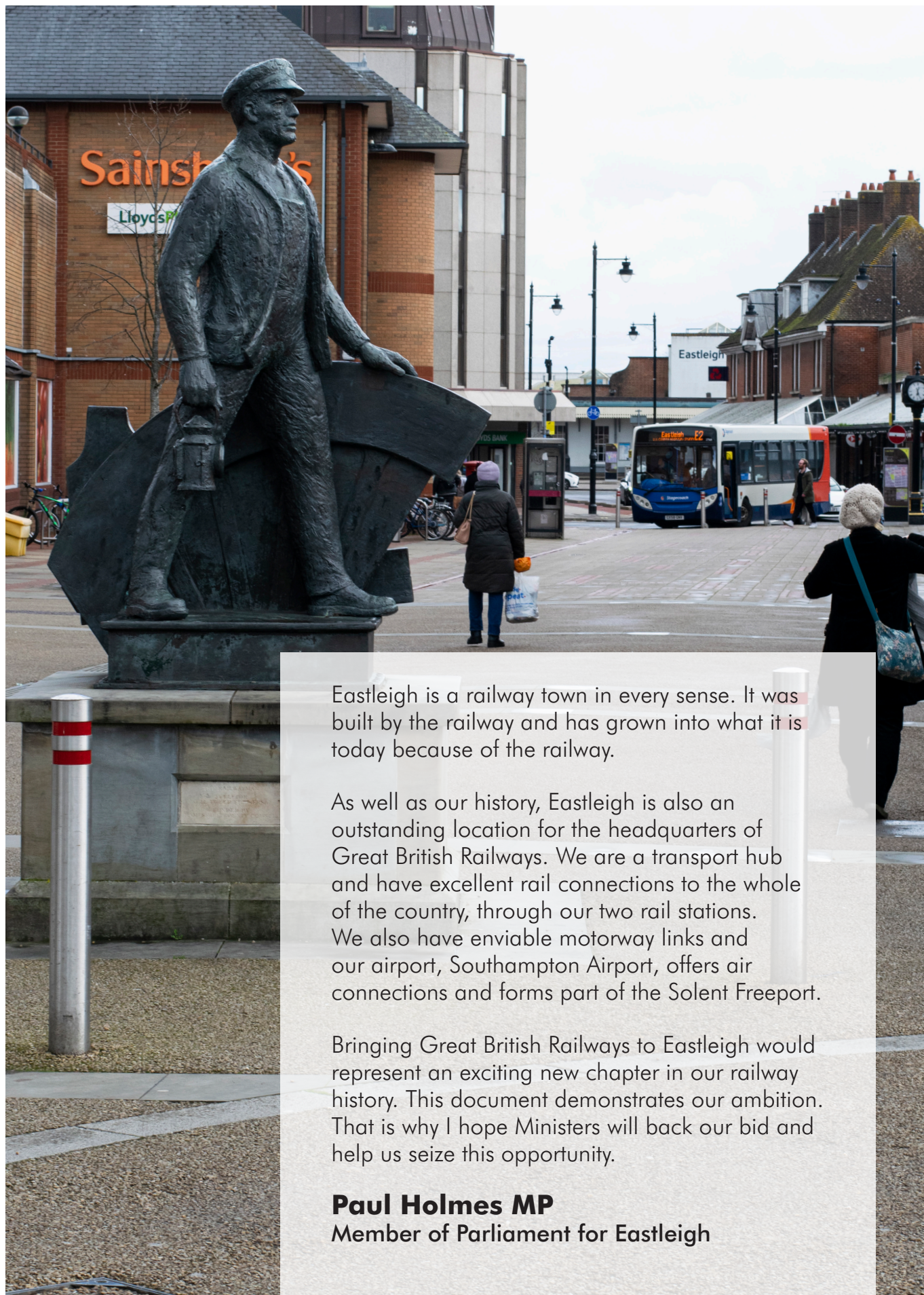


# National headquarters competition for Great British Railways





Eastleigh is a railway town in every sense. It was built by the railway and has grown into what it is today because of the railway.

As well as our history, Eastleigh is also an outstanding location for the headquarters of Great British Railways. We are a transport hub and have excellent rail connections to the whole of the country, through our two rail stations. We also have enviable motorway links and our airport, Southampton Airport, offers air connections and forms part of the Solent Freeport.

