provided by Network Rail in return for a stream of access charges paid by the TOC. Where SRA support has been required this has often been paid to the TOC in the form of increased subsidy.
- 7.3** In many instances there is a choice of procurement routes which involve the private sector and Network Rail to a lesser or greater extent. Whilst Network Rail is able to deliver enhancement projects on the railway, there are some instances where an alternate procurement mechanism may deliver better value-for-money. Typically the private sector can be engaged through a Public Private Partnership (PPP). A PPP refers to any alliance between public bodies, local authorities and/or central government, and private companies. PPPs typically involve the joint ownership of a special purpose vehicle (SPV) established under company law to deliver the project.

**7.4** Alternative procurement routes can utilise two differing structures in addition to the conventional Network Rail option:

- **Design, Build, Finance, Transfer (DBFT):** The infrastructure is designed, built and funded by the SPV, which then transfers ownership of the asset to Network Rail. The SPV is normally paid through a series of milestone related payments during construction. The asset when transferred to Network Rail is added to the regulated rail network and is treated accordingly. This approach allows the development of the project to progress with reduced input from Network Rail. In the longer term it allows the station to become part of the rail network with its on-going renewal and maintenance funded in the normal manner; and
- **Design, Build, Finance, Maintain (DBFM):** In some instances it may be preferable to retain ownership of the rail station by the sponsoring body or the SPV. Such instances include circumstances where the station maybe a component of a wider development or where the owner wishes to exercise greater control over the on-going maintenance and development of the proposal. Under this model the station would be designed, built and maintained by the same body. The day to day operation of the station is required though to be undertaken by a holder of a station licence, which would be the body that which controls the station. There are further variants on this proposal depending upon the relationship of the contractor to the sponsor. It should be noted that the costs of raising finance may be greater than those incurred by Network Rail and as such this option may be more costly for the project overall.

**7.5** Network Rail can contribute to the enhancement of the rail network and make a significant contribution to the development of new stations. In some instances the most appropriate role for Network Rail will be to undertake and oversee preparatory works on the railway. In other instances it may be more appropriate for Network Rail to deliver the proposed station. The conventional structure is for Network Rail to fund and construct the station in return for a future stream of access charges paid by the operator.

### **Shared value**

**7.6** 'Shared Value' is the term adopted by Network Rail and its predecessors (including BR) for its valuation approach where it seeks a share of the uplift in value created as a consequence of it granting property rights to a third party. These property rights can include:

- Rights for access to open up land for development;
- Rights for new stations or station improvements being promoted by developers to secure or to assist in securing planning consents; and
- Rights for wayleaves and easements (for bridges, cables etc).

- 7.7** The principle behind seeking a share of any valuation uplift as a result of granting such rights is part of established valuation practice, commonly called the Stokes v Cambridge principle (following a case settled in the Lands Tribunal in the early 1960s). Since this case the principles have become established in property valuation and are used by local authorities, private landowners and developers alike. These principles have been endorsed by the Compulsory Purchase Order Compensation Code and the Law Commission. The principle established is that those granting development rights can seek a percentage of the uplift of the value of land caused by the granting of those rights.
- 7.8** In applying these valuation principles Network Rail does not apply an arbitrary approach. In the event that disagreements exist over the uplift in value, an independent valuation is obtained. The shared value payment is therefore a matter for negotiation.
- 7.9** As an example, in the case of a new settlement that incorporates a new station, Network Rail may seek a proportion of the uplift in value that accrues as a result of it granting the property rights, which enable the station to be constructed.
- 7.10** Network Rail is a private, not-for-dividend company and is required under its regulatory governance to manage the returns from its property assets to achieve targets set by the Office of Rail Regulation under access charges reviews. It is therefore expected that any shared value payments will contribute to these regulatory targets.
- 7.11** The SRA position regarding shared value is that it understands and supports Network Rail's need to maximise return from its estate. However, it does not wish the seeking of shared value to delay or deter private sector investment in beneficial railway infrastructure. The SRA is therefore working with Network Rail to determine how the rail industry should consult on its approach to shared value to give developers more certainty so as to enable them to negotiate shared value and other planning obligations in a timely manner acceptable to all parties. In certain special circumstances, the SRA may wish to dissuade Network Rail from seeking a contribution via shared value if to do so would lose the benefit of the investment to the railway and the benefits it would bring.

