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MINISTERIAL COMMITTEE ON ECONOMIC STRATEGY

RAIL SERVICES TO GATWICK AIRPORT

Memorandum by the Minister of Transport and the  
Secretary of State for Trade

1. In December 1979 the Committee, and subsequently Cabinet, endorsed the Secretary of State for Trade's policy proposals for airport development (E(79) 17th meeting Item 1 and CC(79) 25th meeting Item 5 refer). These comprised a flexible approach with three main elements -

- (i) the development of a fourth terminal at Heathrow
- (ii) the development of a second terminal at Gatwick
- (iii) the progressive expansion of Stansted.

The first of these was approved at the same time but it will not be in operation until 1984/5. To relieve congestion at Heathrow, which is already operating near its maximum present capacity, we are encouraging, and in some cases forcing, airlines to use Gatwick, where passenger traffic is growing rapidly as a result. It is expected to rise from the present 9 million a year to 16 million (the maximum possible with the existing terminal) by the mid 1980s. The second terminal would enable a further 9 million to use the airport each year.

2. Given the practical impossibility of improving sufficiently the road connections into London, this traffic will depend crucially on the rail service. British Railways Board (BRB) have improved Gatwick station, and have done all they can to carry their present share of the traffic (over 3 million passengers a year) by adding to the present commuter services. But even at today's traffic level the services are unsatisfactory. They cannot cope at all satisfactorily with the increase needed to take Gatwick's traffic level to 16 million passengers a year, let alone with the traffic of the second terminal.

3. What is required is a separate train service for Gatwick Airport. To achieve this, BRB have to provide some extra capacity on the line, and this will be secured by additions to the major resignalling work for the Brighton line. Second, they have undertaken to find out of their existing programmes for rolling stock, enough stock to provide the separate service, at a cost of some £6m. The third requirement is the terminal capacity in London. An extensive examination has shown that the cheapest feasible option is to create space for two new platforms at Victoria by building a new raft at first floor level to accommodate the road access and short-stay parking facilities displaced by the

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new platforms, and which would also provide room for airline check-in facilities. This has been costed at £21.3m which would spread: 1981/82 £3.0m; 1982/83 £9.0m; 1983/84 £7.6m; 1984/85 £1.7m. (1980 survey prices).

4. BRB cannot find room for this within their existing severely constrained investment programme which has to satisfy many urgent needs for renewal of their equipment. So far as they have any room for choice, BRB have many investments which would do more for their finances than this project, which should be just profitable if premium fares are charged. Accordingly, the project will not go ahead, and the development of our airports policy will be severely hampered, unless a special earmarked addition can be made for the purpose to BRB's investment ceiling and consequently to their external finance limit. This expenditure is a consequence of our national airports policy. We accordingly ask agreement that this addition should now be made.

5. The Committee will also wish to be reminded that the expansion of Stansted will call for substantial investment to improve the existing rail access as traffic builds up, and will require a significant addition to current programmes for this purpose starting 1984/85.

6. The Committee is invited to agree that BRB's investment ceiling, and consequently borrowing, be increased by the amount necessary for this development.

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Department of Transport  
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ANNEX

## THE BRITISH RAIL LINK TO GATWICK AIRPORT

### INTRODUCTION

1. Gatwick Airport is 27 miles from central London (compared with Heathrow which is 17 miles). The road link to Gatwick is less convenient. On the other hand, British Rail provide a frequent service to Gatwick; the best journey time is only 36 minutes and Gatwick Station is contiguous with the airport. British Rail carry about 40% of all those travelling to and from Gatwick, compared with the 20% of all Heathrow passengers carried by London Transport's Piccadilly Line.

### THE NEED FOR IMPROVEMENTS AND THE NATURE OF THOSE PROPOSED

2. Gatwick Airport currently handles about eight million passengers a year and by mid-<sup>1980s</sup> this is expected to increase to sixteen million. Proposals for a second terminal are currently the subject of a public inquiry, and if approved, the total throughout is forecast to rise to 25 million passengers a year by the early 1990s.

3. Late in 1978 the Railways Board and the Department of Trade expressed doubts to the Department about the ability of the existing rail service to cope with the forecast Airport traffic growth. Accordingly a Working Party was set up by DTP in Spring 1979 with the following terms of reference -

"To consider the London-Gatwick rail service and the pattern of demand by commuters and airport passengers, taking into account the future growth of Airport traffic; and to make recommendations of the investment needed for a satisfactory service to be maintained, its practicability and commercial justification".

Membership of the Working Party comprised representatives of the Departments of Transport, Trade and the Environment, British Rail, the British Airports Authority, the Gatwick Airlines Consultative Committee, the Joint BR/BAA Airlines Committee on the Gatwick Rail Link, London Transport, the Greater London Council and the Westminster City Council. The Working Party concluded, inter alia, that: a separate rail service would be needed by 1984 to cope with

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the expected growth of the airport; and if the two new platforms were needed at Victoria for this service they would have to be built on the area of the present Central Cab Road. Additional space would then be needed to replace that lost in the Cab Road area and to provide facilities for Airport passengers travelling by rail, which would necessitate the construction above the Station Platforms of a raft with separate access for road traffic. The Working Party recommended that this project should be evaluated financially and that the question of financing it and any associated works should be examined.

4. The question whether the requirements could be met without constructing two new platforms and a raft has since been explored between DTP and British Rail. The Board's judgement is that it would not be possible to make two of the existing platforms at Victoria available for the separate airport service. Their conclusion would not be altered by any radical restructuring of Southern Region rail services since, even though overall commuter traffic is declining more and more people wish to travel via Victoria.

5. Necessary improvements to the track and signalling have already been approved as part of the Victoria and Brighton line track and resignalling schemes. Also, Gatwick Station is currently being rebuilt at a cost of £6m and is due to be completed by 1982. Additional rolling stock, however, would need to be provided to operate a separate service to the Airport.

6. The Board have not yet submitted formal proposals for the investment needed to provide a separate service but they have undertaken a preliminary financial appraisal. The total cost of the scheme is £26.9m (at 1980 survey price levels), which is made up of £21.3m for the fixed works at Victoria and £5.6m for rolling stock. The Board's present assessment is that if the fares for the dedicated service were kept in line with the general tariff for passenger services the scheme would only show a positive financial return on favourable assumptions about costs and revenues: whereas, if a premium fare were charged for the service there would be a positive financial return even on the worst assumptions.