Bringing Great British Railways to Eastleigh would represent an exciting new chapter in our railway history. This document demonstrates our ambition. That is why I hope Ministers will back our bid and help us seize this opportunity.

**Paul Holmes MP**  
Member of Parliament for Eastleigh





Eastleigh Train Station

# Context

## **Describe the location of your application and your proposed headquarters site.**

Eastleigh is a historic railway town located in the Borough of Eastleigh, in Hampshire. Hampshire has a multitude of assets and attractions, boasting three cities, of which two are major ports; two National Parks; coastline; global connectivity; fantastic universities; special visitor attractions; and a range of businesses from financial services to aerospace and marine.

Close to London and with excellent rail, road, air, and sea links, Hampshire is a major gateway to the UK and the rest of the world. Located in the south-East of England, Hampshire is the transport hub for access to the Isle of Wight and bordered by five vibrant counties: Dorset, Wiltshire, Berkshire, Surrey and West Sussex.

Sitting in the heart of the Southern Rail Network, Eastleigh is the largest town centre in the Borough by population density. It is a significant contributor to both the local economy and health and wellbeing of local residents in terms of employment, leisure and community facilities, but the town is in need of major investment and levelling-up.

Eastleigh has a rich railway heritage and is classified as one of England's railway towns. Developed predominantly due to the railway, it's a key crossing point between the cities of Portsmouth, London, Salisbury and Southampton.

The town is located within Network Rail's Wessex Route covering the major commuter area of south-west London, from London Waterloo to the south and south-west of England. It is one of the busiest on the rail network, taking in all or part of the counties of Surrey, Berkshire, Hampshire, Dorset, Somerset and Wiltshire.

It supports high levels of passenger traffic to and from many other important regional centres, such as London, Bournemouth, Southampton, Portsmouth, Guildford and Basingstoke. Locating your headquarters operation at one of the country's busiest rail routes will ensure that you will be positioned amongst a high level of service users.

Locating the headquarters in Eastleigh will provide staff with modern working facilities designed for hybrid working.





Eastleigh Train Station

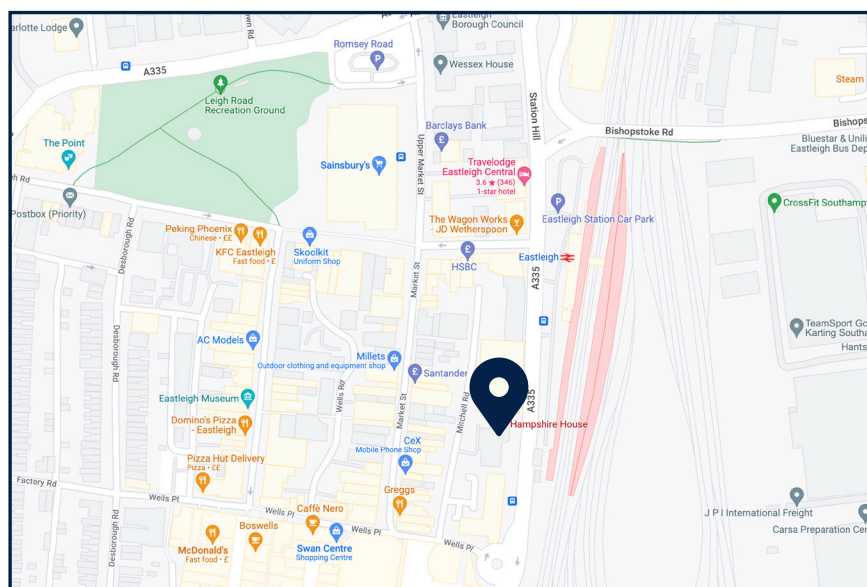






We propose two sites for consideration, both of which are within Eastleigh Borough Council's (EBC's) control and in Eastleigh town centre, within walking distance to local conference facilities at The Point theatre. The sites are:

