

Decision Session – Executive Leader (incorporating Policy, Strategy and Partnerships)

9 March 2022

Report of the Assistant Director of Policy and Strategy Portfolio of the Leader of the Council

Great British Railways Headquarters

Summary

- 1. The Department for Transport has announced their intention to run a competition to select the appropriate location for the headquarters of Great British Railways (GBR).
- 2. The process involves submission of a formal expression of interest, with the short list announced in May, after which the public will be invited to vote with the "winner" announced in the summer.
- 3. We believe York is already the natural home for GBR given our location at the heart of the railway network; our heritage as rail pioneers; our existing rail sector innovation eco-system; being home to the National Railway Museum; gateway to level up the north; and a centre point for decarbonised national transport infrastructure.

Recommendations

- 4. The Leader is invited to note the considerable benefits of York being home to Great British Railways HQ and:
 - a. To approve the submission of a formal expression of interest signalling our intent.
 - b. To agree the expression of interest will be a joint submission from York, North Yorkshire and Y&NY LEP and will follow extensive consultation with city partners, lead members and rail leaders.

c. To delegate the authority to finalise and submit the expression of interest to the Corporate Director of Place following consultation with the Leader of the Council, in accordance with the recommendations above and within the competition deadline of 16 March 2022.

Reason: The competition deadline is 16 March 2022, with several cities and towns indicating interest. To avoid revealing our evidence too early, it is proposed that the expression of interest is not publically shared before the competition deadline. As part of the consultation process it will first be shared with city partners and rail leaders to ensure an accurate reflection of York's strengths. The joint expression of interest demonstrates the importance GBR and the rail sector has for the whole of the region, and the collaboration of the North Yorkshire Local Authorities who support York becoming the home of GBR.

Background

- 5. The ⁱGreat British Railways Williams-Shapps plan for rail was published in May 2021. It sets out a 30 year vision for the railway sector and described how an efficient, modern, improved experience for both freight customers and passengers and zero carbon trains would be achieved by bringing the network under single national leadership through a new public body, Great British Railways.
- 6. This new public body, Great British Railways (GBR), will have a new brand and identity. It will be comprised of a national headquarters with five regional divisions organised in line with the regions established in ¹Network Rail's Putting Passengers First programme.
- 7. The William-Shapps plan described the evolution of the rail sector with flexible career opportunities to attract and support the best to flourish and herald a new golden era for the railways.
- 8. York confirmed it intended to be considered as the new home of GBR in June 2021 when it became clear GBR was looking for the most appropriate location. A letter was sent to the Secretary of State for Transport and the rail minister who welcomed the "passionate advocacy" York and North Yorkshire could play.

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¹ Putting passengers first - Network Rail

- 9. In October 2021, GBR announced it would run a competition and city partners joined the campaign to attract GBR HQ to York.
- In November 2021, a debate took place in the House of Commons outlining the considerable benefits York would bring to GBR and vice versa, with support from York and North Yorkshire MPs.
- 11. In December 2021, a roundtable discussion with city partners developed the case for York, demonstrating how York already has the skills, sector expertise, space and connectivity to deliver a more efficient, customer-focused rail sector.
- 12. In January 2022, the council worked with partners and rail sector leaders to develop the response to the call for evidence for the "Whole Industry Sector Plan. The response set out much of the evidence that would be repurposed once the competition criteria was announced.
- 13. In tandem, work on York Central is gathering momentum with infrastructure construction now underway. This 46 Ha brownfield site offers a unique opportunity for GBR, to be colocated or adjacent to a potential Civil Service Hub and a new Active Travel England HQ in purpose built facilities, on land owned by Network Rail offering exceptional value for money.

