

An expression of interest led by Lancashire County Council









CONTEXT

Preston offers a rare opportunity to secure an affordable city centre location adjacent to a major railway station at a key location on the West Coast Mainline - the only route connecting all three countries of Great Britain. The major role that Preston continues to play in rail connectivity is such that the city can be regarded as the hub of Lancashire's rail network and is a great place for Great British Railways (GBR) to establish a unified brand and national identity. The city provides the new organisation with access to an advanced engineering economy, assets and talent pool driven by world class universities and global business leaders such as BAE Systems. Partners in the region have engaged the public and other stakeholders to develop a Strategic Regeneration Framework for the Preston Station Quarter that provides the basis of this proposal to Great British Railways.

Submitted by Lancashire County Council this proposal sits centre stage in the 2022 Station Quarter Strategic Regeneration Framework, prepared by the County Council, Preston City Council, and the University of Central Lancashire. The application has been supported by the Preston Partnership, a private sector led, independent organisation that brings together the private and public sector to help shape the future of Preston.



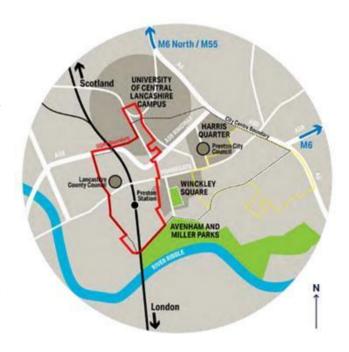
Extensive consultation with stakeholders has taken place to inform these proposals including with West Coast

Partnership, Avanti West Coast, Network Rail, Northern, Trans Pennine Express, Rotala PLC, Stagecoach Bus and Knight Frank, private sector landowners, as well as the Lancashire Enterprise Partnership, a wide range of public sector bodies and Lancashire MPs.

The Station Quarter

The regeneration of the Preston Station Quarter is one of six priorities of the City Investment Plan submitted to government in 2020. The Station Quarter Regeneration Framework sets out our shared vision for the development of the west end of Preston city centre, connecting into the University campus that has recently undergone a £200m redevelopment. This work is a recognition of the strategic importance of Preston Station to the ongoing success of the city centre and of the potential for significant investment and development on several adjacent sites.

The GBR headquarters will support a transformation of the Station Quarter that has the potential to create a city-scale arrival experience through the delivery of a new city square and new commercial buildings. This will



serve as a new landmark gateway to Preston, contributing to the creation of a more connected and

vibrant sense of place and strengthening relationships *The Station Quarter area* to UCLan's city centre campus and the cultural regeneration of the Harris

Quarter, home to Preston's other major transport hub, the iconic listed bus station.

Potential sites

The Regeneration Framework provides a range of location options for GBR including existing publicly owned sites and sites that are part of the existing rail estate. These sites include: -

- 'Station East' provides the option of a state-of-the-art new build commercial mixed-use development being developed as part of the regeneration plans. This site is at pre-application phase with a planning application imminent.
- The County Hall complex is a large site including extensive vacant land for mixed use developments immediately adjacent to Preston train station. A major refurbishment was carried out recently providing modern meeting facilities, flexible break out spaces and open plan office accommodation.
 Subject to specific end user and operational requirements the County Council will make space available for GBR, including the potential for soft-landing facilities and temporary transition arrangements.
- Preston Station itself is a large site with potential to support GBR requirements, subject to further consultation with Avanti and Network Rail, who have already committed to consolidation of multiple operations into a single 'super depot', freeing up extensive city centre sites.







New Grade A offices being developed County Hall, Preston

Preston Station

at Preston Station East

Ensuring skilled jobs, investment and economic benefits

The HQ will deliver a range of direct and indirect benefits to Preston and Lancashire, including additional high value jobs and jobs in the supply chain. It will increase the number of visitors and spend, helping to unlock further investment into the city as part of the Station Quarter regeneration plans. The total economic impact of the Station Quarter would be considerable; a total of 7,850 FTE jobs (equivalent to over 10,000 full and part time jobs) and £324m in GVA over the coming decades (Station Gateway SOBC, Deloitte, 2020).

