	Cabinet 7 April 2025
	Report from the Corporate Director of Neighbourhoods and Regeneration
	Lead Member - Cabinet Member for Regeneration, Planning and Property (Councillor Teo Benea)
Funding contribution towards next stage development costs for West London Orbital scheme	

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
List of Appendices:	None
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Paul Lewin, Spatial Planning Team Leader 020 8937 6710 Email: Paul.lewin@brent.gov.uk Tim Martin, Transportation Planning Manager Email: tim.martin@brent.gov.uk

1.0 Executive Summary

- 1.1 This report seeks approval from Cabinet for a funding contribution of £465,516 (plus contingency) payable in 2026-27, towards the next stage of development of the West London Orbital rail scheme (WLO). Hounslow, Barnet and OPDC have all agreed in principle their apportioned funding contribution towards the Option Selection stage in the Governance for Railway Investment Projects process (GRIP 3) - and are progressing through their governance processes. A decision from Ealing is still awaited. TfL is contributing 50% of the cost of GRIP 3; the 4 WLO boroughs and the OPDC are being asked for an apportioned contribution.
- 1.2 The Council is supportive of the WLO given the significant benefits it is anticipated to bring to the Borough. It is supported in the Local Plan and the Long-Term Transport Strategy. It is considered to be a piece of infrastructure to support development and growth and therefore eligible for SCIL spend.

2.0 Recommendation(s)

That Cabinet:

- 2.1 Agrees that the Council contribute £465,516 and £150,000 contingency funded from Strategic Community Infrastructure Levy, as its agreed share of the cost of taking forward the next stage of the development of the WLO.
- 2.2 Delegates authority to the Corporate Director Neighbourhoods and Regeneration, in consultation with the Lead Member for Regeneration, Planning and Property, use of contingency for the final sum payable following confirmation from all WLO borough's governance processes.

3.0 Detail

3.1 Cabinet Member Foreword

3.1.1 There is currently a lack of effective orbital public transport connections in west London, with many people who live in the area required to travel into central London and out again by rail or forced onto the often congested and unreliable highway network, to make what should be relatively short journeys to access work, education or leisure opportunities. The WLO will help improve access to these things without the need or expense of having to make convoluted travel arrangements. It will also bring about significant economic, social and environmental benefits to Brent and its communities, including new homes and jobs; improved access to a range of employment and learning opportunities; enhanced social inclusion – particularly for some of the more deprived parts of the borough; and a significant reduction in car trips and harmful emissions. The case for investment in the scheme is compelling.

3.1.2 The WLO rail scheme aligns with the following Borough Plan priorities:

- **Prosperity and stability in Brent** – including helping unlock delivery of new jobs and housing and improving access for residents to a wide range of employment and learning opportunities in other parts of London.
- **Making the borough cleaner and greener** - delivering actions in our Climate and Ecological Emergency Strategy and Long-Term Transport Strategy to tackle climate change by supporting the transition to sustainable travel.
- **Inclusive Growth Strategy:** this outlines priorities for meeting the challenges and seizing the opportunities of growth, with the aim of ensuring that everyone can take part and share in the benefits it brings. It identifies the need for a range of improvements to be made including transport infrastructure to support a modal shift to more sustainable modes of travel.
- **Local Plan:** With a focus on achieving 'good growth', the Plan requires new development to have good access to public transport and to reduce reliance on private cars. Policy BT1 sets out how the Council will prioritise active and

sustainable travel over private motor vehicles. It includes a commitment to safeguard land for and enable the delivery of the WLO.

