

Item No. 11.	Classification: Open	Date: 21 January 2020	Meeting Name: Cabinet
Report title:		Elephant and Castle Bakerloo Line Extension	
Ward:		North Walworth	
Cabinet Member:		Councillor Johnson Situ, Growth, Development and Planning	

FOREWORD - COUNCILLOR JOHNSON SITU CABINET MEMBER FOR GROWTH, DEVELOPMENT AND PLANNING

Southwark Council has been campaigning for the Bakerloo line extension for a number of years, both to improve transport in our borough and to help build much-needed new homes. The Bakerloo line extension is fundamental to plans for growth and development in Southwark as well as bringing wider benefits to London. The Back The Bakerloo Line Campaign has been supported by over 20,000 people who have signed up.

We have welcomed the support of Transport for London (TfL) and the Mayor of London who have set out plans to extend the tube line from Elephant and Castle to Lewisham via Old Kent Road and New Cross Gate. TfL has carried out a number of consultations on the Bakerloo line extension and thousands of people have responded, overwhelmingly in support of the extension.

This report seeks Cabinet's approval for funding to start the first bit of work to deliver the transport infrastructure needed for the Bakerloo Line Extension and TfL have committed to jointly fund this project. The report also highlights the transport improvements to the Elephant and Castle Station, making it easier for commuters to change between the Northern and Bakerloo line.

RECOMMENDATIONS

1. That Cabinet approve an additional capital budget of £7,500,000 to the council's capital programme to safeguard the future provision for the Bakerloo Line Extension to the proposed new Northern line ticket hall and station box to provide an integrated interchange as detailed in this report.
2. That Cabinet notes that Transport for London Investment Group has confirmed a matching funding contribution of £7,500,000 towards the scheme.

BACKGROUND INFORMATION

Elephant and Castle Transport Interchange

3. The delivery of an integrated public transport interchange has been at the heart of the council's vision for the regeneration of the Elephant since the adoption of the 2004 Supplementary Planning Document [SPG]. The SPG envisaged a mixed use, mixed tenure town centre based around a network of convenient surface level pedestrian routes and open spaces supported by enhanced public transport. The council has been supporting a phased programme of investment

to secure this outcome over the intervening period. As part of this long term programme of change, the 1960's highway layout which was focused on the needs of vehicles at the expense of residents has been substantially reworked; a new public space [the "peninsula"] has been formed; signalised pedestrian surface crossings have replaced the network of subways; improved safety features have been introduced for cyclists.

4. The provision of a new Northern Line Ticket Hall [NLTH] is central to this long term programme. The existing station is congested with limited vertical capacity from street to platform level as it comprises only two lifts and an emergency staircase. TfL projections indicate that the existing Ticket Hall will reach full capacity this year and with the increased frequency of Northern Line services also being pursued, congestion at the station is anticipated to increase in the future. TfL estimate that around 30% of passengers in the morning peak use the emergency spiral staircase to access platforms rather than wait for a lift. Crowd control measures, including temporarily restricting access to the station are already required sporadically and forecast increases in demand will lead this to happen for greater duration and more regularly.
5. The planning application to redevelop the shopping centre was approved by the council's planning committee in July 2018 and permission was formally issued in January of this year following stage 2 approval by the Mayor and completion of an s106 agreement. The consented scheme includes for a new Northern Line Ticket Hall with increased capacity to replace the existing ticket hall. The station design includes escalators and will provide step free access from street level to the Northern Line platforms. This is to be located on the northern apex of the site fronting onto the peninsula. The station entrance is part of the 12 storey building which will be the new home of the London College of Communication.
6. The shopping centre developer will construct the new NLTH station box, TFL will then complete the fit out of the facility. The council in 2014 entered into a funding agreement with the GLA which has secured the resources for this project. The council's contribution totals £63m in phased payments until 2029/30 and is built into the capital programme. Community Infrastructure Levy [CIL] receipts are being used to offset this commitment.
7. The NLTH scheme will increase the operational capacity, efficiency and accessibility of the station and greatly improve the transition from street to platform level. The shopping centre redevelopment will therefore help deliver the council's long term vision for an integrated transport interchange at the Elephant supporting and unlocking further growth in the area.
8. The Bakerloo Line Extension [BLE] is planned to run from the Elephant to the Old Kent Road and Lewisham. The existing Bakerloo Line station at Elephant is also sub- standard and will suffer similar issues as the Northern line as summarised in paragraph 4 above, with measures required to mitigate the station capacity issues. Vertical capacity is limited and it does not provide step free access as it comprises 3 lifts and an emergency staircase. While customers can interchange between Northern and Bakerloo Lines at sub surface level the route is not convenient as it uses narrow platforms, stairways and tunnels resulting in sub-standard customer experience.
9. In line with the council's long standing vision for the area the BLE offers an opportunity to further consolidate Elephant as a significant public transport

