

Transport Committee – 14 January 2015

Transcript of Item 6 – Crossrail 2

Caroline Pidgeon MBE AM (Chair): Our next session is now on Crossrail 2, which we are all very interested and very excited about. I should just say that although Michèle is down as Managing Director (MD) Planning at TfL, from 5 February, I believe it is, you are moving to a new role as MD Crossrail 2.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): That is my last day as MD Planning because that is my birthday.

Richard Tracey AM: What a day.

Caroline Pidgeon MBE AM (Chair): Therefore, from 6 February or whatever the equivalent day, you will be --

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Yes.

Caroline Pidgeon MBE AM (Chair): That is fantastic.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): I will not be in on the Friday.

Caroline Pidgeon MBE AM (Chair): No. There is going to be a big do, by the sounds of it. That is great. We are really pleased to hear that news and understand that. As I say, congratulations again on your New Year's honour.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Thank you very much.

Valerie Shawcross CBE AM (Deputy Chair): Double congratulations from me, Michèle, because you have a great track record of real achievement in TfL and so it gives us all great confidence that Crossrail 2 will happen and will happen well.

Can you both just talk us through now what level of priority the Crossrail 2 project is being given by Network Rail, by TfL and by the transport authorities generally? Where does this stand in your priority orders?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Having established a person as MD Crossrail 2, it is raising the profile of it considerably because we do have to get on with it. We have also increased the staffing of the team within Crossrail 2. We have identified office space and they are all going to move in on Monday. We will have 40 people sitting there. Today we announced the appointment of four consultancies that are going to help us do the work in terms of developing the scheme further and providing the detail that people want to see about exactly where stations are, what they look like, where vent shafts are and all the detail on the route that people want to then react to and importantly, as Terry [Morgan] said, making the business case strongly back to the Government about future funding. We have considerably ramped up the resources on Crossrail so that we can take it forward.

Valerie Shawcross CBE AM (Deputy Chair): It is really cranking up now?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Yes.

Valerie Shawcross CBE AM (Deputy Chair): Paul, would you agree?

Paul Harwood (Principal Network Planner, Network Rail): Absolutely the same, yes. My team is expanding. We have just committed within Network Rail actually a reasonable chunk of our Control Period 6 development funding to develop this scheme. We will then deploy a lot more of our engineering resource and so on, again, totally in conjunction with TfL and working with some of the consultants that have been appointed. My team and some of our infrastructure projects team will be co-located at the location that Michèle is talking about. Therefore, we are absolutely behind it and are committing a significantly increasing amount of resource.

Valerie Shawcross CBE AM (Deputy Chair): Just for the sake of the public audience, Control Period 6 covers when?

Paul Harwood (Principal Network Planner, Network Rail): Apologies, 2019 to 2024.

Valerie Shawcross CBE AM (Deputy Chair): You have committed funds for 2019 to 2024?

Paul Harwood (Principal Network Planner, Network Rail): We are spending the money now but it is funding that we have for developing what we think we need to do in that control period. It is preliminary work, effectively. Because this is a key part and will be a significant amount of work that needs to be undertaken in that control period, we can justify the development work now.

Valerie Shawcross CBE AM (Deputy Chair): On the one hand, when the Government's Autumn Statement did confirm their in-principle support for Crossrail 2, I think we all cheered. However, then it was a very tiny amount of money - it was piffling - that was put forward from the Government to support the next stage of work. Was it £2 million?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): It was £2 million, but what we were more pleased with was the words of support and the actual strong support, particularly from the Chancellor, in terms of moving this scheme forward and getting it in on the ground. That was really, really important.

What we have to do with that £2 million, working with the Government, is to make that very strong case because despite the work that we have done to date in terms of how the scheme can be funded and how much London can contribute towards its funding, we will still be competing with the rest of the authorities up and down the country for additional funding from the Government. It is making that very, very strong case that Crossrail 2 not only makes a big contribution to London and its growth but it also makes a big contribution towards the UK's growth and therefore is worthy of taxpayers' money.

Valerie Shawcross CBE AM (Deputy Chair): Basically, the Government has signalled that we are in the competition for resources --

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Absolutely.

Valerie Shawcross CBE AM (Deputy Chair): -- but it has not signalled where this project would stand in the national priority framework?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): It is in the National Infrastructure Plan. It is actually identified as a scheme within the National Infrastructure Plan. As I say, there were very supportive statements from the Chancellor. We have now set up a steering group with the Government, the Department for Transport (DfT), Treasury and Network Rail to develop that business case so that we can make it very, very strongly. It is not just in terms of a transport scheme but in terms of a scheme that is going to unlock jobs and growth and, importantly, unlock housing areas so that much more housing can be developed and what that contributes towards the economy.