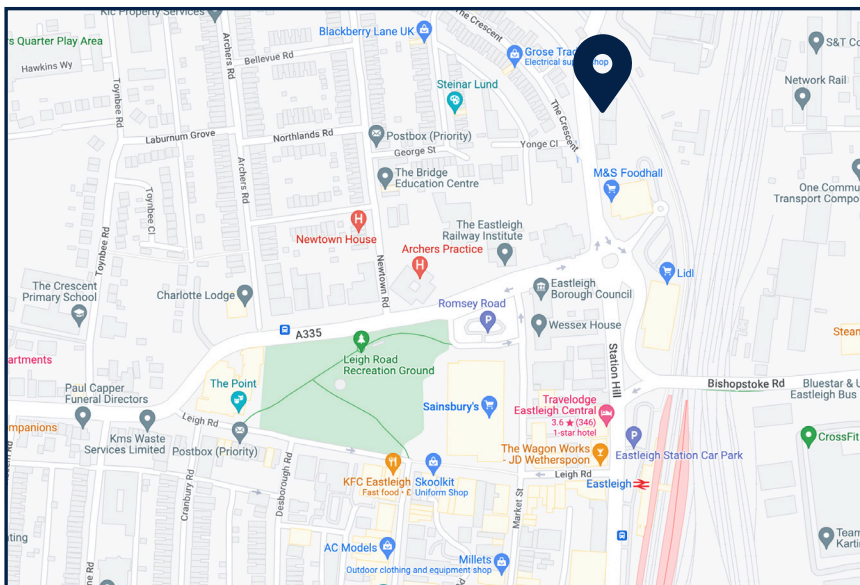
## Hampshire House



A purpose built five-storey (plus undercroft) detached office building laid out over 25,683 sq. ft. It overlooks Eastleigh railway station and railway works and includes 50 parking spaces. If selected to provide the new headquarters, the associated refurbishment and modernisation will provide a high-quality facility for the workforce whilst also providing a visual lift to this area of Eastleigh. It will also act as a catalyst to further regeneration. The site is owned by EBC and is vacant, giving the Council the ability to move quickly.



## 4 Twyford Road



The site at 4 Twyford Road includes an industrial unit and external parking which would be replaced with a new, bespoke office building to suit the specific needs of the new headquarters. The site is slightly less than one acre and is located adjacent to the main railway line, approximately 300m from Eastleigh railway station. The Council has a 999-year leasehold interest from 2007 with an arrangement to allow the Council to purchase the freehold.



The gradual decline of the retail sector, and changes in consumer behaviour, have been changing our town for some time. Locating the national headquarters in Eastleigh town centre provides the following benefits:

- direct employment opportunities within the new organisation
- a long-term boost to the local economy by providing new employment and footfall
- increased footfall within the town with offshoot benefits for other facilities
- it provides a catalyst for our own town regeneration plans
- encouraging other major employers to come to Eastleigh
- increased civic pride and identity
- bringing existing buildings back into use, with associated carbon reduction in the town through the provision of a modern office facility with sustainable transport



The Ageas Bowl, West End

For many years the Council has played a vital role in the planning and delivery of both large and small-scale regeneration projects, for example: the Ageas Bowl cricket stadium and Hilton Hotel, local area public realm projects, and Places Leisure Eastleigh - the Borough's new state of the art leisure centre. We recently secured funding towards the Botley Bypass, where the Council acted on behalf of the highway authority. We are an ambitious Council and recognise where there is a need for us to intervene and facilitate regeneration where the market alone will not deliver and to act as a catalyst for market-led regeneration and/or to deliver specific corporate priorities. This is linked to the Council's core role, to improve the quality of life for residents now and in the future, and an understanding of the opportunity a local authority must act as community leader and place-shaper.



EBC has committed to:

- ensuring a sufficient supply of well-designed homes that meet the diverse needs of residents, both now and in the future
- developing an appropriately skilled workforce in the Borough and a varied mix of employment opportunities
- ensuring the Borough is seen as a desirable location to set up a new business or to relocate a growing business, to sustain economic demand and increase job security and satisfaction
- securing an ongoing provision of employment land and infrastructure that can support current and future business needs, and stimulate sufficient economic growth to sustain a rising population
- making our town and local centres vibrant, active places where people want to spend time, generating the right environment for economic, social and cultural prosperity.