interchange in the central London activity zone and to fully integrate the two existing tube lines in a new single step free station.

Bakerloo Line Extension

10. The extension of the Bakerloo line is a key corporate objective which will encourage and manage growth and development in south east London, and support regeneration. The proposal is a cornerstone of the draft Old Kent Road Area Action Plan and New Southwark Plan. The project will support at least 20,000 homes and 10,000 jobs in the Old Kent Road Opportunity Area.
11. Key project benefits are:
 - A new direct link into central London for people living or working in south east London, specifically along Old Kent Road, to serve the Old Kent Road Opportunity Area and at New Cross Gate and Lewisham to serve the Catford-Lewisham-New Cross Opportunity Area
 - A train at least every 2 to 3 minutes into south east London.
 - Journeys between central London and the Old Kent Road reduced by up to 20 minutes
 - Support development and regeneration in south east London, and in particular the provision of vital new homes
 - Provide capacity for 65,000 extra journeys in the morning and evening peak, to help relieve congestion on local bus services and National Rail services and
 - Relieve congestion on roads; reducing CO2 emissions and air pollution.

Bakerloo Line Elephant Station consultation

12. The provision of a new Bakerloo line station at Elephant and Castle is a key component of the infrastructure planning necessary to unlock the BLE and reduce uncertainty and risk around its likely delivery. In 2017 TfL consulted on options for specific sites for new stations. In the case of Elephant and Castle residents were asked to suggest locations within an identified zone which was considered suitable for a new Bakerloo line station.
13. The majority of responses received stated that a Bakerloo line station should be located where the Northern line entrance and Elephant and Castle shopping centre currently are. The most frequently occurring comments received to this question included:
 - Prioritise the interchange between the Bakerloo and National Rail lines
 - Prioritise the interchange between the Bakerloo and Northern lines
 - Avoid impacts on residential areas close to the town centre.
 - Integrate the proposed Bakerloo line station into existing/redeveloped Elephant and Castle market and shopping centre
14. The purpose of this report is to update Cabinet on new proposals for the provision of a BLE station at Elephant and Castle following the 2017 TfL public consultation and to seek approval to release funding from the council's capital programme to secure the construction of the single integrated facility for the BLE in addition to the new NLTH station.