We will go back before the Comprehensive Spending Review to make that case and then we will be seeking at that stage not the money to build it but the amounts of money that are required to take it through to gain powers, which on the basis of the Crossrail 1 experience is still a sizeable chunk of money that is required, in the order of between £200 million and £250 million, and that is the ask that we would be making at that stage.

Valerie Shawcross CBE AM (Deputy Chair): The next Comprehensive Spending Review is the moment, you think, when the Government gets locked completely into the contract?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): That is the big ask to commit those funds. That having been said, TfL has money in its own business plan to develop Crossrail 2 at a certain stage and at a certain rate but, without further interjection from the Government, the rate at which that can be taken forward cannot be as fast as we would like it to be if we are going to deliver this scheme by 2029.

Valerie Shawcross CBE AM (Deputy Chair): Is there any possible danger or threat to this project and the Government's commitment to it by the general election? Do you see it as something sailing smoothly through whatever happens in May?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): The good thing about Crossrail 2 at this stage is that we do have cross-party support for Crossrail 2, which is not necessarily the same for all schemes that one might talk about. There is cross-party support for this scheme. We just have to make the case for it stronger. We have highlighted the number of homes that could be released or supported through Crossrail 2: 200,000 homes within London. Given that we have to up the rate at which we can build them, that is a substantial contribution towards homes. Also, in some of the initial business case work, we have identified the sort of contribution towards the gross value added (GVA) of this scheme. Therefore, it has a really good business case, but we have to strengthen that further.

Valerie Shawcross CBE AM (Deputy Chair): What is the next major landmark, do you think?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Can I just go back and say the other thing that we do need to do? We know that when we ask for the funding, we will be competing with asks being made up and down the country. As with Crossrail 1, we will be seeking to fund as much of this ourselves so that it is not seen as a scheme where we are drawing resources away from northern cities. London needs this. It is contributing to the UK economy. We are coming up with a package of funding that will show that Londoners will be helping to pay for this. The test that was set for us is, "Can you identify up to 50% of the funding?" We have done that. We will be doing further work to see what more we can identify. However, that is on the basis that we are not drawing resources from elsewhere.

Richard Tracey AM: Can we talk a bit about the year ahead with both of you? It is obviously going to be a critical period. First of all, can you give us a bit of a calendar of the key actions and milestones for this project during 2015, this particular year?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Yes. We have appointed the consultants. We are still in the throes of safeguarding consultation. Not 'we'; it is the DfT that does the safeguarding consultation, but obviously we are involved in that. The safeguarding consultation finishes at the end of January and then, subject to the Secretary of State's decision, the directions will be confirmed or not confirmed that we would have a safeguarded route.

What we are doing with the consultants, as I said before, is developing the details of those proposals such that we will go back to the public for a fuller consultation in terms of the details. People love the scheme. They are not so keen on where it pops up. Everybody wants it, but you are not so keen if you have a station near you and you are not so keen if you get a ventilation shaft near you or a worksite. However, they will have to pop up in the ground somewhere and all that detail will be shared for consultation at the end of the summer. On the basis of that, if there are big concerns that are raised and people identify options that would be better and it then required us making further amendments to the safeguarding, then we would. We are saying to the public at the moment that the safeguarding proposals do not give us permission to build Crossrail 2.

Richard Tracey AM: No, of course.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): They are just protecting that route so that we can build it and protecting it from development that might otherwise be requested. There is no permission to actually build it. We still have to go through all the consultation process required to explain what we are doing, why we are doing it and why we are doing it in this particular location. We will be making amends in response to concerns that people express.

Richard Tracey AM: How are TfL and Network Rail dividing the workload? You have already talked a bit about the extra staff that you have, Michèle, but how are the two parties to this dividing up the work?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): We have identified areas of work that fall into Paul's responsibility more than my responsibility. What we have is a joint project team. We sit together. We meet together. We are sharing because there are lots of issues to be discussed that might affect us or Network Rail. It is not done in isolation. We have a joint project board with Network Rail in terms of the ways forward. We have identified that we are largely responsible for the tunnel from Wimbledon through to Tottenham Hale and all the way up to New Southgate and that Network Rail is largely responsible for bits on the Network Rail lines. With the DfT, we are safeguarding our bit. Network Rail is looking at all its land to make sure that that is protected.

What we are also doing is lessons learned from Crossrail 1. From a railway point of view, it might be desirable to have a depot in a particular location, but what we do need to understand if Crossrail 2 is going to unlock development is if that particular location would be far better for development in the future. Let us have those discussions with Network Rail now and plan for it. It is very much joined up.