The competition for a new HQ

- 14. In February 2022, the competition ⁱⁱⁱcriteria was announced. Locations across the country with strong historical links to the railway were encouraged to make the case for why they should be the new home set against six criteria:
 - a. Alignment to Levelling Up objectives
 - b. Connected and easy to get to
 - c. Opportunities for Great British Railways
 - d. Railway heritage and links to the network
 - e. Value for money
 - f.Public support
- 15. The competition is a four stage process, with a public vote taking place in May 2022:
 - 1 Expression of Interest deadline: 16 March 2022

- 2 Shortlist announced May 2022
- 3 Ministerial visits to shortlisted places and a public vote: May 2022
- 4 Headquarters' location announced Summer 2022
- 16. Several towns and cities have indicated they will be submitting an expression of interest. The list of known contenders is below:

| Barrow | Doncaster | Peterborough |
|------------|---------------|--------------|
| Carlisle | Eastleigh | Southampton |
| Crewe | Milton Keynes | Stockton |
| Darlington | Nottingham | Swindon |
| Derby | Penrith | Wakefield |

17. The Expression of Interest must be submitted by 16 March 2022.

The Expression of Interest

- 18. The Expression of Interest is expected to be a professional, considered and compelling response that meets the criteria, however the transition team aren't expecting applicants to spend significant time on document design or detailed analysis within the application.
- Evidence is being compiled with business and city leaders and the rail sector that will provide the basis of York's expression of interest.
- 20. Development of the expression of interest involves significant consultation with members, city leaders and rail sector partners, before being submitted to government on 16 March 2022.
- 21. It is proposed York, North Yorkshire and Y&NY LEP demonstrate the value of this opportunity for the whole region by submitting the expression of interest jointly.

Our case

- 22. York has a strong case to attract GBR HQ (see annex B):
- Our unique 180 year rail heritage includes the National Railway Museum and zero point on York station, which

has led to over a third of the UK connected to York via a direct train route.

- York is home to a rail cluster representing around 10% of the total rail industry, with 14% within an hour's train journey – representing 18,000 people. There are an additional 100,000 or so in the supply chain.
- Our rail workforce is young, skilled and diverse. Network
 Rail employs more than 1,000 people in York and has the
 country's biggest rail control centre in the city and one of
 12 digitised central signalling centres. The breadth of
 York's skills base, across rolling stock, engineering,
 planning and the digital future, means GBR will be more
 effective from the start.
- The announcement that Active Travel England is due to be located in York presents an opportunity to create a national decarbonised transport infrastructure campus, putting York at the heart of sustainable travel.

Building public support

- 23. Activities to build public support have already begun. During February 2022, and March 2022, the focus is predominately on building business, rail sector and public bodies advocacy with the competition encouraging organisations to show their support.
 - a. Meetings have been held with rail sector leaders, city leaders, MPs, business leaders, West and North Yorkshire Chamber Transport and Executive groups and city partners to share the case for York.
 - A letter has been sent to Yorkshire's MPs and Mayors sharing the case for York and inviting them to join the campaign
 - c. MPs, local politicians, the rail sector and businesses are visibly confirming their support through the media or on social media using #DestinationGBR, #YorkGBRHQ, #Yes2York

https://www.yorkpress.co.uk/news/19935139.train-giants-back-yorks-bid-home-new-british-railway-hq/?ref=eb

- d. An article in *Our City*, the resident newsletter, will start to build excitement about the competition.
- e. £50k has been approved by Budget Council to help build public support and attract GBR HQ to York.
- 24. Throughout April 2022, and in May 2022, a more public campaign will build momentum, encouraging as many people as possible to choose to vote for York. Example activities include:
 - a. The campaign to encourage votes will not be contained to York or North Yorkshire and instead stretch across Yorkshire and across the country, appealing to anyone with either an affinity for rail, for York or both.
 - b. City partners, businesses and the media will be encouraged to do whatever they think reasonable to raise awareness and interest in York's case, based around a common set of messages. The council will not own the campaign and instead encourage it to spread as far as possible.
 - c. Partners and stakeholders who have already pledged their support will be invited to write letters of support to the GBR Transition team, sharing their letter in the media or on social media and encouraging their networks to vote for York.

Consultation

- 25. A city leaders meeting was held in December 2021, to shape the case for York. The case then evolved through discussion with rail sector leaders, MPs, and partners in neighbouring (and supportive) authorities.
- 26. City leaders and the rail sector have provided additional evidence and have been invited to review the Expression of Interest.
- 27. The Expression of Interest will be shared with Legal and Commercial Property colleagues to ensure implications are understood before being formally submitted.