3.2 Background

- 3.2.1 The West London Alliance (WLA), for and on behalf of the boroughs of Barnet, Brent, Ealing, Hounslow and for the Old Oak and Park Royal Development Corporation (“the WLO Authorities”), in partnership with Transport for London (TfL), are developing the case for the WLO. This rail scheme would make better use of existing infrastructure to connect growth areas in West London and connect residents with economic opportunities.
- 3.2.2 The WLO is proposed to run from Hendon/Brent Cross and/or Cricklewood/West Hampstead to Hounslow. It would bring the freight-only Dudding Hill line back into passenger use as a London Overground service, and would also use sections of the London Overground North London line and South Western Hounslow Loop line.
- 3.2.3 The WLO was featured in the Mayor of London’s manifesto ahead of the 2024 election. It has been repeatedly cited by the Greater London Authority (GLA) and TfL as a ‘top three’ priority for new transport infrastructure investment in London, (alongside the extension of the Docklands Light Railway to Thamesmead and the upgrade to and extension of the Bakerloo Line). It is expected that the importance of the WLO to London will be reflected in the forthcoming London Growth Plan. TfL’s overall financial priority is to secure a multi-year funding settlement from Government at the Spending Review, providing them with greater stability to undertake major capital investment.
- 3.2.4 The WLO Project Team have worked through the Governance for Railway Investment Projects (GRIP) process and have now concluded GRIP 1 – Output Definition, and GRIP 2 – Feasibility. In addition, an independent report on the scheme’s benefits has been circulated to the WLO Authorities and TfL. The Borough Benefits Report is a robust evidence base, detailing the broad benefits of the WLO at regional, subregional and borough levels. An information pack brings together this body of work: summarising the feasibility in terms of physical design and engineering; updates to the business case, costs and benefits; and wider benefits overall and for each Authority, as well as information on further costs, route options and options for calculating funding apportionments.
- 3.2.5 The WLO Authorities are now deciding whether to progress the WLO to the next stage of development, GRIP 3; which route option to pursue; and how funding contributions should be apportioned amongst the WLO Authorities and TfL. While these are collective decisions between partners, each individual authority must also secure formal agreement to confirm its financial contribution towards the GRIP3 costs. At the time of writing, OPDC, Barnet and Hounslow have agreed in principle to their contributions; a decision from Ealing is awaited.
- 3.2.6 The GRIP 3 stage, led by TfL, is expected to take c.18 months. If successful, partners will then need to take a decision to move to the next stages of single option development (GRIP 4); public consultation and progressing a Transport

and Works Act Order to seek Government permission for the scheme. If approved the scheme will then move on through the next GRIP stages outlined below:

- Detailed design (GRIP 5)
- Construction, test and commission (GRIP 6)
- Scheme handback (GRIP 7)
- Project closeout (GRIP 8)

There will be further costs associated with some of these further stages of work.

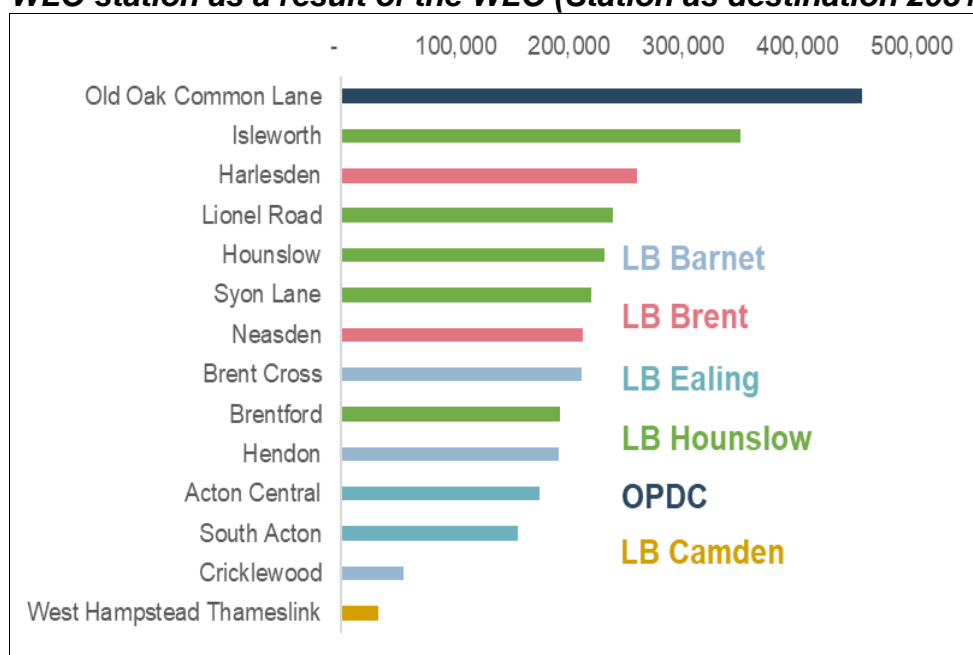
3.2.7 In parallel, the WLO Authorities, coordinated by the WLA, will continue to carry out external affairs activity to raise the profile of the WLO within Government and in the media, and keep it high on the Mayor’s agenda.

