

DERBYSHIRE COUNTY COUNCIL

CABINET MEETING

5 March 2013

Report of the Strategic Director – Environmental Services

ILKESTON RAIL STATION (HIGHWAYS AND TRANSPORT)

(1) **Purpose of the Report** To update Cabinet on the preparation of a scheme to deliver Ilkeston Rail Station and to seek approval to the County Council's financial contributions to its preparation and construction.

(2) **Information and Analysis** At its meeting of 24 April 2012, Cabinet considered a report on progress towards delivery of a rail station for Ilkeston. An encouraging meeting had been held with Jessica Lee, Member of Parliament for Erewash and Justine Greening, then Secretary of State for Transport, at which the difficulties of securing capital funding for the station were discussed. Whilst no direct response from the Secretary of State had been received at the time of the Cabinet meeting, it was hoped that support could be made available to supplement the £1 million still available from the Nottingham Housing Market Area. Cabinet was also advised that work was underway on considering options for the procurement of work to deliver the Governance for Railway Investment Projects Stage 4 (GRIP4) approval stage.

During a parliamentary debate on rail investment on 16 July 2012, Justine Greening cited Ilkeston and the work done by the County Council as the stimulus behind the launch of a new investment fund for local station provision and indicated that she would watch with interest how the project progressed. This was extremely welcome in two respects, one being the acknowledgement of the strength of the business case for Ilkeston and the other being the resulting provision of a fund which could provide the ability to secure sufficient capital funding. The New Stations Fund was launched on 24 January 2013, and is to be administered by Network Rail. Initial applications for this were required by 25 February, which did not provide sufficient time for a report to Cabinet during preparation, but the key elements are set out below as they provide a useful update on the project:

Capital Funding

The New Stations Fund provides a source of capital for station construction but requires a local contribution of at least 25%. The total estimated cost up to

this point has been £5 million, against which the minimum contribution would be £1.125 million. However, the GRIP4 process (see below) may revise proposed pedestrian access which could conceivably lead to an increase. The Nottingham Housing Market Area has continued to protect a £1 million contribution to the project, which provides a substantial proportion of the match funding available. Alongside this, the Environmental Services Department Service Plan 2012-13 Refresh, identifies a one-off grant of £754,000 as allocated to a combination of Ilkeston Station and carbon reduction measures, subject to a further report to Cabinet. It is now recommended that the £754,000 be allocated in full towards Ilkeston Station construction. Numerous initiatives to assist with carbon reduction are being brought forward through other work programmes.

Local contributions of £1.754 million would represent 35% of the estimated construction cost of £5 million, more than is nominally required. However, as noted above, current refinement of the station design could potentially include some increase in costs, and these will be known at the time of submission of the New Stations Fund. Local contributions above the minimum requirement will assist with allowing for this contingency and will also improve the ratio of benefits to the New Stations Fund contribution, increasing its chances of success.

Cabinet is requested to note that, with uncertainty over the availability of Government funding for the station, some funding from previous highways and transport capital programmes has been held in reserve (created where individual approved schemes have not taken up their full budget allocation). It will be recommended through a separate report to this Cabinet meeting that an element of this funding be allocated to the Local Sustainable Transport Fund Access to Stations project, and also (see below) that some be used to cover current preparation costs.

Provision of Stopping Services

Capacity for passenger services to make a stop at Ilkeston will be created through re-signalling work in the Nottingham area during the summer of 2013. Provision for this in the timetable will need to be made through a new franchise covering Trans Pennine Express and Northern Rail services, due to come into place in April 2014. The New Stations Fund application seeks confirmation of support from train operating companies, and through this there is a clear statement of Northern Rail's willingness to add Ilkeston to its stopping pattern. There is also scope for some East Midlands Trains services to call at Ilkeston.

Station Design Process

The New Stations Fund requires, at application stage, projects to be at least at the GRIP3 stage of preparation, and Ilkeston complies with this. Successful projects will need to be at the GRIP5 stage by the end of March 2014, and it is

anticipated that Ilkeston by then will have progressed at least this far. Work on the GRIP4 stage is now being undertaken through the County Council's consultancy arrangements with URS. Cabinet is asked to note that elements of this process though, require input from Network Rail which will incur costs and can come from no other source. These will need to be agreed through a Network Rail 'Basic Asset Protection Agreement' (BAPA) and it is recommended that the Cabinet Member for Highways and Transport be authorised to consider this once costs have been estimated and a draft agreement drawn up. An initial indication from Network Rail is that work covered by the BAPA could cost £40,000. It is recommended that the costs of both the consultancy services and Network Rail BAPA be met from funds remaining in the 2009-10 capital programmes. The initial estimates for these areas of work are £150,000 and £40,000 respectively, but the Cabinet Member will be updated on this once the BAPA costs are clarified.

As noted above, applications under the New Stations Fund were required by 25 February 2012 and a submission for Ilkeston Station will have been made in advance of the Cabinet meeting. Cabinet is recommended to approve the County Council's match funding.

(3) **Financial Considerations** A County Council contribution to the costs of delivering Ilkeston Station can be secured from Integrated Transport grant of £754,000 received from Government to supplement 2011-12 capital programmes, and from underspends within 2009-10 programmes.

(4) **Property Considerations** There are no property considerations associated with this report.

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality and diversity, legal, human resources, environmental, health and transport considerations.

(5) **Key Decision** No.

(6) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(7) **Background Papers** Report to Cabinet 24 April 2012 (Minute No 122/12 refers). Officer contact details – Jim Seymour, extension 38557.

(8) **OFFICER'S RECOMMENDATIONS** That Cabinet:-

8.1 Notes the current position with regard to delivery of a new rail station for Ilkeston.

- 8.2 Approves the allocation of £754,000 of Integrated Transport capital funding as a County Council contribution to project costs, and the use of funds remaining in the 2009-10 capital programmes to cover preparation costs.
- 8.3 Authorises the Cabinet Member for Highways and Transport to deal with the detailed agreement with Network Rail over its involvement in the GRIP4 process.

Ian Stephenson
Strategic Director – Environmental Services