Establishment of the HQ in Preston would further catalyse the regeneration of the city centre and complement existing and planned Government investment including the £5bn National Cyber Force headquarters to be located at nearby Samlesbury.

The application has been informed by several stages of public consultation and has created genuine excitement and expectation from people within the city and region. Preston is a place where ambition combines

powerfully with civic pride, distinctive placemaking and down to earth delivery, and is a great location for GBR to establish its unified brand and identity.

The following sections describe how Preston meets GBR's criteria for the headquarters and provides the right balance between 'need and opportunity' to contribute to levelling up objectives.

Levelling Up

Preston's Station Quarter is firmly established as a key strategic priority within both city and county wide plans for Levelling Up. The recently completed Regeneration Framework sets out the goals for the development of the Station Quarter; the locating of the new GBR headquarters at the heart of this would kick-start this vision.

Alignment with Lancashire's vision for levelling up

The importance and scale of Lancashire's economy cannot be overstated. Measured by local authority, it is the second largest in the North West, second only to Greater Manchester. Right across the county are towns and cities which are home to important industries whose success delivers jobs and investments across the North of England. Lancashire truly is a location that can continue to build on existing clusters of excellence, whilst embracing the opportunity offered by new and emerging technologies and challenges such as cyber, low carbon and future mobility

The plans for the GBR HQ directly support the Lancashire ambitions for levelling up. The plans for Lancashire are to continue to build on existing clusters of excellence, whilst embracing the opportunity offered by new and emerging technologies and challenges such as cyber, low carbon and future mobility.

Preston Station Quarter is a major project that is vital to the emerging Lancashire 2050 Strategy, which will target sustainable economic recovery and long-term growth. The plan aims to stimulate innovation, whilst developing a skills base that attracts new businesses and provides employment opportunities, the benefits for which will be felt across the county.

Alignment with the city's vision for levelling up

Preston's City Investment Plan (2020 – 2025) sets out an ambitious vision to transform the city, targeting resources and aligning public and private sector investments to capitalise on opportunities for positive change. The Station Quarter is one of six strategic priorities and presents an opportunity to deliver a step change in the office market by delivering a landmark of Grade A office and commercial space. The GBR HQ would directly support the objectives set out for the Station Quarter: -

- Attract new businesses to Lancashire, with the offer of modern facilities in a city centre location will help attract and retain a skilled workforce.
- Retain and attract key public sector occupiers (including key office-based government department functions in the city), business HQs, and government departments and realise growth opportunities that are intrinsically linked to city centre success.
- Provide a welcoming gateway to the city centre which does not currently exist, providing high quality public realm which flows from Fishergate to the University campus and through the retail core to the Harris Quarter

- Capitalise on the potential for Preston to be established as HS2 linked station, delivering commercial floorspace in a location which gives occupiers rapid access to the HS2 network
- Set the context for work with FirstGroup Consortium for North West Coast Franchise to make the case for Preston Railway Station to be transformed into a high-quality contemporary transport hub

GB Rail will build upon on a series of major investments in and around Preston such as the National Cyber Force Headquarters and UCLan campus re-development to help Lancashire fulfil its potential as part of the wider North West economy.

Connected and easy to get to

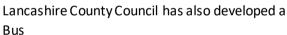
Preston is central to the UK, at a strategic hub on the rail and road networks, exactly midway between the Scottish and English capitals. A truly accessible city centre location, Preston's Station Quarter vision is supported by public and private sector stakeholders as one of Lancashire's greatest opportunities for the acceleration of an inclusive, sustainable and advanced engineering led economy.

Connected and accessible

Preston is well positioned on Great Britain's strategic transport network, at the mid-point of the West Coast Main Line and at the heart of the North West's regional rail, strategic road and motorway network. The station is currently used by over 5 million passengers per year.