KEY ISSUES FOR CONSIDERATION

15. The option of extending or adapting the existing Bakerloo line station has been discounted by TfL on the grounds of limited platform and vertical capacity to meet demand. In addition, any solution will require the acquisition of third party land to accommodate a new station ticket hall of sufficient capacity to meet demand. TfL's focus has therefore been on identifying a design solution capable of meeting the consultation responses on the shopping centre site.
16. The solution identified by TfL takes the form of providing for a deeper new NLTH station box that the shopping centre developer is already required by the s106 to build during its development works. The additional structure is located at sub-basement level in the area to the north of the proposed new campus building for the London College of Communication and will provide for future access to the new Bakerloo line platforms proposed for the BLE. This provision for the BLE does not form part of the consented scheme and therefore a further planning consent would be required for these works.
17. The new NLTH station box will then safeguard and provide passive provision for the future BLE station and will enable TfL to subsequently fit out escalators from the planned new Northern Line Ticket Hall down to the future Bakerloo line platforms. New Bakerloo line platforms at Elephant and Castle will be provided as part of the main BLE works. A new interchange between the Bakerloo and Northern lines will be enabled as part of the solution. This approach will significantly reduce the impact on the existing Bakerloo and Northern lines as well as on the new Elephant and Castle consented scheme during the BLE construction thereby avoiding significant impacts to the travelling public, surrounding businesses and residents during that time.
18. The proposed provision will therefore address the majority of comments received during the 2017 consultation. In particular, the identified solution integrates the proposed Bakerloo line station into the redeveloped Elephant and Castle shopping centre site as part of a single integrated station. The single integrated ticket hall within the new NLTH station will make wayfinding easier for passengers. It will eliminate unnecessary existing movements which cause inconvenience and congestion between the current stations e.g. passenger trips that use the Bakerloo line entrance and platforms to reach the Northern line. Ultimately the scheme achieves the direct interchange between the Northern and Bakerloo lines which the council has been seeking for many years.
19. The consented scheme for the shopping centre site includes a surface pedestrian route between the overground rail station and the location of the new NLTH station with the passive provision for the BLE. This will replace the current arrangement which involves a route from the overground station through the existing shopping centre via a number of flights of stairs or alternatively along Elephant Road/New Kent Road. The completed development will therefore provide a more convenient and direct connection between these important parts of the public transport interchange.
20. The provision within the new NLTH box which is necessary to safeguard the BLE station will need to be integrated into the overall design of the project. The developer will be required to safeguard and construct the provision for the BLE as part of the new NLTH box. Both interventions require public sector funding. The funding for the latter will continue to be consistent with the 2014 Funding Agreement [as amended] between the council and the GLA.

21. Unless this commitment is made now, the opportunity to include the provision for a future BLE in the scheme design and subsequent construction will be lost and an alternative site for the station will have to be identified. TfL advise any alternative will result in separate stations for the BLE and NL and therefore this option will fail to deliver an integrated solution.
22. Any alternative site will need to be located close to the centre of the Elephant which is a heavily developed urban environment and is likely to have a greater impact on residential locations. Alternative sites are likely to involve third party developed land with significant costs and risks including potentially the need for compulsory purchase. This outcome may adversely affect the overall business case for the BLE and its likely delivery.

Costs/ Funding

23. The cost of provision within the new NLTH to safeguard the BLE station has been assessed by TfL at £15m. This budget is costed at assumed 2023 prices which is the date at which the works are currently estimated to take place. The figure includes for a contingency.
24. It should be noted that these works were not envisaged when the shopping centre planning application was originally submitted in 2016 or when the Planning Committee resolved to approve the scheme in July 2018. These costs represent new public sector funding requirements which it is not reasonable to expect the developer to meet to integrate the BLE future provision.
25. TfL, for its part, has stated that it is not in a position to meet the full costs of the provisions to the NLTH box necessary to safeguard the BLE integration with the new NLTH station box. The funding it has available is for project development (as opposed to works) and is in any case committed to design and other technical work necessary to obtain project funding and apply for planning powers to construct and operate the Bakerloo line extension.
26. Given the importance of safeguarding a station at Elephant for the BLE business case, TfL has however agreed to fund the additional costs on a 50/50 basis with the council. TfL's Investment Group has formally approved funding of £7.5m towards the project subject to the council agreeing to match fund this total. Approval has also been given to progress the design to take forward the provisions for a future BLE to the new NLTH station box.

Conclusion

27. The proposed design solution will consolidate the Elephant as a key public transport interchange in line with the council's long standing vision for the area. The investment will safeguard an area for a new BLE station which TfL can fit out at a later date. The cost of the intervention is relatively low when compared with any other option which would almost certainly involve acquisition of third party land. The proposed solution also provides convenient interchange between the Bakerloo and Northern lines which is a key project outcome supported through the consultation. TfL is of the view that there is no other alternative that can achieve this outcome.
28. It is therefore recommended that the council provides £7.5m (50% of the cost) towards the scheme costs to provide this early infrastructure which will help de-

risk the overall BLE project and strengthen the TfL business case for capital funding. This investment will help strengthen the Elephant and Old Kent Road areas as office and workspace locations generating further growth in business rates and CIL receipts.