EBC is playing a leading role in delivering the Solent Freeport vision, which will unlock investment, create thousands of new jobs across the subregion and help attract new businesses in high growth sectors, such as advanced manufacturing. Having backed the original bid, the Council have facilitated partnerships with AGS Airports (owner of Southampton Airport), Diageo Pension Trust and Network Rail to bring forward Navigator Quarter, a new industrial and employment zone to the north and north-east of the airport runway. Navigator Quarter is one of three designated Tax Sites within the Solent Freeport where businesses can benefit from tax reliefs to incentivise investment and boost employment.

Sustainability is a core objective of Navigator Quarter. Building on existing strengths in environmental innovation, the Solent Freeport will support national and local ambitions for 'net zero' by growing capacity for sustainable energy production, improving efficiencies to raise productivity, and investing in environmental mitigation to reduce the impacts of climate change on our communities.

This opportunity will support significant new job creation in Eastleigh, with benefits felt across the wider Central South region. The freeport will contribute to the levelling-up of Eastleigh and South Hampshire and further strengthen Eastleigh and Southampton's railway transport hubs.

One Horton Heath is a new development in the heart of Eastleigh Borough. Government has recognised its excellence by supporting accelerated housing delivery through Homes England. Across 310 acres, it features a mix of new homes, open spaces, commercial premises and sports and leisure facilities. As landowner and developer, EBC is delivering a different approach to its development, focusing on community, innovation, and sustainability. This brings together the best skills and innovation, creating jobs and opportunities for the local economy. The development is leading on sustainability focusing on the following elements:

- no reliance on fossil fuels - no gas will be used in new homes.
- biodiversity gains and limiting building on land that has little ecological value.
- sustainable travel - bus connectivity, shared cycle and footpaths, a cycle greenway, and electric vehicle charging points will be included as standard.



Eastleigh High Street

# Levelling Up

## **Describe how your application will align with and demonstrate Levelling Up**

EBC's vision is to secure sustainable economic growth, high, yet stable employment and a shared prosperity for residents across the Borough, now and for generations to come. It is about ensuring everyone has a good standard of living in strong, safe, sustainable communities.

In terms of headline socioeconomic data, the Borough appears relatively prosperous, but Eastleigh town is in need of levelling-up as it faces significant challenges on several fronts. Economic activity in the Borough is above the regional and national average, but with 77.7% of the population of working age economically active in 2020, the town of Eastleigh is below both the national and regional average. The employment rate in the town stands at just 72.4%, well below the national and regional average and some 10 percentage points below the Borough average. The Borough has relatively high resident employment rate but that is in part thanks to employment opportunities elsewhere in Hampshire and the country. Some 34,000 of the Borough residents out-commute to neighbouring areas, mostly Southampton and Winchester. However, Southampton, the main employment centre in the area, has been in decline for at least a decade. Official data from ONS shows that its economy in 2019 was smaller than in 2008/9, before the Great Financial Recession. There is therefore opportunity for Eastleigh to seek to retain a greater share of employment locally. Unemployment on the headline (survey-based) measure in the Borough stood at 5.1% in 2020, again higher than both the national and regional average. Unemployment in the town currently stands at around 3.4%, well above the averages for the Borough overall (2.7%) and county (2.7%). The new investment in the area would therefore support some of the main economic outcomes in the town that are below both the national and regional average.



The new investment is also likely to affect occupational and earnings outcomes in the Borough and Eastleigh town. The Borough has an earnings gap with both the national and regional average with the average pay among FT workers that work in Eastleigh standing at below the national and regional average (-1.1% and -3.3% respectively). The earnings gap with the regional average among the Borough's residents stood at close to 7% in 2021.

In terms of occupational structure, about a third of residents in the Borough are employed in the top two occupational groups, which is again below the national and regional average. The proportion in the town is much lower than for the Borough as a whole. Average earnings in these two occupational groups (managers, directors and senior officials, and professional occupations) are well above average and these occupations are likely to dominate employment at the headquarters. The town centre would benefit through another indirect channel associated with the presence of a major company with higher spending in the high street, which was already in decline before and has been further severely affected by the pandemic. Great British Railways presence in Eastleigh would also act as a catalyst for change in terms of regeneration of the town centre.