The station is well served by national, regional and local services, providing frequent, direct services to major conurbations including London, Birmingham, Manchester, Liverpool, Leeds, Glasgow and Edinburgh. Rail links will be further strengthened following Central Government's commitment to the Western Leg of the High Speed 2 project which will see journey times from Preston to London decrease from 2 hours and 8 minutes to 1 hour and 18 minutes. Under the current business plan for HS2, Preston will be served by 4 HS2 trains per hour travelling to London and Birmingham.

The railways in Lancashire have undergone significant investment in the last decade with the £255m electrification of the Blackpool to Preston line and the £300m scheme to electrify and modernise the route between Preston and Manchester via Bolton. Northern has invested in a brand-new fleet of 96 diesel and electric trains, built by CAF. These new units have delivered significant increased capacity, helped reduce journey times, reliability and the environmental impact of the railway. Passengers travelling through Preston can now do so on some of the most modern trains on the network.



Service Improvement Plan as part of Central

Government's National Bus Strategy and is a key component of delivering on priority bus improvement measures within the Greater Preston area. The County Council has worked closely with local bus operators to develop the plan which has formed the basis for the Enhanced Partnership, which is currently under consideration by the Department for Transport.

Located in the city centre, Preston Station is well connected to other transport networks offering easy access not just by rail but also other sustainable modes including walking, cycling, buses, and car share, ensuring the widest accessibility for all members of society.

Figure 1- HS2 Core Network Map showing Preston

PRESTON

Strong track record of delivering social, economic and transport objectives

The partnership structures, networks and relationships are in place to work with GBR and ensure successful delivery of the HQ objectives over the long term. Partners are currently supporting the establishment of the National Cyber Force HQ near Preston and can demonstrate successful delivery of a wide range of relevant projects that enhance the competitive advantages of the area.

Lancashire Growth Deal – a £320 million programme led by the Lancashire Enterprise Partnership to support economic growth in the area. Projects include new and improved transport connections such as the BlackburnBolton Rail Corridor; the Broughton Bypass; the Centenary Way Viaduct; and the Hyndburn-Burnley-Pendle Growth Corridor.

Preston, South Ribble and Lancashire City Deal – a £434 million Infrastructure Delivery Programme helping to expand transport infrastructure and create new jobs and generate new homes.

Harris Quarter Regeneration Programme – a £200m programme being overseen by the City of Preston Towns Fund Board and includes £20m of Towns Fund. The Towns Fund investment is breathing new life into the cultural quarter of the city, providing new and improved leisure and cultural facilities essential to attracting new employers, retaining businesses and improving graduate retention. The City Council is working with stakeholders to prepare a Levelling Up Round 2 submission which will focus on delivery of the City Investment Plan priorities.

Transforming Cities Fund — a £40m programme being led by Lancashire County Council is an example of public sector partners and the bus and rail industry delivering a multi modal range of interventions to improve the city's transport infrastructure. Projects include Cottam Parkway, a new railway station on the north-west side of Preston on the Blackpool to Preston railway line, itself subject to significant improvements in terms of electrification to Blackpool North and the planned doubling of services on the South Fylde Line.

University campus redevelopment – a £200m masterplan led by the University of Central Lancashire. Forming part of the Station Quarter regeneration area, the remodelled campus has transformed that area of the city centre with new state of the art buildings, public realm and connectivity.



The recently completed University Square including University of Central Lancashire's Engineering Innovation Centre and Student Centre

Opportunities for Great British Railways

Preston offers GBR a rare opportunity to engage with ultra-advanced tech sectors like aerospace and cyber security and to transfer skills and knowledge into challenges facing the rail sector. The combination of knowledge assets such as the Samlesbury Aerospace Enterprise Zone and regional universities such as UCLan and the universities of Lancaster and Manchester offers a skills and talent pool that will feed innovation and

development in the engineering, transport and communications sector, in contrast to the linear and constrained evolution of traditional rail engineering clusters.