Overview of scheme benefits

3.2.8 The WLA commissioned consultants Volterra to assess the wider benefits of the scheme – including how it would support the development of jobs and homes and enhance access to education and leisure in the west London host boroughs and the wider area. Among the main economic, social, and placemaking benefits that are likely to arise from the scheme include:

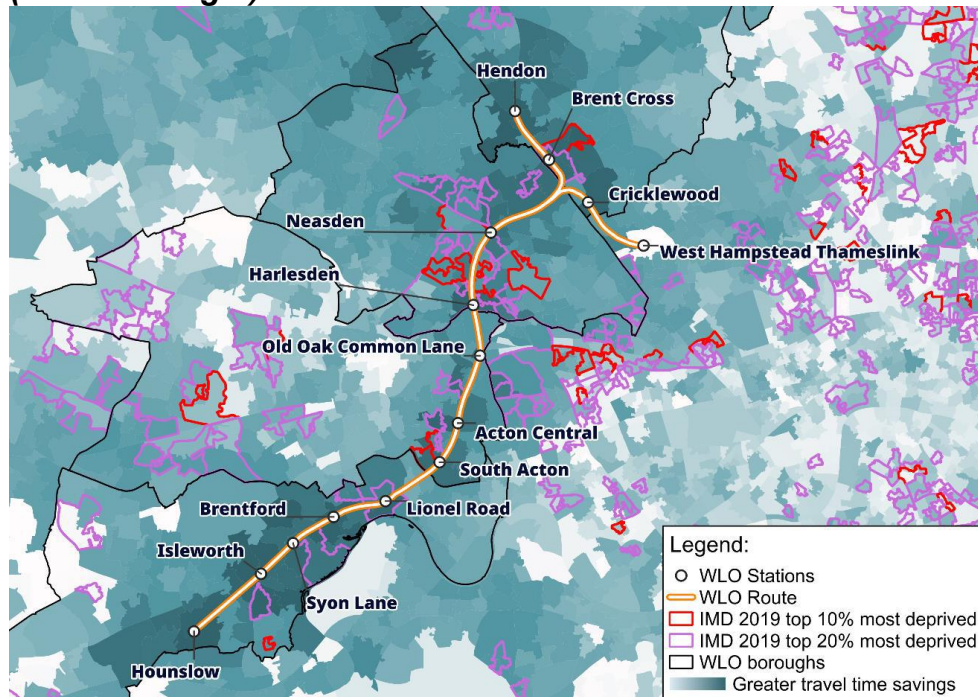
- **Improved access to opportunities.** The WLO will reduce travel times enabling people to access opportunities further afield. It is estimated that there will be a 39 min (57%) travel time saving for people travelling between Brentford and Neasden, whilst an additional 450,000 residents will be able to reach Old Oak Common within 60 minutes (see Figure 1, below). Residents at Harlesden would be able to reach Old Oak Common Lane (and interchanges available there such as the Elizabeth line) in one stop.