Options

28. There are two options listed below:

Option One: York should be the natural home for GBR HQ. This is the preferred option.

Option Two: York should not prepare an expression of interest for GBR HQ

Analysis

29. The benefits and disadvantages of each option are below:

| | Benefits | Disadvantages |
|---|---|--|
| York should be the natural home for GBR HQ | It helps cement York's position as the natural home of a decarbonised national transport infrastructure. It re-ignites York's long association as the heart of the railway industry, strengthening civic pride. It builds future opportunities for a range of job roles that would balance out the reliance on service/hospitality sectors. It would strengthen the rail industry eco-system that would form around a new anchor institution in the heart of the city centre, acting as an attractor for related businesses and industries. It responds to the council plan and economic strategy priority of encouraging more higher value jobs in the city. | The HQ is purely corporate and strategic roles, the benefits will be realised through the surrounding eco-system that supports a new anchor institution in the city. |
| York should not prepare an expression of interest for GBR HQ | None | If we do not submit an expression of interest, we will not be considered as a location for the HQ, losing out on the many benefits listed above. |

Council Plan

30. The Expression of Interest to encourage GBR HQ to locate to York responds to the Council Plan priority *Well paid jobs and an inclusive economy* by creating new jobs, and encouraging higher paid roles in the city centre.

31. Implications

- Financial £50k has been committed by City of York Council
 with additional funding from partners to encourage public
 support. This funding has been confirmed at Budget Council.
- Human Resources (HR) No implications
- Equalities The EIA is attached as Annex B
- Legal Understanding commercial property options and implications will be part of the consultation process to develop the Expression of Interest.
- Crime and Disorder No implications
- Information Technology (IT) No Implications
- Property Commercial property colleagues will be consulted as the Expression of Interest develops. Particularly in reference to the opportunity for a purpose built rail industry campus on Network Rail owned land on York Central.

32. Risk Management

Reputation: Failing to submit a robust and compelling bid would undermine public confidence and significantly damage stakeholder support. The consultation process has been designed to allow time to collate wide ranging evidence and views from city partners and the rail industry.

Competitive disadvantage: By providing too much information too soon, we risk other applicants undermining York's position. To avoid this risk, we will publish the high level evidence base as late as possible, and only publish the full bid once the deadline has passed.

Public support: The public vote is non-binding, however there is a risk that York is over-looked. This could be a variety of reasons ranging from a public protest vote to not being sure of the wider benefits. A campaign will proactively share the rationale for York as the home of GBR, however any public vote introduces risk.

Contact Details

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Report **Approved**

Date

28 February

2022

Specialist Implications Officer(s)

Debbie Mitchell, Director of Finance Frances Harrison, Head of Legal Services Nick Collins, Head of Commercial Property Andy Kerr, Head of Regeneration and the Economy Simon Brereton, Head of Economic Growth Will Boardman, Head of Policy and Partnerships Graham North, Rail Policy Officer Alison Edeson, Skills Manager Alex Dochery / Charles Storr, Economic Growth Team Andrew Leeming / Sarah Thomas, Y&NY LEP

| Wards Affected: | A II √ |
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For further information please contact the author of the report

Background Papers:

- Great British Railways: Williams-Shapps plan for rail GOV.UK (www.gov.uk)
- Whole Industry Strategic Plan document | Great British Railways Transition Team (gbrtt.co.uk)

- National Headquarters Competition for Great British Railways | Great British Railways Transition Team (gbrtt.co.uk)
- Call for transport leaders to help 'super-charge' skills and build future workforce GOV.UK (www.gov.uk)
- Putting passengers first Network Rail

Annexes

Annex A – Equality Impact Assessment Annex B – York's case

Team (gbrtt.co.uk)

ⁱ Great British Railways: Williams-Shapps plan for rail - GOV.UK (www.gov.uk)

Whole Industry Strategic Plan document | Great British Railways Transition Team (gbrtt.co.uk)
National Headquarters Competition for Great British Railways | Great British Railways Transition