Preston is the only railway station on the West Coast Main Line where all passenger train services stop and will allow GBR to successfully connect with the widest range of customers, in both the public and private sectors.

Preston's proximity to existing regional economic and employment hubs and will enable successful working with supply chains, rail consultancies and key academic institutions the University of Central Lancashire and Lancaster University. These links provide GB Railways with close access to the wider North West rail cluster including companies such as Network Rail, AECOM, ARUP, Balfour Beatty, Systra Ltd, Siemens, Jacobs and Mott MacDonald.

A business, commercial and public sector service hub

There are around 90,000 jobs and 6,600 businesses in Preston operating across a wide range of sectors, with strengths in digital and creative, retail and leisure, advanced manufacturing and engineering, professional and financial services, transport and distribution.

The city is well-established as Lancashire's largest employment and commercial services centre, providing both enabling sectors which support the wider Lancashire economy and foundational sectors which meet the needs of its communities. Preston is a substantial public sector employment base with Preston City Council, Lancashire County Council, and the headquarters of the Lancashire Fire and Rescue service all located in the area. Over 4,600 civil servants from HMRC, DWP, CPS, Ministry of Justice, Valuation Office and Immigration Office are based here with major DWP and MOD sites close by in Blackpool.

The city centre has a substantial representation of multiple and independent retailers, together with a core of professional and financial services companies with regional or national operations. As well as serving the city's 140,000 residents, it is an important retail, leisure and service centre with a thriving mix of independent bars and restaurants for a wider catchment area of around 500,000 people.



One of Preston's many bars

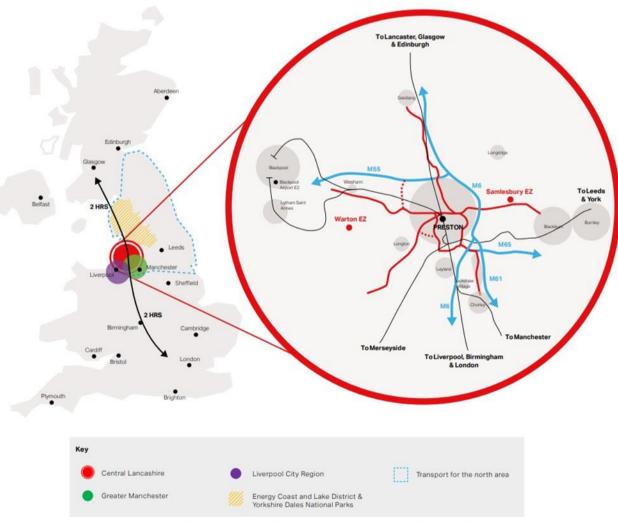
Education, Skills and Innovation

The University of Central Lancashire is one of the UK's largest universities with a staff and student community approaching 38,000 and a strong track record of working with local employers on innovation and enterprise. Combined with its Business School, employment-focused course portfolio and rich array of CPD courses the University offers GBR the opportunity to develop a HEI skills, innovation and enterprise partnership with a leading institution located within the Station Quarter itself. Part of UCLan's masterplan development includes a new £32m Engineering Innovation Centre (EIC) that provides additional innovation excellence at the centre of the city. Preston's two high performing further education colleges - Preston's College and Cardinal Newman – deliver excellent academic and vocational education to more than 20,000 students across the city and the surrounding area.

We recognise that innovation often comes about through application of cutting-edge practice and knowledge in one sector to challenges in other sectors. With local partner support GBR can engage with the regional innovation ecosystem to support their objectives through technology and skills transfer. This support includes access to the Lancashire Innovation Board whose objective is to drive productivity, industrial resilience and sectoral agility across the whole County.

Preston is surrounded by a network of innovation assets and companies including Lancashire Enterprise Zones in nearby Warton and Samlesbury anchored by BAE Systems focused on advanced engineering and energy, the Advanced Manufacturing Research Centre (AMRC), the BAE Academy for Skills & Knowledge and the Springfield Clean Energy Technology Park. These assets provide access to wide range relevant technologies for GBR such as data resilience and security, control systems and sensors, 5G and battery development.