The headquarters will not just provide employment to top occupational groups, but also people at the bottom of the occupational distribution, and it will indirectly support employment growth through, for example, induced spending in the town. Some direct and much of the job creation will create employment opportunities for some of the most deprived people in the area that typically lack experience and skills to compete in the labour market.

Eastleigh is a prime example of a place where local communities that are associated with wealth and aspiration either co-exist or are found in closer proximity to deprived places and communities that are often associated with low employment and low-income families in social housing, or in private rented properties on benefits. Eastleigh (Bursledon) has a small pocket of multiple deprivation that falls within the bottom 20% nationally, and three areas in Eastleigh town itself that fall within the 20-40% nationally. Some 35% of all deprived areas (43 deprived neighbourhoods), a small pocket of severe employment deprivation and over a quarter of all employment deprived areas (28 employment deprived neighbourhoods) in Hampshire and the Isle of Wight are found in neighbouring Southampton.

The neighbourhoods experiencing high levels of multiple deprivation in Eastleigh, and its commuter belt, suffer from unemployment and income deprivation but as a rule of thumb they are also affected by education, crime, and health, the areas that feature high on the Government's levelling-up agenda. Almost the whole of Eastleigh town area is more deprived than the national average on the Education, Crime and Living Environment domains of deprivation.

The funding that Eastleigh gets to address its pockets of deprivation is insignificant compared to other areas, and any investment that it receives are also low relative to other areas in need of levelling-up. Thus, the positive externalities (spillovers) from spending and investment are much lower in Eastleigh than elsewhere which makes it harder to uplift these left behind communities and areas given the surrounding success.

The Council is taking direct action to enhance our town and local centres, in recognition of the benefits a thriving and diverse town has for the residents of the Borough. We have made the strategic decision to intervene in the regeneration of Eastleigh, to try to attract the investment required to ensure ongoing prosperity. Using our resources efficiently, we are committed to working with the wider community and key regeneration partners to develop innovative solutions to support and help create sustainable local centres which benefit generations to come. Major strategic investments like the Great British Railways headquarters would act as a catalyst for other private sector investment. It will not only be an asset, but will also support the levelling-up of our communities by acting as a catalyst for further regeneration in the town, boosting employment opportunities and spending in the town and indirectly supporting business survival and growth.





Southampton Airport Parkway Station

# Connected and easy to get to

**Describe how your location is well connected to the rest of Great Britain and how people will access your site.**

As a strategic transport hub, accessible by road, rail, air, public transport and on foot, Eastleigh is very well placed to be the location for the new headquarters. Both proposed sites are highly accessible by all modes of transport. The Borough is also digitally well connected with 29% of premises capable of speeds of 1 gigabit per second as of September 2021.

Located at the heart of the Southern Rail Network, Eastleigh town benefits from excellent rail links, via both Eastleigh and nearby Southampton Parkway station, at Southampton Airport, served by the Waterloo to Weymouth (Dorset Coast) mainline. Eastleigh is also well connected by road and air, being in close proximity to the M3, the M27, and Southampton Airport.



**Eastleigh Railway Station typical off-peak train service (pre-Coronavirus)**

- 2 trips per hour (tph) to London Waterloo
- 1 tph to Romsey, Poole, Portsmouth Harbour and Salisbury (via Southampton Central)

**Southampton Airport Parkway Railway Station typical off-peak train service (pre-Coronavirus)**

- 3 tph to London Waterloo
- 2 tph to Weymouth
- 1 tph to Romsey via Eastleigh, Manchester Piccadilly, Poole, Salisbury via Southampton Central, Bournemouth
- 0.5 tph to Newcastle and to Southampton Central

Several infrastructure projects support sustainable transport. Liveable neighbourhoods, co-ordinated by Hampshire County Council, will have a positive impact on improved access to Eastleigh town centre such as:

- Eastleigh Corridor – from Eastleigh Town Centre to Southampton Parkway
- Bishopstoke Road, Eastleigh (western end) Bus Priority Improvements
- Eastleigh Mobility Hub – the first in Hampshire

These projects are funded by the Transforming Cities Fund. Levelling-up via sustainable transport enables people to access amenities and employment and is in line with both Central Government initiatives and our own Corporate Plan Objectives.

