

Bicester: Rail's Economic Development and Blight



1st December 2015

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Bicester faces two distinct rail based problems, both could have serious implications for our thriving and growing traditional market town. One problem, the lack of a bridge to replace an existing level crossing is caused by the development of the rail network. The other concerns the town's future prosperity through the expansion of the rail network. Paradoxically both problems are connected.

Issue 1: Replacement of Level Crossing

Bicester is bisected by two rail lines; one north-south and the other east-west which forms part of the East West Rail project. The later effectively divides the town into northerly and southerly halves. There are only three locations where people and vehicles can cross this line. The central location possibly represents the greatest economic value to the local economy as it links to the town's central business district.

The opening of East West Rail will see rail traffic increase around 700 fold from approximately two trains **per week** pre-2014 to 13 trains **per hour**. Estimates by Oxfordshire County Council have estimated the crossing will close for up to 45 per hour, every hour.

This effectively closes the level crossing in terms of viability. The result will be that the rapidly expanding southern sector, targeted for around 4,000 new homes, will be isolated from the main core of the town. This will have a dramatic effect on the commercial viability of both large and small retailers in the town centre. Cherwell District Council recently invested £70m in redeveloping the town centre.

Solution: The London Road level crossing urgently needs to be replaced with an alternative solution to allow the residents and businesses of Bicester to maintain essential economic and social access routes.

Issue 2: East West Rail

Background

Campaigners led by Oxfordshire and Buckinghamshire County Councils have been campaigning since 1995 to reopen the line between Oxford and Cambridge as a catalyst for economic growth. In Chancellor George Osborne's Autumn Statement of 2011, he approved the Western Section with a target opening date of the Oxford-Bedford section by 2017 later revised to 2019.

Economic Case

In 2010, Oxford Economics¹ estimated that the core East West Rail project would deliver £32.2m pa. uplift in the economy of the scheme's Western Section and £14.7m in tax revenues. A subsequent 2014 study by ARUP² estimated the economic boost at around £72.7m pa. Critically, both reports noted that the South East had failed to create employment at the same rate as other regions. The 2010 report quantified this as 112,000 fewer jobs.

The benefit cost ratio of East West Rail is 6.3 for a full public financed model rising to 11.2 for a 15% private financed model. As an economic catalyst, the project will generate up to 12,000 new jobs with an investment payback period of 5.5 years.³

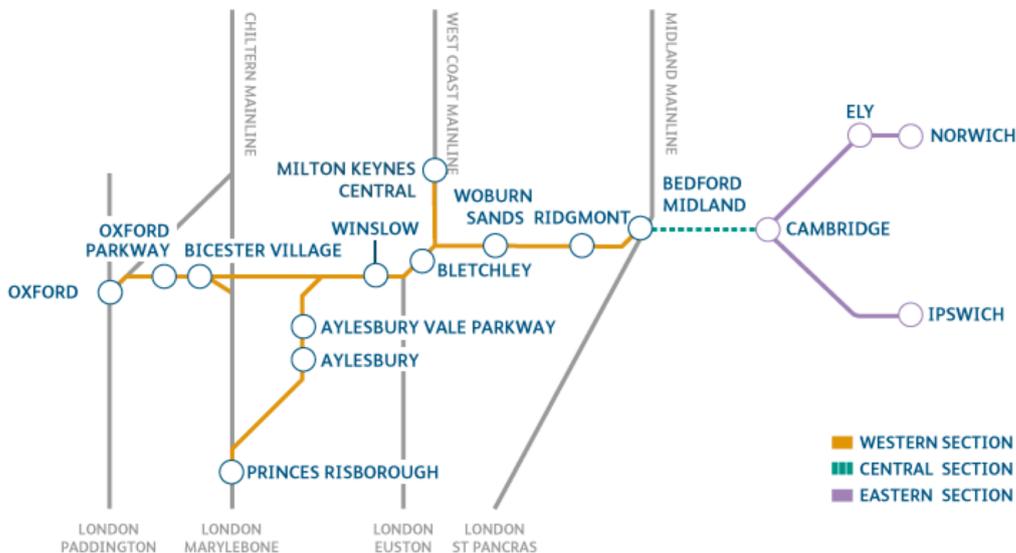


Figure 1 - The three sections of East West Rail project

East West Rail and Bicester

To date, Bicester has failed to capitalise on its proximity to Oxfordshire's Science Vale where 4% of the UK's research and development employment is based⁴. Employment within the town is concentrated on the warehousing, production and retail sectors. The Ministry of Defence was also formerly a large employer. The town's population is forecast to grow by over 30% in Cherwell District Council's Adopted Local Plan 2011-2031⁵.

Future Employment

Two key developments set to dramatically alter Bicester's employment mix in the future. The opening of a modern office park for 3,000 employees⁶ in 2016 and Chiltern Railways plan to extend their service to Oxford Science Park and BMW's Cowley Plant⁷. Both projects will enable Bicester to join Oxfordshire's

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Science Vale by delivering well connected, high quality office campuses in close proximity to large numbers of new homes.

In addition, with four fast trains per hour to Oxford and Milton Keynes, Bicester will become a more attractive location to live and work.

Bicester also has a higher percentage of people aged 0-15 than compared to Oxford⁸ making the new rail link important for young people considering further education beyond the town.

Threat to 2019 EWR Opening

As a result of Sir Peter Hendy's November 2015⁹ review of Network Rail's deliverables, there is a risk that the opening will be pushed back until 2022 and not fully realised until 2024-26¹⁰.

Summary

The Hendy review is important in rescheduling Network Rail's commitments to realistically achieve deliverables however in deferring East West Rail to 2022 in favour of other projects the economies of Oxfordshire and Buckinghamshire directly suffer by a minimum of five years.

Bicester encapsulates the benefit investment will have along the whole line. It will transform the employment mix, average salaries, employment opportunities and many other tangible benefits contributing to the national and science economies.

Opportunities exist to reduce the cost and complexity of the project in the interim. Electrification can be deferred and sections of line can be laid as single track to be dualled at a later day. Whilst this is not ideal and would reduce the cost benefit ratio initially it would still allow the economic catalyst for the region to start.

Footnotes:

¹ Oxford Economics, 2010: http://www.eastwestrail.org.uk/wp-content/uploads/2015/03/oxford_economics_ewr_report.pdf

² Arup Report for EWR, 2014: http://www.eastwestrail.org.uk/wp-content/uploads/2015/03/arup_refresh_of_east_west_rail_economic_case_issue_28-05.pdf

³ East West Rail: <http://www.eastwestrail.org.uk/business-case/>

⁴ Oxfordshire LEP: <http://www.oxfordshirelep.org.uk/content/key-locations>

⁵ Cherwell District Council, Local Plan 2011-2031

<http://www.cherwell.gov.uk/index.cfm?articleid=1730>

⁶ Official Ground Breaking Ceremony for the new Bicester Office Park takes place, Bicester Vision: <http://www.bicestervision.co.uk/announcements/official-ground-breaking-ceremony-for-the-new-bicester-office-park-takes-place>

⁷ Two new railway stations planned for Oxford, Rail Magazine, Nov 14: <http://www.rail.co.uk/rail-news/2014/new-stations-planned-for-oxford/>

⁸ Oxfordshire County Council Census Forecasts, 2011:

http://portal.oxfordshire.gov.uk/content/publicnet/other_sites/LEP/Bicester_Jan11.pdf

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9 Network Rail: <https://www.networkrail.co.uk/Hendy-review/>

10 East West Rail, 3rd November: <http://www.eastwestrail.org.uk/2015/11/03/east-west-rail-western-section-at-risk-of-delay/>