Lancashire energy and low carbon sector is diverse with a range of sub sectoral strengths. When combined with our strong manufacturing and engineering heritage, our technological expertise and significant innovation asset base, as a county this translates into a formidable narrative with high potential and unrivalled capabilities to contribute to Governments Net Zero and levelling-up ambitions. Lancashire also has strengths in digital, creative, software and computer science businesses with a creative economy worth £1.3 billion in GVA, employing 36,000 people. As such, the area is well placed to support all elements of the GB Rail objectives including retail and customer engagement.



Great Britain map showing Preston's connections with major innovation assets at the Lancashire Enterprise Zones

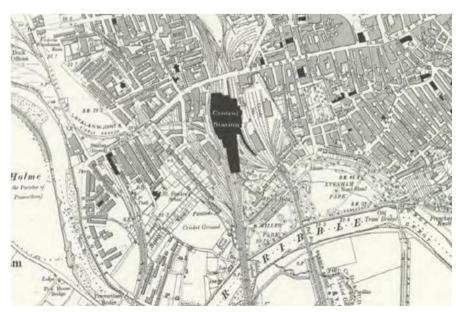
Railway heritage & links to the network

The explosive rail development of the 19th century was driven by the needs of the industrial cities of the north. 'Railway mania' was driven by entrepreneurs, competing to connect the great industrial cities with sources of raw materials and markets for finished goods. Railways were developed as the backbone of the UK economy. Nowhere speaks to this history more than the towns and cities of the industrial Lancashire area.

The historic county of Lancashire gave birth to the passenger railway with the world's first line between two major cities, the Liverpool and Manchester Railway opening in 1830. Steam powered locomotives hauled trains which provided faster transport of raw materials, finished goods and passengers between the port of Liverpool and the cotton mills and factories of Manchester.

Preston's first railway station was opened by the North Union Railway on 31st October 1838 with services initially operating as far as Wigan, using locomotives provided by the Liverpool and Manchester Railway. Connections to both cities soon followed and by the mid-1840s Preston was at the heart of a growing Lancashire network. In 1848 Preston became the northern terminus of the London and North Western Railway with a direct service to London. By the late 1850s it had been established as a major stop on the route between London and Scotland. A cotton warehouse situated on the eastern side of the current station at the Butler Street entrance enabled raw materials and goods to be stored. The wider Station Quarter area was laid out as railway sidings and yards and a smaller station called Maxwell House to the north east of Fishergate which is now part of Network Rail's wider property estate.

The Dick Kerr works opened in Preston in 1897 and was soon established as a major manufacturer of trams and locomotives. The works became part of the English Electric Company in 1918, continuing to build railway vehicles for the domestic and export market. In 1955 the Preston works produced the DP1 diesel electric express locomotive prototype for British Railways. Better known as 'Deltic' this pioneering Preston-built engine remains one of the jewels of the National Railway Museum collection. Production versions provided traction for express services between London and Edinburgh for more than 30 years. Passing into the ownership of Alstom the works closed in 2017. Among the final jobs carried out was work on the Onix traction packages which power the modern Pendolino fleet, linking Preston with Glasgow and London. As well as playing a key role on the railways the Dick Kerr works also helped pioneer women's football, with Preston's Dick Kerr Ladies blazing a trail for others to follow.



Preston OS Map 1913

Lancashire's Heysham – Morecambe – Lancaster railway was an early pioneer of electrification, when in 1908 an overhead electric line system was introduced, powered by a power station at Heysham. The system was upgraded and in 1953 a full electric service was provided between Heysham and Lancaster Green Ayre using a system similar to that used on Great Britain's railways today. As part of British Rail's 1955 Modernisation Plan, the London Euston – Glasgow route was fully electrified as part of the West Coast Main Line electrification with the section north of Crewe completed in May 1974.