## **Introducing and operating new stations**

- 7.12** To introduce a new station to the national rail network requires the following relationships to be set in place:
- Contractual commitment from the TOCs to call at the station and provide access to revenue and ticketing arrangements;
  - Incorporation into the Railway Safety Case;
  - Inclusion of the station within access agreements;



**Chandler's Ford: Photograph courtesy of South West Trains**

- A licensed station operator to operate the station;
- And, normally, the creation of a property interest in the station that will give the operator the right to manage the station, and, as station facility owner, to deal with station access arrangements for other users.

**7.13** Each of these is considered in more detail below.

### **Role of the TOCs**

**7.14** TOCs have a role to play in assisting the development of the railway. The provision of a station is an expensive undertaking. In order to achieve the transportation benefits it is necessary to ensure a long term commitment from the TOC and SRA to operate the associated service. This can be achieved by incorporating the proposed station into the franchise agreement if funding from the promoting body can be made available or if the project is commercially viable. It is advisable that the relevant TOC is engaged as the proposal develops. Promoters should also note that the addition of a station to the timetable has a time lag and is subject to a rail industry-led process. The agreement of the SRA will be required to ensure that the station has a long term future, and to ensure that the requirements for current and future train service to stop at the station are included within current and future franchise agreements.

**7.15** In order to operate the station it needs to be incorporated in the national timetable. The timetable is developed through a pan-industry arrangement where TOCs or the SRA bring forward proposed amendments to the timetable. Unless the SRA is the sponsor of the proposed project, the promoter will need to engage a TOC to act as sponsor to take forward the proposed timetable change.

## Railway safety case

- 7.16** In order for a new station to become part of the national rail network it must comply with the conditions of the Railway Safety Case as determined by the Health & Safety Executive (HSE). Incorporation into the Railway Safety Case is required before the station can be operated by a licensed operator.

## Inclusion of the station within Access Agreement

- 7.17** Access to the rail network is a regulated activity and the creation or modification of any agreements for access arising from such new station proposals will need to be endorsed by ORR. This applies in relation to any access agreement between Network Rail and a TOC who is to call at the station, relating to the relevant line of route. There will also be a need to ensure that access agreements are set up between the new station operator, assuming that the operator will have a property interest so as to become the station facility owner, and any TOC who is to call at the station. The ORR provides guidance on these issues.

## Station licensing

- 7.18** The operator of any station is, unless exempted, required to hold a licence. To be licensed, the operator must comply with the ORR's *Guidance on the Licensing of Operators of Railway Assets*. Licences are granted by the ORR. However, the SRA can provide guidance to potential station operators wishing to become licensed operators on the Consumer Benefits Conditions contained within the Station and Passenger Licences. It should be noted that Station Operators are required to hold public liability insurance to the value of £155 million.
- 7.19** To become a Station Operator, a party needs to be the person having the management of the station, and this will normally be as a result of enjoying a property interest in the station entitling that party to possession and control. Where the land on which the station is constructed is owned by Network Rail, it would be necessary to arrange for a lease, usually directly between Network Rail and the prospective Station Operator. Such leases are expected to include a regulated component, the station access conditions, shared by any station access agreements. In some cases, funding arrangements for new stations have resulted in the development of more complex, bespoke leasing structures.
- 7.20** If the station is not operated under an existing license holder's station licence it should be noted that the work required to satisfy the various licence conditions may add to the total cost of the overall scheme.

## 8. Consultation

- 8.1** The delivery and operation of a new station will require the co-operation of a wide number of bodies. In addition it may impact upon a broad cross section of the community as well as other public services. Whilst the inclusion of stations within the planning process will bring some obligations for public and stakeholder consultation the results need to be brought out as part of submission.
- 8.2** Proposals for new stations that are brought forward outside the planning process will have to demonstrate their acceptability to both the public and major stakeholders alike. Stakeholders requiring consultation include:
- I Lead transport authority (LTP or LTS Authority, PTE or in the case of London, TfL);
  - II Local planning bodies;
  - III Highways Agency; and
  - IV Local residents and rail travellers.
- 8.3** The feasibility report submitted at the close of Stage 2 should set out the response to the consultation. Consultation should continue through the Stage 3 and 4 processes and the results of that consultation reported to the SRA.
- 8.4** In addition it will also be necessary to undertake consultation within the rail industry, Table 9.1 sets out the consultees at each stage of the development process. It may be useful to consult with other parties as developers see fit.