The other thing that we have to join up on is if it is going to be a regional scheme, which is the scheme that we are promoting. It is how the various branches of Crossrail 2 come together and can go through the tunnel without disturbance. There is quite a lot of further work to be done on looking at the operational impacts of Crossrail 2, like some of the challenges that Network Rail faces now with the stuff that is going through London Bridge. That is a big piece of work to better understand the operational impacts of the design. What

that will mean is that maybe not every single branch stopping at every single station is best for the operation of the scheme. However, these are things that we are doing with Network Rail.

Richard Tracey AM: What about the financial resources for this particular stage? Are they adequate? I suppose you could always do with more financial sources, but what do you feel?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): We have put money in the TfL business plan such that we can meet the milestones for this year and beyond. If we do not get more money from the Government, it is the speed and the rate at which we do the work beyond that. The further milestones that we have beyond the safeguarding decision and the consultation are, as I say, preparing the strong business case for the Comprehensive Spending Review and working with the Government in order to submit that case. They are talking about a summer Comprehensive Spending Review and so we have to get that business case in in the spring.

Richard Tracey AM: We were talking, as you know, to Terry Morgan [Chairman, Crossrail Ltd] and to Andrew Wolstenholme OBE [Chief Executive, Crossrail Ltd] earlier about Crossrail and their project. I assume that there are people from Crossrail 1 who are transferring across to you at some point in the relatively near future. Is that correct?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Yes. For quite a long period of time, Crossrail 1 staff have been on our steering group. Crossrail 1 staff have been there to comment, advise, etc, on the work that we have been doing. There have been lots of 'lessons learned' sessions. What we are doing, as Andrew [Wolstenholme] said, is we have seconded some staff from Crossrail 1. Staff who used to be Crossrail 1 staff and who have now become Crossrail 1 sponsors in TfL are on the team, as is a member of Andrew's staff who has come over directly from Crossrail 1. We are talking to Crossrail 1 staff about whether or not there are certain areas of work where we need further help as well.

Similarly, we are talking to High Speed 2 (HS2). They are not in the same phase as Crossrail 1, but there are certainly lessons learned from that as well.

Richard Tracey AM: Finally from me, you mentioned that of course the route safeguarding consultation is going on. In fact, at the beginning of this week, as you know, Michèle, some of your staff came to Wandsworth because there are some sensitive points around Wandsworth Common where there are shafts and possible vents and so on. It was a very, very large meeting with a lot of people there - 250 or 300 people - and very helpful. There is another one about to happen in the Merton part of my constituency because of course the tunnel portal is certainly planned to be in Wimbledon somewhere.

Can I just ask you one or two details about the public consultation and public meetings? The questions raised were the sort of things like whether there is scope for discussion between the local people and the local councils on movement of the work areas. Not for a large distance, but clearly in sensitive places like Wandsworth Common there may well be a need to move the work area to some extent and also, of course, the siting of the vents. What is the scope for that kind of consultation at this stage and then in the later one you plan in 2015?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Much of that scope will come when the detail in terms of exactly where these things are happens in the summer consultation. As I say, we have protected a route and we have identified potential areas where things might happen. They are not designed in detail, but it is sort of like producing areas. When we do the more detailed design, we will be able to narrow some of those areas down. If they do not work or if there are concerns and if we cannot fit them

within the safeguarding area that we have described, then we can amend the safeguarding. We have to remember that this is a refresh of the Chelsea-Hackney safeguarding.

Richard Tracey AM: Indeed.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): There is a route that is safeguarded. We are amending that safeguarding. There will be a number of consultations that will have to take place before we are in a position to have a complete single preferred scheme fully designed up that we are prepared to submit for powers.

Richard Tracey AM: It is not closed by any means?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): No.

Richard Tracey AM: There will be a lot of talking still possible?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Hopefully, certainly the feedback I had was that that message was put across quite clearly.

Richard Tracey AM: Yes, I think so, but there are always people who will worry. That is fine. Good. Thank you very much indeed.

Caroline Pidgeon MBE AM (Chair): Lovely. Thank you for that. Let us move on to look at the route options.

Darren Johnson AM: Firstly, Michèle, congratulations on your new role. It is great to see your undoubted transport expertise being used on this very, very important project. Congratulations.

Can I ask firstly about the two main options that were put forward in the initial consultation, the regional option and the smaller metro option? Is the metro option now dead and buried and, really, we are focusing on the regional option now?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): The preference is the regional scheme. The regional scheme gives the biggest benefits. The regional scheme provides Network Rail with a solution to a problem that it does not otherwise have. There are still folks out there who from an operational point of view would see that the metro scheme can afford a much more reliable service because it is just running up and down a tunnel. However, it is the regional scheme that we are making the business case for, but no doubt when we are making that business case the DfT will ask us to consider alternatives and to justify why we are going for the regional scheme. It will also ask us to consider counterfactuals. What other little bits of schemes could you put instead to try to meet the needs of Crossrail 2? That will all be part of the business case. All the work that we have done to date demonstrates quite clearly that the regional scheme is the scheme that is going to give the biggest benefits to London, the southeast and hence the UK.