Links with the rail sector

Preston remains a strategic location on the West Coast Main Line, a junction linking all points of the rail compass. It is also a key operational base for the West Coast Main Line operator with Avanti West Coast employing over 350 staff. Siting the headquarters of Great British Railways in Preston would ensure a link between strategic planning and day to day operations. With direct links to existing and historic rail employment centres in Crewe, Birmingham, Carlisle and Manchester, Preston is a strong base from which to operate with journey times set to significantly improve with the delivery of HS2.

Nowhere in Great Britain has as strong a link to the birth of passenger railways as Lancashire. The development of a headquarters for Great British Railways on Lancashire would build on that fantastic heritage and Lancashire's legacy to the world. It would also tie in with planned and proposed rail investment across the North West, including the Integrated Rail Plan and HS2 as well as key local schemes being proposed such as the re-opening of Fleetwood to Poulton, redoubling on the South Fylde and a new trans-pennine route between Skipton and Colne.

The location of Great British Railways headquarters in Preston will provide a focal point for the railways at the heart of Lancashire's network. It will not only build on the county's proud rail heritage but help drive future investment. Lancashire is undergoing a rail renaissance with a number of reopening and upgrade schemes being proposed. Lancashire County Council is supportive of work through the Restoring Your Railways scheme to re-open the line between Fleetwood and Poulton and to deliver a passing loop on the South Fylde line which would allow a doubling of frequency on this under-utilised route. There is also strong support for the opening of a new trans-pennine passenger and freight route between Colne and Skipton, further enhancing Preston's strategic location on the national network. This is a unique opportunity to create a new rail cluster in the region, building on heritage, skills and an adaptable workforce.

Lancashire's wider rail heritage includes Carnforth station and its award-winning visitors' centre and the Ribble Steam Railway. Combined with the Harris Museum in the city, these facilities provide an existing platform to showcase the county's rail heritage as a result of the GBR HQ.



Ribble Steam Railway



Carnforth Station

Value for Money

Preston offers unbeatable value for money. This is a rare opportunity to secure an affordable city centre location adjacent to a major railway station at a key junction on the national rail network, that provides access to an advanced engineering economy, assets and talent pool driven by leading edge universities and global business leaders such as BAE Systems.

The right vision and governance arrangements are in place to provide certainty of delivery for GBR. Partners have worked to secure the National Cyber Force HQ based on their strong track record of successful major project delivery and passion for place making.

In addition to Preston's affordability advantages the potential GBR HQ sites identified offer a value proposition for the public purse. We recognise that securing a government backed organisation as an anchor tenant can act as a catalyst for securing other occupiers wishing to cluster and co-locate and would therefore seek to structure an appropriate, flexible and affordable arrangement.

Keeping costs down

Lancashire offers affordability reducing risks of cost and viability. There is an established social and cultural infrastructure, with affordable housing market that mitigates against employee churn. The cost of living in Lancashire is lower than the UK and regional averages – with an overall average house price of £169,547 compared to the UK average of £308,813.

Property type	Lancashire average	UK average
Detached	£290,107	£439,546
Semi-detached	£165,858	£271,653
Terraced	£108,104	£250,502
Flats	£126,047	£295,620

Source: Zoopla, September 2020

The following table highlights average prime office rents in Preston compared to other British cities.

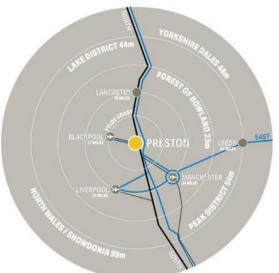
Sub market	Prime Office Rent (per square ft)
London City	£70.00
Birmingham	£39.00
Bristol	£38.00
Edinburgh	£38.00
Leeds	£34.00
Manchester	£38.50
Newcastle	£26.00
Preston	£17.50

Source: Cushman and Wakefield, 2021

As the above figures show. Preston demonstrably offers value for money in terms of the direct costs of workspace and homes. But Preston also offers value for money in the broader assessment of employment costs including cost of living. The beauty of the Preston offer is that despite lower costs, there is no compromise in the quality of the employment and lifestyle appeal. The city is at the heart of Lancashire with its coastlines, countryside, villages, towns and cities. This gives future GB Railways employees a variety of opportunities to locate their families, whether at the heart of the city, in a coastal town or countryside village, with superb sustainable transport links. The county frequently places at the top of quality-of-life indices which rate both career and lifestyle factors.