**Table 8.1 • Rail industry consultees**

Consultee	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5
SRA	✓	✓	✓	✓	✓
Network Rail		✓	✓	✓	✓
Office of Rail Regulation			✓	✓	✓
TOCs		✓	✓	✓	✓
FOCs		✓	✓	✓	✓
British Transport Police			✓	✓	✓
Statutory Consultees	✓	✓	✓	✓	
HSE, HMRI			✓	✓	✓

## 9. Monitoring

**9.1** The SRA encourages the evaluation of third party schemes. The Authority wishes to see the monitoring of implemented new station proposals and encourages promoters to undertake post-opening evaluation of outturns demand, revenue and benefits against these projected in the planning phase. This knowledge will assist the industry as a whole in developing further robust new station proposals.

**9.2** As part of the Stage 3 outputs a monitoring strategy must be defined. The monitoring strategy will need to assess the extent to which the proposal achieved its objectives and the benefits forecast for the proposal and as such the strategy needs to reflect the scope of the project benefits. Typically the following areas are worthy of monitoring:

- Total Demand;
- Revenue/cost allocation;
- Performance/reliability;
- Demand/revenue split by operator, time of day, type of passenger;
- Revenue/cost allocation;
- Contractual issues;
- Performance by TOC;
- Car park demand;
- Passenger perception; and
- Passenger flow congestion issues.

## 10. Contacts

Further copies of this document are available from the SRA website. Enquiries regarding new stations should be submitted to:

[newstations@sra.gov.uk](mailto:newstations@sra.gov.uk)

Or addressed to:

Regional Planning,  
Strategic Rail Authority,  
55 Victoria Street,  
London,  
SW1H 0EU.

## Appendix A: Rail industry overview

This section details the organisations involved in the promotion of new railway stations as of July 2004. Given the restructuring of the industry, the roles and responsibilities will change in due course.

**Strategic Rail Authority (SRA):** The SRA's functions are to:

- Promote the use of the railway network for the carriage of passengers and goods;
- Secure the development of the railway network;
- Contribute to the development of an integrated system of transport for passengers and goods.

The Transport Act 2000 in conjunction with Directions and Guidance from the Secretary of State for Transport, the Scottish Ministers and the Mayor of London define the SRA's obligations and responsibilities. These state inter alia that the SRA is to provide leadership for the rail industry and ensure that the industry works co-operatively to common goals.

It is the SRA that sets priorities for the successful operation and development of the railway.

The SRA is obliged to discharge its obligations and responsibilities in a manner, which amongst other things, secures value-for-money from SRA expenditure and the efficient use of railway resources.

Before any new station can be built the SRA needs to be convinced that it provides an overall benefit to the rail network, is supportive of its wider policies and other initiatives and is affordable and provides value for money. It may also be possible for the SRA to incorporate into franchises the addition of stations to the timetable as part of the franchise specification process. In addition the SRA as the operator of last resort could be responsible for the operation of a franchise and as such needs to pay due regard to the expansion of the rail network.

**The Office of Rail Regulation:** The Office of Rail Regulation is the economic regulator of Britain's railway industry. The role of the regulatory board is to:

- Set the contractual and financial framework within which the infrastructure provider (Network Rail) works to maintain, renew and expand the railway;
- Enforce licence conditions and access charge reviews;
- Determine efficient allocation of railway facilities through the approval of access arrangements;
- Promote clear and effective contractual relationships between players in the industry.

In the case of new stations ORR will need to agree the station licence. The ORR has also recently produced the Station Code to clarify the current leasing structure. This will be adopted by TOCs over a number of years.

**Network Rail:** Network Rail is the owner and operator of the infrastructure (track, signals etc.) of the national rail network. It is responsible for the maintenance and renewal of the network as well as implementing enhancements that have been determined by the SRA and third parties. Network Rail is a company limited by guarantee. This means that while it operates as a commercial business, it has no shareholders. It is responsible to members who have similar rights to shareholders, but who do not receive dividends or share capital: Network Rail is a 'not for dividend' company. It is expected to make a profit, but that profit remains within the company. As the licence holder for the national rail network, Network Rail has a duty to act in accordance with the conditions of its network licence, which includes its responsibilities to those wishing to develop the rail network.