Policy implications

29. The 2010 Core Strategy states as part of the vision for the Elephant that the *“regeneration of the Opportunity Area will create a highly integrated and efficient public transport hub. This will comprise an improved Northern line station with a new ticket hall and escalators under the shopping centre, enhanced conditions for bus and rail users and an improved interchange between the various modes”*. This objective was consolidated into the Elephant and Castle SPD (adopted 2011) which requires development in the area to make significant improvements to the interchange between buses, tube rail and to increase the capacity of the Northern Line station.
30. The extension of the Bakerloo line is a key corporate objective which will encourage and manage growth and development in southeast London, and support regeneration. The proposal is a cornerstone of the draft Old Kent Road Area Action Plan and New Southwark Plan. The project will support at least 20,000 homes and 10,000 jobs in the Old Kent Road Opportunity Area.
31. On 28 November 2018 Council Assembly approved the current Council Plan. This sets eight commitments to our community all of which will be progressed by the BLE and an integrated Elephant and Castle Underground Station.

Community impact statement

32. The Council Plan was the subject of extensive community consultation and as mentioned above the recommendations in this report further the commitments therein.
33. The Equality Act 2010 requires the Council in the exercise of its functions to have due regard to the need to:
 - a) eliminate discrimination;
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
34. Relevant protected characteristics for the purposes of the Equality Act are:
 - Age
 - Civil partnership
 - Disability
 - Gender reassignment
 - Pregnancy and maternity
 - Race
 - Religion or belief
 - Sex and sexual orientation.

35. In considering the recommendations herein the Cabinet must have due regard to the possible effects them on any groups sharing a protected characteristic in order to discharge its public sector equality duty. This is an ongoing obligation.
36. The recommendations in this report do not impact upon any protected characteristics at this time but before TfL proceeds with the BLE it will carry out a full equality impact assessment to guide it in discharging its PSED.
37. The extension of the BLE will support significant growth in new homes and jobs in the Elephant and Castle and Old Kent Road areas.
38. The new NLTH station box and provision for an integrated BLE station will be designed to be fully step free ensuring it meets the needs of all residents.

Resource implications

39. The council and GLA have completed a funding agreement for the NLTH under the terms of which the council is scheduled to make phased payments totalling £63m over the period until 2029/30. These payments are included in the council's capital programme. To date (including 2019/20) the council will have made payments of £33m leaving a further £30m to be paid in phases over the remaining period of the agreement. The £7.5m to safeguard the BLE station at Elephant is in addition to the commitments which have previously been made as part of this arrangement.
40. The intention has been that these payments from the capital programme will be offset by developer CIL and s106 receipts. To date, however, receipts are lagging behind payments. As a consequence, in 2018 the council agreed a revised schedule of payments with the GLA. This was done with a view to smoothing out the annual payments and bringing them more in line with predicted receipts. Funding will continue to be made through CIL receipts as they become available. In the event of a shortfall in CIL (or project specific s106 resources) the Council will borrow as part of the Treasury Management Strategy.
41. Under the revised schedule, payments of £4.8m are now programmed to be paid towards the NLTH in the years 2022/3 and 2023/4 when the works to safeguard the BLE station are currently assumed to take place. The payment of £7.5m will therefore be in addition to these payments that are already built into the capital programme for those years.
42. As noted elsewhere in this report, the BLE will support significant new homes and jobs in the Old Kent Road. Safeguarding the BLE station at Elephant will strengthen the project business case thereby increasing the likelihood that development in this growth area will come forward generating CIL receipts and business rates.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

43. The provision of finance by the Council in order to facilitate improvements to the transport network in the vicinity of the Elephant and Castle shopping centre has been a long-standing commitment of Southwark. The report refers to the Supplementary Planning Document which was adopted in 2004 and the funding agreement entered into by the Council in 2014 which agreed to fund £63 million

over a 15 year period. It is now proposed to provide further funding of £7.5 million which amount will be matched by TfL.