The aim of the Mobility Hub is to provide a facility which has a focus on encouraging the use of active and sustainable transport. The mobility hub offers a combination of cycle hire/cargo bikes, e-car club vehicles and e-scooters in addition to high quality cycle parking and access to public transport services for the local urban community.



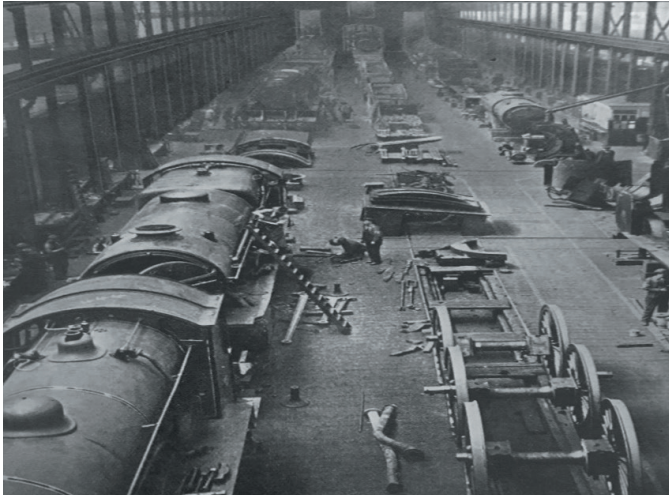
# Opportunities for Great British Railways

## Showcase the opportunities your location offers Great British Railways.

Eastleigh is an excellent location providing access to a specialised pool of potential employees. It is close to four universities and is proud of its exemplar Further Education Technical College (Eastleigh College) and outstanding Sixth Form College (Barton Peveril).

Eastleigh offers the following opportunities to Great British Railways:

- flexible space that is well connected to the rest of the country with parking facilities.
- ample supply of skilled labour and the housing market that is more affordable than in much of the South-East.
- located at the heart of one of the major railway and logistics hubs in the country. In addition to passenger transport, this includes rail freight that links Southampton's ports to UK's manufacturing heartlands in the Midlands and North of England.
- opportunity to play a major role in further strengthening of the transport hub through the opportunities that will arise from the Navigator Quarter tax free site that is near the proposed sites.
- great location - Eastleigh is located on the River Itchen, one of England's premier chalk streams, a designated Site of Special Scientific Interest, between the New Forest and South Downs National Park, with easy access to the cities of Southampton, Portsmouth and the historic city of Winchester.



The Erecting Shop, Eastleigh - 1910's



# Railway heritage & links to the network

## Demonstrate the location's railway heritage and current network links.


Eastleigh has a rich railway heritage and is classified as one England's railway towns. Developed predominantly as a result of the railway, Eastleigh town is extremely unlikely to have developed to its current extent without the railway, which is a key crossing point between Portsmouth, London, Salisbury and Southampton. The railway history runs deep through Eastleigh with residents living in the many streets of terraced railway cottages that make up large sections of the town.


The moving of the Locomotive Works to the town from Nine Elms (near Battersea) serves as a key moment in Eastleigh's history. Notably the works were of a heavy industrial nature and largely involved metal working. In general terms the Locomotive Works process was as follows:

- design/Draftsmen
- construction of jigs - templates by which key parts are constructed
- foundry - liquid metal casting of brass and steel
- construction of main locomotive and wheels separately
- overall assembly



The history of Eastleigh shows the impact that the railway has had on the town.

- 
- 1800s** - 12 families make up the agricultural hamlet called Eastly.
  - 1839** - the railway from Winchester to Southampton was opened by the then London and Southampton Railway. The station at Eastleigh was then called Bishopstoke.
  - 1840** - the line from Winchester to Basingstoke was opened, enabling trains to run all the way to London from Southampton and Bishopstoke.
  - 1841** - the branch from Bishopstoke to Gosport via Fareham was opened
  - 1847** - the line from Bishopstoke to Salisbury via Romsey was opened.
  - 1852** - Cheese market with its own sidings leads to significant local growth. Name of station changed to Bishopstoke Junction.
  - 1871-81** - Population doubled to over 1,000 and High Street and Market Street were developed.
  - 1889** - name of station changed to Eastleigh and Bishopstoke.
  - 1890** - the London and South-Western Railway Carriage and Wagon Works were transferred from Nine Elms in Battersea to Eastleigh.
  - 1901** - Population grows to over 9,000.
  - 1909** - The L&SWR Locomotive Works were also transferred from Nine Elms to Eastleigh. First locomotives built at Eastleigh including a 0-4-0 tank type and D15 class 4-4-0 locomotives
  - 1914** - Robert Urie took over superintendent role of the railworks in 1914 and put into production the H15 and N15 4-6-0 locomotives. These are reported to be the first British exponent of having all working parts of the locomotive outside the frames, so they were readily available for maintenance.
  - 1914-18** - the Works were instrumental in manufacturing military equipment for WWI.