Darren Johnson AM: That is the one that your work is clearly focused on for now?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): That is the one we are working on but, as I said, we have to make that case.

Darren Johnson AM: Yes. That is clear. Can I ask about the option to serve both Dalston Junction and Hackney Central, which came up in the consultation? Is that being considered and how is that being looked at?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): The reason why we took that back for consultation was because we had a route and, as you say, one went to Dalston Junction and one went to Hackney and then they both split to go up the two lines. That actually was adding £1 billion to the bill and it seemed to be overdesign in that particular location, and hence we went out to the public to say that there are options for that. One was to go up to Dalston and then split to join the line up to Tottenham Hale and the other line up to New Southgate. The other option was to go via Hackney because not everybody was in support of both Hackney and Dalston with the bifurcation above it being in the scheme. The results that came back from the consultation were that some people still wanted both, some people preferred Hackney and some people preferred Dalston.

What we have safeguarded is for the Dalston route to go to Dalston and then split to go to Tottenham Hale and then go up towards the branch to New Southgate. We have also safeguarded a line between Angel and Hackney. The reason we have done that is because some of the consultation responses - and I know Val [Shawcross CBE AM] made this point previously - have said, "We want you to also consider an eastern branch". What we have said in the work that we are doing is that we will do further feasibility work on looking at an eastern branch. It is not part of the 'ask' now, but we want to make sure that if we do that further feasibility work, we can make a case for an eastern branch at a later stage. We want to safeguard the route to Hackney so that you can send it from Hackney.

Darren Johnson AM: It will be a phased approach if that were to go ahead and the initial business case that you are putting together will be on the first option?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): The business case we are putting together is the ask for the scheme that we have safeguarded, but we are safeguarding a link to Hackney. One of the reasons why we did not put the eastern extension in - and I know it is very important to the eastern boroughs - is because the need in that location over the next 15 years is not as great as the need up the Upper Lee Valley because you are going to have further improvements to the Central line and you are going to have Crossrail 1 go in and enhancements to the rail. As London grows and it grows further and you are looking to 2050, what you want to make sure of is that you have the ability to put that in. That is another lesson from Crossrail 1 and HS2. It is making sure that you build in the extendibility for things that you have to prioritise --

Darren Johnson AM: It is future-proofed so that it is easy to extend with an additional spur. That is what you are saying?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Yes. We are safeguarding the bit between Angel and Hackney Central.

Darren Johnson AM: Presumably in terms of the design and so on, it will properly take account of that so that things can easily be reconfigured?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Yes, but as a parallel exercise we will be doing further feasibility and case-making work on (a) whether an eastern extension is a really good thing to do against other things that one might do and (b) what the case might be for that and timing.

Darren Johnson AM: OK. That has been really helpful in throwing light on this. It is very clear that the regional route is the preferred option and the one you are building the business case for and the Hackney spur is looked at as a later phase. Does that mean then that the existing route proposals are likely to be the final route or could there be any other changes along the route anywhere?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Every time we do a consultation and someone says, "What about so-and-so", if we have not considered it, we have to consider it. The other thing we have to do is always refresh the case to make sure we have the best route and alignment. The options consultation we did in the summer was a response to points that people made on the previous consultation, which is why we looked at the alternatives. We are trying to move towards a single preferred route and to narrow the options down. However, if people are raising points and coming up with alternatives that we have not considered and we cannot justify saying no, then we will have to consider them.

Darren Johnson AM: There is a possibility that there could be further route changes at this stage? You are not ruling that out?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): I am not ruling it out but what I am saying is that if you look at the optioneering we have done today, which is tons, and all the alternative routes across London, we have been doing this since 2009. We have looked at all sorts of alternatives. On the basis of the analysis we have done to date, we think the route that we are promoting is the best. However, that does not mean that if there is something we have not considered, we should not just check that this is the right one.

Darren Johnson AM: Of course, although there is a difference between amending a route and having additional spurs and so on. Those are different.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): The spur is not an alternative. The eastern spur is not an alternative to what we have put on the table. It would be considered as a further phase at a later date if it is justified.

Darren Johnson AM: Yes, absolutely. Would it be the same case with any other alterations that you may consider that anything now is likely to be additional to the preferred route rather than a change or an alternative to the preferred route?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): It depends what crops up. We are going through a process, as I say, to make sure all the optioneering work that we have done in the past is still robust and that the conclusions we drew are still valid because we have to do this work for the business case. Other than the eastern extension, I cannot think of anything in particular that would be an addition, but it might be a variation. As I say, there is still the discussion and the work that is required to do with Network Rail about the branches, the absolute number of branches that feed into the tunnel and all the stations served on those branches.