Figure 1: Numbers of people newly accessible to within one hour of a WLO station as a result of the WLO (Station as destination 2031 AM)



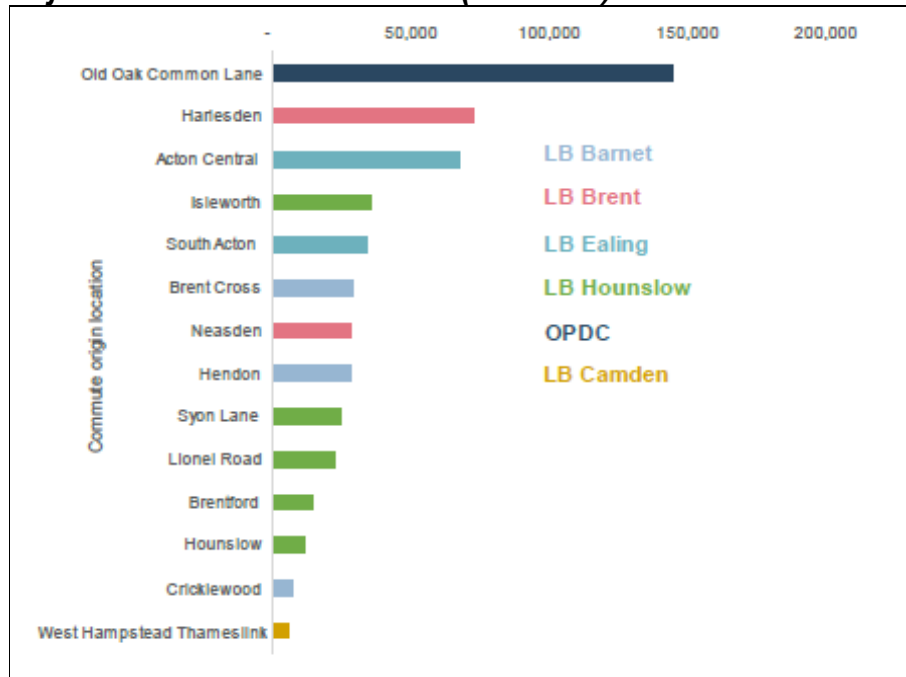
- **Enhanced social inclusion.** The WLO is expected to bring a range of equality benefits, including improved access to services (eg education) and jobs, and greenspace for some of the most deprived areas in the country, including Harlesden and Neasden (see Figure 2, below). Improved step-free access at stations will also decrease travel times on the step-free network and enhance opportunities for wheelchair users and people with mobility challenges.

Figure 2: IMD overall deprivation and travel time trip minutes saved (2031 AM origin)



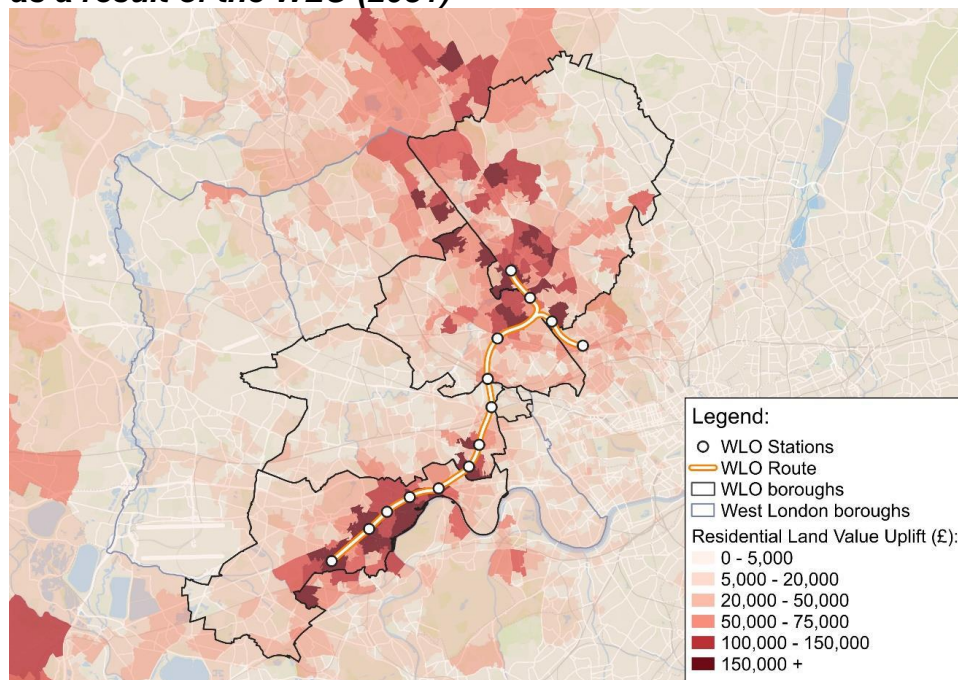
- **Access to employment and productivity.** The WLO will bring a range of economic benefits through improved connectivity including access to jobs (including higher productivity jobs), enhanced viability of employment sites and opportunity areas, and productivity benefits through bringing firms closer together. Almost all Brent residents would gain access to 10,000 additional jobs, with the highest benefits in the areas with the highest levels of deprivation – such as Harlesden (see Figure 3, below). Wembley will experience an increase in its labour catchment of c.40,000 people.