Although cost of living is low, quality of life is high. Preston was named the best city to live and work in the North West in the Demos-PwC Good Growth for Cities Index (Jan 2021). Preston also ranked 16th overall in the 2021 Good Growth for Cities index, which measures the performance of 42 UK cities against 10 categories including jobs, income, work-life balance, transport, skills, environment and the house price to earnings ratio.

From cutting edge careers with leading global advanced engineering and digital technology firms, to internationally recognised landscapes and coastlines, to international cultural festivals and award-winning food & drink firmly rooted in the Lancashire: it's all on Preston's doorstep.



Location diagram

Generating public value

Preston is a leading pioneer on Community Wealth Building (CWB) in the UK and can work with GBR to tailor an approach to meet their objectives. Commonly referred to as the 'Preston Model', CWB is about creating a resilient and inclusive economy for local people whilst maintaining a strong proposition for inward investment. It reduces the wealth flowing out of the local economy so that it can be shared more widely and recirculated for the benefit of local people and businesses. The case for CWB is stronger than ever in the face of the economic and health consequences of Covid-19. In response, CWB can make a significant contribution to the levelling-up agenda through the development of a stronger, local economy which is more resilient to the challenges ahead.



Preston Marina

Public Support

Three main stages of public engagement have taken place (over several years) to inform this submission to GBR. It is clear from the consultations that the local public enthusiastically support GBR HQ being based in Preston as part of the regeneration of the Station Quarter and their city.

City Investment Plan

The plans for the Station Quarter have underpinned by extensive public consultation on the Preston City Investment Plan (CIP). The preparation of the CIP has been driven by stakeholders in Preston, representing its communities, anchor institutions, and businesses. The investment priorities and plans will continue to be shaped and refined through discussion between stakeholders and the Preston residents.

The work on the CIP is being overseen by a Towns Fund Board. The Board was established by the Preston Partnership with substantial representation from more than 300 large and small businesses, the Business Improvement District team, anchor institutions including Lancashire County Council, Preston City Council and UCLan, colleges and community groups. The Partnership's role is to actively support the growth and development of the city, harnessing the collective commitment of partners who are passionate about the city.

The stakeholder engagement undertaken includes interviews with community representatives, #WhatsYourPreston initiative, a comprehensive listening exercises led by UCLan and Preston City Council, online surveys, engagement with community groups and informal meetings and group events.

Station Quarter Strategic Regeneration Framework

The Regeneration Framework document has also been developed through consultation with a wide range of public, community and private organisations. The SRF has been circulated for public consultation and the local community will continue to help shape the development and delivery of the plans.

The GB Railways Application

A dedicated web page has been established to gather public feedback to this application to GBR: www.lancashire.gov.uk/GBRailways. This site was supported by media activity locally, and included positive media coverage in newspapers, online, social media and on radio. Feedback from members of the public has been reflected within this proposal and has reinforced the locational benefits that the city can provide to GBR and the benefits to the city itself. Below is a sample of the responses.

- → "Lancashire was the start of the railway movement so it would in fact be bringing that history back to the region where it was started".
- → "Perfect place to promote the levelling up agenda rather than larger cities".
- → "Our city is small compared to the rest we have been overlooked for years, it's our turn to shine and welcome growth".
- → "We're a central city with key connections to everywhere, a great historic railway station to be proud of, fantastic university, and offering great value for money".

Preston is a place where ambition combines powerfully with civic pride, distinctive placemaking and down to Further discussion removed for being over wordcount

OFFICIAL



Fishergate, Preston