44. Matters have now progressed with the grant of planning permission in January 2019 for the redevelopment of the shopping centre. Included in the planning obligations agreement under section 106, Town and Country Planning Act, the developer is required to construct the Northern Line Underground Station Box and station access from the public highway. This report is concerned only with funding improvements to allow for the construction of provision for the Bakerloo Line extension within the Northern Line Underground Station Box. These provisions will require planning consent in the future and as such there is no requirement in the current s.106 Agreement for the developer to undertake any works to any interchange for the Bakerloo Line. The report refers to the consultation undertaken and comments received from residents suggesting that the interchanges for the two tube lines were integrated if possible. As reported at paragraph 16, TfL has been able to advance a workable solution to this proposal out with the new NLTH.
45. Paragraph 37 of the report assesses that there are no equalities impacts arising at this stage of the funding. It is noted that TfL will be undertaking a full impact assessment before proceeding with the improvements to the Bakerloo Line.
46. As far as the Council's power to grant the loan is concerned, section 1 of the Localism Act 2011 grants a general power of competence which is very broad and allows a local authority to do anything that an individual can do. There are exceptions to this general rule contained within sections 2 and 4 of the Act. Section 2 is not relevant to the circumstances here as it relates to the action not infringing any restrictions contained in other statutory powers whilst section 4 introduces a limitation where the proposal (here the grant) is done for a "commercial purpose" in which case the loan would need to be made through a company. However, "commercial purpose" is interpreted as the authority's principal motive or dominant purpose being profit –making. This is clearly not the case in this instance.

Strategic Director of Finance and Governance [FC19/013]

47. This report is requesting cabinet to approve an additional capital budget of £7.5m to the council's capital programme to safeguard the construction of the BLE station box as detailed in this report and to note that Transport for London Investment Group has confirmed a match funding contribution of £7.5m towards the scheme.
48. The strategic director of finance and governance notes that this proposed contribution of £7.5m for the safeguarding and provision for the BLE is in addition to the phased payments being made by the council over the period until 2029/30 totaling £63m under the funding agreement between the council and GLA for the Northern Line Ticket Hall.
49. The proposed contribution of £7.5m will be added to the council's capital programme once approved by cabinet.
50. The strategic director of finance and governance notes that funding for these contributions is expected to be made through CIL receipts and any funding shortfall will be met by borrowing as part of the Treasury Management Strategy.

51. Staffing and any other costs connected with this report to be contained within existing departmental revenue budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Southwark Core Strategy	160 Tooley Street, London SE1 2QH	Jon Abbott 02075 254902
Link (please copy and paste into your browser): https://www.southwark.gov.uk/planning-and-building-control/planning-policy-and-transport-policy/development-plan/local-plan		
Council Plan 2018-19 – 2021-22	160 Tooley Street, London SE1 2QH	Paula Thornton 02075 254395
http://moderngov.southwark.gov.uk/documents/s78763/Report%20Council%20Plan.pdf		
Shopping Centre Site, Elephant and Castle, 26, 28, 30 and 32 New Kent Road, Arches 6 and 7 Elephant Road, and London College of Communications Site Planning Report	160 Tooley Street, London SE1 2QH	Michael Glasgow 02075 251249
Link (please copy and paste into your browser): http://moderngov.southwark.gov.uk/documents/s76025/ITEM%201%20-%20REPORT%2016AP4458.pdf		
Transport for London BLE consultation	See link below	
Link (please copy and paste into your browser): https://consultations.tfl.gov.uk/tube/bakerloo-extension/user_uploads/ble-consultation-report-final-1.pdf		
Elephant and Castle SPD	160 Tooley Street, London SE1 2QH	Jon Abbott 02075 254902
Link (please copy and paste into your browser): https://www.southwark.gov.uk/planning-and-building-control/planning-policy-and-transport-policy/development-plan/supplementary-planning-documents-spd/spd-by-area?chapter=4		
TfL letter dated 6 September 2019 re E&C ticket hall enhancements to support BLE	160 Tooley Street London SE1 2QH	Jon Abbott 02075254902
http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=6418&Ver=4 (Item 11)		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Cabinet Member	Councillor Johnson Situ Growth, Development and Planning	
Lead Officer	Kevin Fenton, Strategic Director Place and Wellbeing	
Report Author	Jon Abbott, Head of Regeneration North	
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CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
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	Director of Law and Democracy	Yes
	Strategic Director of Finance and Governance	Yes
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