Figure 3: Jobs newly accessible within 43 minutes for residents living adjacent to the WLO stations (2031 AM)



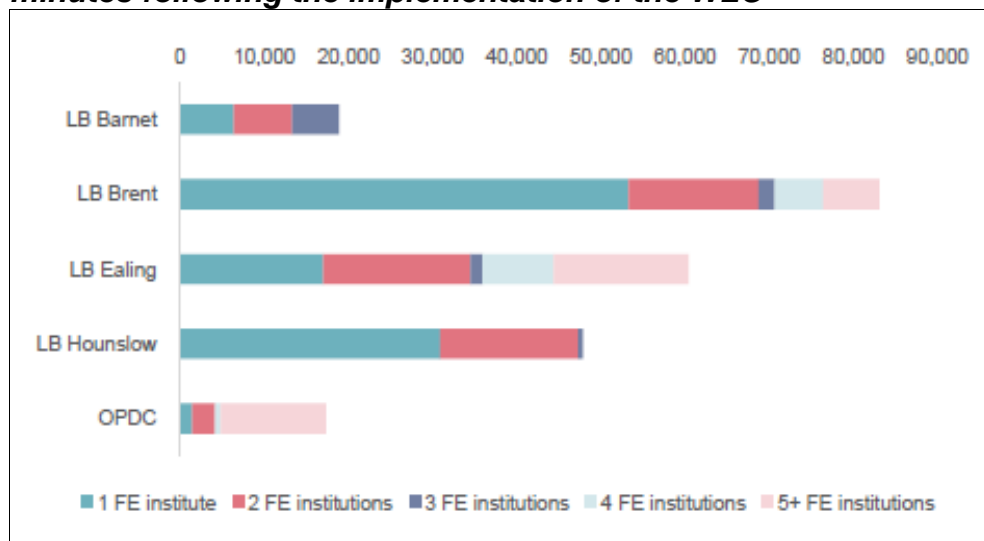
- **Supporting development.** Improved accessibility is anticipated to bring a range of development opportunities/benefits, including:
 - An increase of 3,370 jobs and 5,600 homes (the figures for Brent are estimated at 455 and 1,255 respectively);
 - An additional £21.2m in residential land value uplift (see Figure 4, below) and £81.8m in commercial land value uplift (c.£4.0m and c.£18.8m respectively in Brent); and
 - c.£5.5m of business rates generation (c.£745,000 for Brent).

Figure 4: Estimated change in existing residential land value delivered as a result of the WLO (2031)



- Improved lives by connecting people to places.** The WLO is anticipated to bring benefits through improved access to a range of leisure, culture, recreation, healthcare and education opportunities. Nearly all WLO stations will have access to at least 100,000 more people within an hour – improving access to 14 libraries, 18 museums and commercial/public galleries, and 9 theatres. Circa 55,000 Brent residents will be able to newly access at least one FE college within 43 minutes (see Figure 5, below), whilst residents will experience improved access to hospitals within a 20-minute walk of Harlesden.

Figure 5: Population who can newly access FE colleges within 43 minutes following the implementation of the WLO



- Contribution towards environmental goals.** A wide range of environmental benefits are anticipated across the host boroughs, including over 650,000 car trips avoided per year by 2041 (c.120,000 per year in Brent alone); a reduction in carbon emissions of 883 tonnes per year by 2041 (180 tonnes/year in Brent); and improved air quality – with a round 5.3 tonnes of NO2 emissions avoided each year (1.1 tonnes/year in Brent).