Network Rail owns around 2,500 stations. A small number of these it operates itself, but the vast majority are leased to Train Operating Companies, who act as Station Facility Owners (SFO).

The construction of a new station proposal by and/or the transfer of title to Network Rail are commonly considered contractual models when considering new station proposals.

In addition to Network Rail there are other bodies that own railway stations including BAA, developers and others.

**Health and Safety Commission:** The HSC is the independent safety regulator of Britain's railways. The Health and Safety Executive (HSE) is its operational arm and incorporates what was formerly Her Majesty's Railway Inspectorate (HMRI). The HSE sets safety standards (other than Railway Group Standards) for the railway as well as investigating railway accidents.

The way the HSE regulates safety is through the mechanism of a Safety Case. The HSE sets the regulations for the production of Safety Cases and assesses and approves them. All new stations will require a specific Safety Case before they can be opened. The capital and operating costs of all new station proposals must reflect all works and operations required to gain and maintain a Safety Case.

**Train Operating Companies (TOCs):** Passenger rail services are operated by a number of franchise holders. The franchises are granted by the SRA. The duration and requirements of each franchise are determined by the SRA's consideration of what rail service it would like delivered. As well as operating train services, TOCs also act as Station Facilities Owners (SFOs) for the vast majority of stations on the national rail network.

Appropriate consultation with TOCs is essential for the successful promotion of a new station proposal. Even if it is not intended that a TOC stop their services at a new station (for example, an express operator not stopping at a station built for local services) it might be affected by consequent timetable changes and consultation will be required.

**Freight Operating Companies (FOCs):** Rail freight services are provided by FOCs on an open access basis. The FOCs have access rights to the rail network and may be concerned about any new station proposals that affect the timetable and hence potentially the operation, timing or reliability of their services. When promoting a new station, consultation with relevant affected FOCs is necessary.

**Rolling Stock Leasing Companies (ROSCOs):** These companies procure rolling stock to then lease to TOCs in return for a lease payment. The ROSCOs also provide for the heavy maintenance of the trains. It is possible that new station proposals and consequent timetable changes will result in a requirement for additional rolling stock for a particular service. In such circumstances consultation with ROSCOs may be required to ensure an accurate view is obtained on the feasibility and cost of providing such additional stock.

## **The station access regime**

Network Rail is the freeholder of nearly all rail stations in Great Britain. These stations are leased to TOCs, although principal stations are directly managed by Network Rail. The leaseholder is in most instances the TOC operating the bulk of the services at the particular station. The lease agreement between the TOC and Network Rail is not regulated but in incorporating the Station Access Conditions (SAC) it includes undertakings which are regulated. The SAC set out the rules under which the station will be operated. The lease lengths are broadly comparable with the length of the franchise.

Where a station is leased from Network Rail, the TOC operating the station is known as the Station Facility Owner (SFO). The SFO in turn enters into access agreements with other train operators who call at the station. The relationship between all users of the station and Network Rail is also contractualised by virtue of a collateral agreement. This agreement incorporates the SACs allowing Network Rail to enforce the user's obligations and vice versa.

This regime is subject to changes as a result of the new Stations Code.

## **The Track Access Agreement**

A Track Access Agreement is an agreement between Network Rail and a train operator which incorporates the network code or Track Access Conditions (TACs). These are a standard set of rules which govern the operation of the network. Under the terms of agreement Network Rail grants the operator access to the network. This defines the number of movements and type of rolling stock that can be operated in addition to rights in relation to the timing of train movements.

The Track Access Agreement can be amended by agreement with Network Rail in conjunction with changes to services via the franchising process.

Whether station proposals are brought forward inside or outside the franchising process, it is likely that they will require implementation of the network change process under the TAC, because the characteristics of the network are being changed. This process requires the proposer of the change (who currently has to be a party to a Track Access Agreement) to submit a proposal to Network Rail and any other operator that is affected by the change. Network Rail is then required to offer an initial view on the proposal and other train operators can object to the proposal.

Whilst there are provisions within the process to settle disputes over allocation of capacity, the matter can be referred to the Office of Rail Regulation for resolution.