- 
- 1921** - Pirelli cable factory opens and adds new employment to the town
- 1923** - The L&SWR was amalgamated into the Southern Railway. Eastleigh became Southern Railway's main centre for construction and maintenance of locomotives. The station was renamed as Eastleigh
- 1937** - Oliver Bulleid took over as the Chief Mechanical Engineer for the Southern Railways designing iconic locos such as the West Countries, Merchant Navys and the Battle of Britons. Bulleid was based at Eastleigh even building a bridge on the Eastleigh side of Shawford so he could go and watch his locos
- 1939-1945** - as well as helping in the WWII war effort, the Works started to produce iconic steam locomotives such as the Merchant Navy class.
- 1966** - Last steam locomotive repaired.
- 1967** - Electrification of the line from Woking to Bournemouth, and establishment of Eastleigh Electrical Control Room.
- 1967 to date** - Eastleigh retains significant railway activity, adding much value to our town. This includes:
- Network Rail's track maintenance and renewals hub from where materials (rail, sleepers, ballast etc) are sent to sites across the region as required
  - Network Rail's Electrical Control Room which monitors and controls the traction current to the third rail in an area covering Walton-on-Thames to Weymouth/Portsmouth/Alton, and also the Isle of Wight
  - Network Rail's Signalling Centre which controls all signalling between Worting Junction (near Basingstoke) and Totton, between Eastleigh and Fareham, between Southampton and Fareham, between Southampton and Mottisfont, and between Eastleigh and Romsey
  - Arlington Fleet Group Ltd occupy land on the Railway works site engaged in the repair and maintenance of rolling stock
  - stabling, light maintenance, refuelling and traincrew facilities for various train operators



Eastleigh is located within Network Rail's Wessex Route. This covers the major commuter area of south-west London as well as from London Waterloo to the south and south-west of England. This route is one of the busiest on the rail network, taking in all or part of the counties of Surrey, Berkshire, Hampshire, Dorset, Somerset, Devon, Wiltshire, and the Isle of Wight. The Wessex route supports high levels of passenger traffic to and from many other important regional centres, such as Bournemouth, Southampton, Portsmouth, Guildford, Basingstoke, Winchester, Salisbury and Exeter. In addition, Cross Country Rail links to Reading and the North from Southampton Airport Parkway station.

Eastleigh is 20 minutes by train from Basingstoke. Basingstoke is the Regional Operations Centre (ROC) for the Wessex region. The ROC will eventually house the entire signalling for the Wessex Region and is the operational control and training centre for South Western Railway (SWR) and Network Rail Wessex. This will eventually replace the Eastleigh, Basingstoke and Waterloo signal boxes and is replacing those on the Portsmouth Direct in the next two years.

The SWR franchise is the busiest in the country. Before Covid it carried more passengers in the morning peak than any other operator carried all day.

Prior to the Covid pandemic, peak-time capacity was Wessex's main challenge, specifically with on-train crowding for passengers to and from London. Passenger numbers on the route have more than doubled in the last 20 years, with over half a million people using it every day. There are more than 230 million passenger journeys on Wessex route each year, including nearly 100 million to or from London Waterloo.

Off-peak business and leisure travel has shown continued growth in recent years, and the railway through the Wessex route is also important for rail freight, linking Southampton Port with the Midlands and North of England, as well as conveying quarried aggregates to various terminals across the route (including Eastleigh).