Figure 6: Annual car trips avoided by the WLO

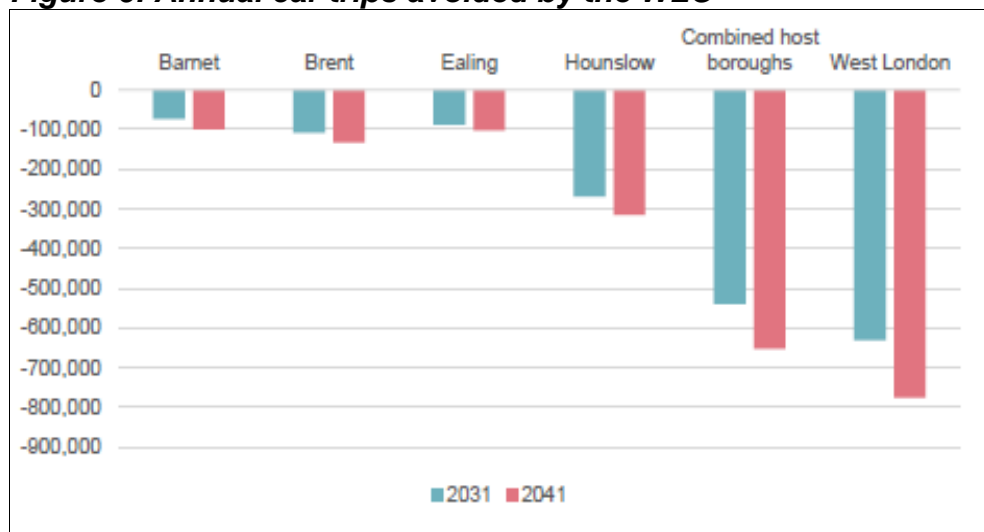


Figure 7: Summary of quantified WLO benefits for Brent

Benefit	Value
Jobs	455
Homes	1,255
Business rates	0.7 (£m)
Council tax	2.0 (£m)
Increased residential land value	4.0 (£m)
Increased commercial land value	18.8 (£m)
Car kms avoided per year (2031)	1.3 (million kms)
CO2 emissions avoided (2031)	172 (tonnes)
NO2 emissions avoided (2031)	1.0 (tonnes)

Strategic Community Infrastructure Levy (“SCIL”)

3.2.9 CIL is a levy that allows the Council to raise funds from developers in recognition of the fact that new development creates pressure on the borough’s infrastructure. CIL must be used by authorities for funding infrastructure to support the development of its area as set out in Regulation 59 of The Community Infrastructure Levy Regulations 2010 (Amended).

3.2.10 Infrastructure is defined in The Planning Act 2008. It has a broad definition including transport, flood defences, schools, hospitals, health, and social care facilities. This project, the provision of a railway, meets the definition of infrastructure in the Planning Act. A local authority must spend the levy on infrastructure needed to support the development of their area.

3.2.11 In the absence of a timely Infrastructure Officer Working Group meeting, relevant officers considered the applicability of SCIL to this project at the Regeneration Board and Capital Programme Board. It is considered that this contribution to GRIP 3 required for the provision of the railway is SCIL eligible, in that it is infrastructure needed to support the development of the area, as set out elsewhere in this report.

Risks and mitigations

3.2.12 The following key risks and the mitigation measures to overcome these have been identified around moving to GRIP 3:

- **Potential cost increases.** GRIP 3 costs were estimated at £6.3 million in June 2024 and were revised to £6.65million in October 2024. These estimates are subject to change once the specifications of each workstream are scoped out. Long delays increase the risk of inflationary increases. Expediting decisions to proceed will help to mitigate these risks. Notwithstanding, TfL have confirmed that any inflation will be met by them not the Boroughs.
- **Risks to delivery of the scheme itself.** Funding GRIP 3 will provide little benefit for the borough if the scheme itself does not progress. There is also a potential revenue risk to the Council from any abortive costs incurred - principally staff time spent on the project. The political commitment from the

Mayor of London, and the partnership and funding commitments from TfL, provide as much assurance as possible that the scheme will progress. It should be noted that funding for the delivery of the WLO has not yet been agreed, but is expected to be shared between national, regional, and local government (if the scheme is agreed). The total cost of the scheme is currently estimated at c.£800m-£900m.