Tony Arbour AM: Some of the proposals that you are making in relation to the regional proposals do appear to contradict each other. For example, I want to ask initially a question about the consultation, which I think ends this month and we have heard from Dick [Tracey AM] how people are quite excited about this. On my patch I have two separate proposals, both of which are welcomed. We would obviously want both rather than seeing them as alternatives, either going through Surbiton or going through Twickenham. Clearly, when I am

in Surbiton I say Surbiton is the one I am going for and when I am in Twickenham I say the Twickenham one is the one I am going for, but actually I want both.

Can I ask in relation to the consultation? I am sure because it is still a work in progress that you are unable to give any indication of what people are saying, but has there been a substantial response to that? Are lots of people actually becoming engaged and replying to the consultation?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): There have been quite a few inquiries and hits on the website when people have checked whether or not their property lies within the safeguarded route. The consultation in terms of the two big options, the regional scheme and the metro scheme, and the routes was in 2013, the year before last. People were responding to say things like, "I want it to serve this station", "I want it to serve this station", "I want the metro scheme", "I want the regional scheme", "I want it to go to East London", or "I want it to go to Streatham". All these things were from the 2013 consultation. Then we had the 2014 consultation, which was looking at specific options that quite a few people had raised that we wanted to consider further, the Kings Road Chelsea route in particular.

However, in terms of the branches and which bits of the Network Rail are joined up, that is not safeguarded. It is Network Rail's responsibility to ensure that that land is available. Exactly which of those branches runs through the Crossrail 2 tunnel will depend on this operational work that we are doing. At the same time, as I said, the DfT has safeguarded the Crossrail 2 route and it is the tunnel route, but for the branches - and forgive me for referring to them as 'branches' - it is Network Rail's responsibility to make sure that that land and any operational requirements associated with that land like depots, sidings and what-have-you is protected so that that can also be delivered. Network Rail has to make sure that it is protecting its bit of infrastructure so that when we safeguard and can build our bit of infrastructure it all joins up together.

Tony Arbour AM: I understand that, but I have a note here that says that there is a consultation period that does end this month.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): It is on the safeguarded route.

Tony Arbour AM: It is only on the safeguarded route?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Yes.

Tony Arbour AM: That accounts for it. Val [Shawcross CBE AM] was here the last time we discussed extensions to the proposed Crossrail 2. One of the reasons an extension into the underground parts of London, if I could put it that way, was turned down was because there was a plan - you will recall because you were certainly around, Michèle, at the time - suggesting that it should go to Norbiton via Richmond was because of disputes about the increased frequency of trains, which would mean all the level crossings would be kept closed to vehicular traffic at a lot of the District line stops in Kew and in Richmond.

Because of the constrictions that there are going to be on the use of your tunnel at Wimbledon, is that going to restrict the number of trains that can be run through? In other words, we currently have large numbers of Network Rail trains using your track. When Crossrail 2 comes along, does it mean that some Network Rail trains will be bumped and will be unable to use the tunnel because of the - I guess - substantially increased number that will want to use the tunnel?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): What the tunnel provides is for trains or routes that currently go from some of those suburban areas, say into Waterloo. Instead of those trains actually going into Waterloo, those trains will become bigger. Those trains will become Crossrail 2 trains. Instead of going up to Waterloo on the Main Line paths, they will go into the tunnel. In the tunnel, if we are going for the regional scheme and big trains - and you are talking about trains that could be up to 12-car trains and we have done a lot of the modelling on 10-car trains but they go up to 12-car trains - you could get 30 trains an hour. If you had just a single line running 30 trains per hour up and down that line, it is straightforward, but it is when that line is being fed by different branches.

Tony Arbour AM: Exactly.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Therefore, it is not a constraint in terms of the number. It is a constraint in terms of how it operates. It is the signalling and the operation between the track and the signals and making sure that that works properly. However, if we take those suburban trains off the Main Line paths into, say, Waterloo and we are still running those services but they are going in the tunnel, what it means is we are providing new paths on those Main Line paths into Waterloo for some further long-distance trains. Therefore, you are actually creating capacity.

Tony Arbour AM: That would be good news. Paul, you did mention something about possibly reducing the number of stops that there would be. Is it a serious thing that there might well be, as I think nowadays we call them, 'semi-fast' and things like that to make the thing work and to actually get the increased number of trains along? Does that mean that it will be necessary to have fewer stops on some trains?

Paul Harwood (Principal Network Planner, Network Rail): If I may, if you are referring to the point Michèle made earlier, that was around the consultation indicating the number of stations that Crossrail 2 may serve, but it might not serve all of them.

Tony Arbour AM: Yes.