By locating the new headquarters to Eastleigh our railway heritage will be preserved and could be enhanced by including the following:

- proposal to incorporate a museum and discovery space on ground floor of the new headquarters, to improve on the current railway display at Eastleigh Museum
- National rail archiving facilities benefiting Eastleigh archives and local historical societies
- establishing a new community liaison group to help preserve and promote the past and future of railways (in the context of climate change)

The Council has a clear vision to position Eastleigh as a cultural destination, locally, regionally, and nationally. To be part of the regional heritage and arts ecology, presenting excellence in the arts within a range of high-quality programming, festivals, events, and activities that offer balance between commercial, social impact and artistic excellence. The new Arts and Culture Strategy, currently in development, will be key in galvanising this. It will be aspirational, inclusive of the cultural sector and community stakeholders, and will set a vision for the future which acknowledges the Borough's heritage, ensuring culture is at the heart of the Borough's placemaking plans.

# Value for Money

## **Describe how your location will offer Great British Railways good value for money.**

EBC control the two sites identified allowing us to move promptly to develop either location. We have in-house expertise at delivering complex construction projects within our Project Management, Asset Management and Cost Management teams. In addition, our Facilities Management team operates and manages 23 operational buildings within the Borough. These teams will be made available to support the Great British Railways Transition Team and the project to deliver the new headquarters.

Our Asset Management team will work with Great British Railways Transition Team to review the alternative options relating to the occupation and operation of the headquarters building. A leasehold agreement with the Council will recirculate public money back into the community to provide excellent services for local people.

If Hampshire House is selected then project costs are limited to refurbishing and modernising rather than have to construct an entire new building and associated external areas.

The cost of doing business in Eastleigh is lower than in most other locations in the country thus allowing a greater return on investment. EBC controls the sites, and this should lower the cost significantly and in particular if Hampshire House is selected as the preferred location. Wages on average are below the national average and housing costs are relatively low in comparison to much of the South East.

Great British Railways will play a major role in strengthening a major railway and logistics hub and in contributing to the levelling-up of the town centre.

Eastleigh represents a value proposition that's more affordable than many other locations in the Wessex region, both for businesses and employees to live.



# Public Support

## Demonstrate how the national headquarters will be welcomed by the local public.

Railway heritage and identity runs very deep in the Eastleigh community and still play a significant role today, symbolised by the Railwayman statue that stands in the town centre. Generations of Eastleigh families have this heritage and connection. With our railway origin story and the railway works continuing to be a significant and very visible part of our local economy, we already feel in a way that we are the 'home' of the railways. The new headquarters would therefore be an obvious fit for the town and would resonate powerfully with local people. The new headquarters will be welcomed by the local public as this:

- reinforces the town's identity as strongly linked to the railway
- delivers on the need for town centre regeneration by
- providing new, aspirational employment
- tackling deprivation and, as a result, improving health
- aligns closely with the values of the Council: ambition (thinking big, looking to the future), empowerment (enabling and providing infrastructure), fairness (ensuring benefits are shared and the most vulnerable are considered).

### **Written support has been received from:**

**Business South**

**Arlington Fleet Group Ltd**

**Eastleigh College**

**Southampton International Airport Ltd**

**South Western Railway**

**Eastleigh BID**

**Aitchison Developments**

**Councillor Keith Mans, the Leader of Hampshire County Council has written:**

The Eastleigh Bid has been co-produced in partnership with Hampshire County Council and we are giving our full backing and support to it, including commitment to help further its development and realisation.

Eastleigh is an excellent location, with a rich rail heritage and a ready-made regeneration opportunity that would make the decision to choose Eastleigh transformational.

Set in the wider context of Hampshire the Bid also provides close proximity to London and an excellent quality of life for staff moving into the area, including good schools for their children.

Levelling up requires a fully rounded and comprehensive approach, one that doesn't neglect or bypass the South. Many areas of deep-seated multiple deprivation in and around our County neighbour more prosperous areas that makes it even harder to unlock them given the extent of the disparities between them. Those neighbouring areas are strengths that can be built upon to uplift left behind communities given key opportunities to do so, such as the new HQ of Great British Railways moving into Eastleigh.

It is important that the pan-Hampshire economic powerhouse is fully utilised to level up areas such as Eastleigh locally, but also other parts of the rest of the country. By stimulating our £67bn economy we can secure an even greater net contribution to the Exchequer (currently at £9bn across pan-Hampshire) that can then pay for Levelling Up of both locally and for other major parts of the UK.