4.0 Stakeholder and ward member consultation and engagement

- 4.1 Wider public consultation/engagement is planned by TfL and the WLO Authorities at a later stage (post GRIP 4). However, given that the WLO is in the Mayor's transport strategy, and our own, it is in the public domain.

5.0 Financial Considerations

- 5.1 The latest total cost envelope anticipated for GRIP 3 is £6.65m. Subject to its own formal governance, TfL will contribute half of this sum with the other half coming from the WLO Authorities.
- 5.2 The WLO Benefits Pack sets out options for how contributions to this sum could be apportioned between the WLO Authorities. The preference is for half the costs to be allocated equally among the authorities, with the remaining half distributed based on the benefits each area receives. Under this methodology, Brent's contribution towards the GRIP 3 costs is £465,516. Whilst WLO authorities review and conduct their own governance to approve the contribution, a contingency budget is also requested totalling £150,000. It is proposed the budget contribution is funded from SCIL.
- 5.3 If the Boroughs agree to their funding contribution, an agreement will need to be entered into with TfL committing to the funding. TfL will then commence work (and front fund) the GRIP 3 study in autumn 2025. The Borough contributions will be required in 2026/27.
- 5.4 On completion of GRIP 3, further funding will be required to progress GRIP 4 and a Transport and Works Act Order, which could commence from 2027/28. Discussions on the potential for TfL to fund this in full or in part (with authority contributions) are ongoing. Subject to agreement, any further Council contributions to scheme development will also likely be funded from SCIL.
- 5.5 If the scheme does not progress beyond GRIP 3, there is a potential revenue risk to the Council from any abortive costs incurred to date.

6.0 Legal Considerations

- 6.1 If the WLO Authorities agree to contribute funding to GRIP 3 work, agreements will be required between the WLA, boroughs and TfL to govern the transfer of funds and how these will be spent. The WLO Project Team will work with the WLO Authorities to make this process as streamlined as possible while giving the Authorities and their auditors the level of oversight that they would expect.

6.2 More broadly, project governance arrangements will need to be revisited as the project progresses, to ensure close joint working and Member and senior officer oversight from the WLO Authorities. This will be particularly important as the work gets closer to a formal Transport and Works Act Order process, requiring more intensive work between the WLO Authorities and with a broader range of teams and departments within individual Authorities.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

7.1 Transport is an important facilitator of social inclusion which can affect economic and social outcomes, and therefore inequality. Where transport is available and affordable, it can provide access to different opportunities and help promote equality. The WLO will be integral to improving social equality, by increasing access to jobs, education and services. It will benefit all groups, but particularly the very young, the elderly and disabled groups.

8.0 Climate Change and Environmental Considerations

8.1 Supporting and encouraging sustainable travel – in particular, facilitating modal shift to public transport, is seen as key to helping resolve the climate emergency and addressing poor air quality. Amongst the key actions identified in the Brent Climate and Ecological Emergency Strategy and the Brent Air Quality Action Plan include plans for reductions in unnecessary travel by private car and a move towards movement modes facilitating lower carbon and particulate emissions. WLO rolling stock is anticipated to be emissions free at the point of delivery.

9.0 Human Resources/Property Considerations (if appropriate)

9.1 None.

10.0 Communication Considerations

10.1 The WLO Authorities, coordinated by the WLA, propose to carry out external affairs activity to highlight the benefits of the scheme and to raise the profile of the WLA within Government and in the media, and keep the scheme high on the Mayor's agenda.

Report sign off:

Alice Lester

Corporate Director Neighbourhoods and Regeneration