Paul Harwood (Principal Network Planner, Network Rail): The broader point, picking up the point Michèle was trying to make, is that we have to get the pattern right for the existing services and the services that continue to run into Waterloo to make sure they interface as effectively as possible with Crossrail 2. I do not envisage that seeing anybody effectively losing a service that they currently have, but they might have choices.

The best way to example that is if a location had six trains an hour into Waterloo at the moment, a scenario could see them having three trains an hour into the tunnel on Crossrail 2 and three trains an hour into Waterloo in the future. It should not go below that point and so it might be one of choice and, because of the capacity that Michèle said is being released from the system, we may be able to apply additional services, too, although the debate is also around whether that reinforces the long-distance as well as the shorter-distance services. It is that choice that we have to get right.

Again, this is very much about lessons learned from previously and conversations we have had in the past about Wimbledon Loop and the South London Line in relation to Thameslink. We need to be absolutely clear with everybody how they are affected and what the service may look like based on the routing we choose and to communicate that. It is all a critical part of the consultation in September, but we will need to be talking about it and working with you before then to make sure that those choices are clear.

Tony Arbour AM: That sounds OK. There is one additional point. If Crossrail trains are going to be using Waterloo, how is Waterloo going to meet that --

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): They are not.

Paul Harwood (Principal Network Planner, Network Rail): No.

Tony Arbour AM: They will not at all?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): No.

Tony Arbour AM: Crossrail trains which are running on the lines that currently go to Waterloo, then. Does that mean that the frequency of the trains that currently use Waterloo will be altered because there will be Crossrail trains running along the track?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Yes, that is what Paul has just said.

Tony Arbour AM: Yes, but Paul has equally said - or at least I thought you said - that there will not be any reduction in the number of trains that are currently coming from these suburban stops.

Paul Harwood (Principal Network Planner, Network Rail): In totality. Some of them might be taking a different route and they might be going down the Crossrail 2 route through the tunnel. That is where we have to get the balance right because a lot of people will want to make that journey. That is almost the key point of Crossrail 2. They would rather switch to those trains. Therefore, you will not need to keep as much capacity into Waterloo because people will not want to go there, but some people do. We have to get that balance right between whether people will want to switch across to Crossrail 2 because their ultimate destination is better served or whether they will want to remain and go through Waterloo, for example, to connect to a Waterloo East service that goes to London Bridge - eventually - and those sorts of connections. It is getting that balance right and trying to serve people to the best of the network's ability.

Tony Arbour AM: What is important for the commuters from my patch is that as a result of this vast investment, which on the face of it we think is a jolly good thing, they will really get a better service. As I understand it, what you are saying is that they are not only getting a better service; they are getting a different service because they can go to a different place in London.

Paul Harwood (Principal Network Planner, Network Rail): Absolutely. It will save them having to interchange with the Tube as a lot of people do currently at Waterloo.

Tony Arbour AM: Yes, of course. OK. I follow that. As I say, I would like both Twickenham and Surbiton. Thank you.

Caroline Pidgeon MBE AM (Chair): Can I just follow up from Tony before I bring Victoria [Borwick AM] in? You said that at each station it should not go below the current number of trains. Is that a guarantee that people will have exactly the same number of trains - or at least the same number, if not more - but they just may go to different destinations?

Paul Harwood (Principal Network Planner, Network Rail): We should not need any trains to be taken off that currently operate. As a minimum, they would be switching across to the Crossrail 2 tunnel. Absolutely not.

Caroline Pidgeon MBE AM (Chair): On some bits of that patch, as I know from when we had the People's Question Time, there are only two trains an hour. We are not going to see that reduced further and they should get at least two, if not more? Is that correct?

Paul Harwood (Principal Network Planner, Network Rail): That is right.

Caroline Pidgeon MBE AM (Chair): Good. I am glad you are learning from the South London Line and Wimbledon Loop because people thought they were getting additional services and actually there was not as great an increase or improvement they had hoped.

Tony Arbour AM: Wimbledon Loop we are very satisfied with.

Caroline Pidgeon MBE AM (Chair): Yes, but at the time there were huge issues.

Victoria Borwick AM: Could you just clarify for us: one of the questions that we had as a Committee before was both about disabled access to the stations and the trains and of course that there should be public toilets. I have to say I was very keen for that at every station, particularly as we are doing a rebuild and a new build. Every time we are building a new build, it seemed to me absolutely incredible that we did not think about including them. I know that before, when we were working with Crossrail 1, it was not necessarily feasible for you, although I still disagree with that point but we will park that for a moment.

Could we have some assurance particularly on the disabled and ease of access to all the new Crossrail 2 stations and then, secondly, on what the access - with your planning hat on - will be to public facilities?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): In terms of toilets, then, the position will be the same as Crossrail 1 in not providing toilets on the train, but certainly we would still like to seek to provide toilets in the stations.

Victoria Borwick AM: We would look here to be able to say that hopefully all will?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Certainly for new build and where we are rebuilding those stations to provide toilets in those stations. Certainly for step-free access, the lesson learned there is within London to provide step-free access associated with the stations.

Victoria Borwick AM: No one should build anything now without realising our obligations.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Agreed.

Victoria Borwick AM: After all, step-free is not just for those in wheelchairs. It is for people with prams, people with luggage and people with heavy bags to carry. It is very outmoded just to say that it just means people in wheelchairs. I am delighted that you have given us that assurance this morning and I have no doubt the Committee will hold you to it.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): No doubt.

Caroline Pidgeon MBE AM (Chair): Absolutely. Thank you, Victoria. Let us just move on finally to the issue of funding.

Tom Copley AM: The Mayor said he thinks 50% of the cost of Crossrail 2 could be raised privately. How likely is that and how would this be raised?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): The PricewaterhouseCoopers (PwC) report, which was commissioned by TfL and the DfT because it was a specific topic that the Government was interested in, looked at all sorts of different funding sources. It identified that through the existing sources and mechanisms that are out there already, you could raise 50% of the funding. It was looking at the existing business rate supplement that exists for Crossrail 1 and extending that to Crossrail 2. It was looking at the Mayoral Community Infrastructure Levy (CIL) that exists and also if the Mayoral CIL was in the future doubled. It was looking at fares. It was looking at the resale of London property. It was looking at the council tax precept that exists for the Olympics, which will go down in value to £8, and arguing for an extension of that. Using mechanisms that are in place already, it was saying that you could do it.

However, what we are doing now is looking to see whether there are other mechanisms that we can consider and other sources so that we could increase --

Tom Copley AM: What other mechanisms are you looking at?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): We have looked at other things that are being considered. If you look back at the PwC report, there are other things in there that may or may not be palatable such as actually increasing the business rate supplement, such as an employer tax which is used in Paris and New York and which is again not necessarily popular. We are looking at whether or not --

Tom Copley AM: Taxing never is.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): It is if we demonstrate that we can fund it. The other area is a lesson learned from Crossrail 1. How can we better capture the value increase that occurs to property along the line that we can recoup and use for paying back on the scheme? It is not just through CIL that you might get that. It is the way we at TfL and Network Rail develop our own property in and around those areas to try to maximise --

Tom Copley AM: The commercial development on the TfL estate, yes?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Yes. We do want to consider those things further.

Tom Copley AM: Do you think that with all this taken together, it is realistic that you will get to the 50% that the Mayor wants?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): With the ones that we have identified and the mechanisms that exist at present, yes, because we have looked at that robustly. However, it is whether or not we can do more because, as we have said previously, to make the case for Crossrail 2, you can make the case and you can make it as robustly as you can and you can say how it is going to contribute to the

national economy, but it is in an environment where you have a lot of pressure to invest in the northern cities. We want to be able to show that we can pay for a lot ourselves without taking monies back.

Tom Copley AM: Yes, absolutely. What lessons have you learned from Crossrail 1 with regards to funding? What would you do differently?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): The main one is the one about - and Terry [Morgan CBE, Chairman, Crossrail Ltd] raised the point himself - how you can better capture the value increase that has occurred along the line. It is not the same scheme. Crossrail 1 was directly serving the City and Canary Wharf and you had Heathrow as a big contributor towards it. Crossrail 2 will increase the jobs across the London and it will open up the housing market. It will enable many more homes to be connected to job areas. We need to consider what more we could do in terms of capturing the value associated with that.

Tom Copley AM: What mechanisms can you use to capture the uplift in value?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): The mechanisms that have been considered by, say, the London Finance Commission included stamp duty and whether or not you could have an incremental stamp duty. If the values of properties go up because of the railway, could you then capture the incremental increase in stamp duty associated with that value? Again, they are not necessarily popular, but these are the sorts of ideas that one would have to look at to make sure we have explored everything.

Tom Copley AM: In terms of public funding, what options have you identified there?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): In terms of public funding, when you say 'public', do you mean from the public?

Tom Copley AM: As in, presumably, from general taxation and things like that.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): If we are raising 50% from other sources of taxation, then we are assuming that 50% would come from the Government. The argument would be in the same way as Crossrail 2. The beneficiaries of these schemes are, firstly, the people who travel on them, the fare-payers, and they are paying. Then there are the developments associated along the scheme increasing in value and we are extracting contributions from the business development community. A third group of beneficiaries is the public at large because the economy will grow. There is a case for asking for a public contribution.

Tom Copley AM: It is making the case that this is good for the whole country and not just for London?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Yes, as long as you can show that investment is causing an increase in GDP (gross domestic product) and you are actually creating growth and so it is an investment worth making.

Tom Copley AM: In terms of fares, are we going to see fare rises to pay for Crossrail 2?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): It is not assumed within the work that PwC did, no.

Tom Copley AM: It is not assumed, OK. Are you ruling out any premium fares on Crossrail 2? Will it be fully integrated?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): We have not assumed premium fares.

Tom Copley AM: You have not assumed, but have you ruled them out?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): We have not assumed them and we are aware of the concern. This needs to be an integrated part of the system.

Tom Copley AM: Yes, OK. Thank you.

Richard Tracey AM: When Terry Morgan [Chairman, Crossrail Ltd] talks about Crossrail 1 funding, he always talks about the 'funding envelope' because apparently the total figure that is often quoted does include contingency provision. Is this £27 billion or £28 billion, as it is sometimes said, the funding envelope for Crossrail 2? Is it the same situation?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Yes. It has a big contingency provision in there of 66%.

Richard Tracey AM: All right. That is interesting.

Valerie Shawcross CBE AM (Deputy Chair): At this stage.

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): It includes the rolling stock and it includes the work required for Network Rail. What it does not do is deduct things that might otherwise need to be spent on that will not need to be spent on if we do Crossrail 2. It is the funding envelope.

Richard Tracey AM: That is helpful. Thank you.

Caroline Pidgeon MBE AM (Chair): That will be part of your business case, I assume?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): Yes.

Caroline Pidgeon MBE AM (Chair): Yes. Is there anything else you particularly wanted to add, Paul, particularly on Network Rail? Is there anything from your point of view on this project that you wanted to just flag with us this morning?

Paul Harwood (Principal Network Planner, Network Rail): I think we have covered most things. The criticality is that we are working on this jointly. That allows us to pick up key operational types of issues and some of those are lessons from Crossrail 1 as well. We have to get this thing integrated. It will deliver the best product if we do that, assuming we go for the regional option.

Then my critical issue is working with everybody within the industry and then externally to explain what that service pattern looks like because I know that that is the critical part. For me, there is the summer to get that done and consulted on and discussed before the formal consultation in September. That is the important part of making sure the thing develops in an integrated way and we are not coming up with something that somebody does not realise is a result of it. That is the key thing.

Caroline Pidgeon MBE AM (Chair): Michèle, did you want to add anything?

Dr Michèle Dix CBE (Managing Director, Planning, Transport for London): I just wanted to thank people for the support they have given this scheme to date because it has been very well supported and we hope we can maintain cross-party support when taking it forward into the Comprehensive Spending Review, please.

Tony Arbour AM: Yes, that would be good news.

Caroline Pidgeon MBE AM (Chair): We are happy to.

Valerie Shawcross CBE AM (Deputy Chair): Yes, we do support it very strongly.

Tony Arbour AM: Yes, we do.

Valerie Shawcross CBE AM (Deputy Chair): Paul, just a quick one. I think you were here when I was quizzing Terry [Morgan, Chairman, Crossrail Ltd] and Andrew [Wolstenholme, Chief Executive, Crossrail Ltd] about the Crossrail 1 link to Heathrow and how at the moment the proposal is not to take it as far as Terminal 5. Does Network Rail have a view on that? Do you think it is incoherent to spend all that money building Crossrail 1 and then to stop it short of Terminal 5?

Paul Harwood (Principal Network Planner, Network Rail): There is a complicated set of issues that is affecting that, but we have done work with a variety of different parties on looking at what would need to be done to make it service Terminal 5. Therefore, there will be quite a bit of evolution to come on that, I suspect.

Valerie Shawcross CBE AM (Deputy Chair): The work you have done is very positive. Does it show it is an easy thing to do, as I think they indicated?

Paul Harwood (Principal Network Planner, Network Rail): From an infrastructure point of view, it is quite straightforward. It is the other issues.

Valerie Shawcross CBE AM (Deputy Chair): What is your expectation, then, of it actually happening?

Paul Harwood (Principal Network Planner, Network Rail): There are too many factors that can affect that at the moment.

Valerie Shawcross CBE AM (Deputy Chair): What is the biggest barrier?

Tony Arbour AM: The Government.

Paul Harwood (Principal Network Planner, Network Rail): Existing rights, desire, existing services and how those services interact affect it. It is not an infrastructure barrier. That is the key point.

Valerie Shawcross CBE AM (Deputy Chair): It is the Heathrow Express contractual --

Paul Harwood (Principal Network Planner, Network Rail): It is a variety of different elements.

Valerie Shawcross CBE AM (Deputy Chair): OK. The people who can unlock this would presumably be the DfT?

Paul Harwood (Principal Network Planner, Network Rail): Primarily.

Valerie Shawcross CBE AM (Deputy Chair): Thank you very much.

Caroline Pidgeon MBE AM (Chair): All right. That is very helpful. Thank you.