

ITEM: 10

REPORT TO: WECA SCRUTINY COMMITTEE

DATE: 6 DECEMBER 2017

REPORT TITLE: METROWEST UPDATE

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Purpose of Report

1.1 To update Members on the West of England's MetroWest project.

Background

- 2.1 MetroWest is the West of England's major investment in the local rail network. It is the largest entirely third party funded rail scheme in the country with a secured funding package of £101m (through the 10 Year City Deal, Local Growth Fund and local contributions) for MetroWest Phase 1 and 2. In the light of the cost pressures for Phase 1 this will be insufficient to deliver the whole MetroWest programme currently estimated at £160m.
- 2.2 MetroWest supports the planned growth in the Joint Spatial Plan providing key transport links to proposed housing and employment developments in Keynsham, Charfield, Yate, South Bristol and Henbury as well as the existing Temple Quarter Enterprise Zone and Enterprise Areas in Bath, Filton, Avonmouth/Sevenside, Weston-super-Mare and Emersons Green.
- 2.3 All rail schemes are required to work their way through Network Rail's project management process known as the Governance for Rail Investment Projects (GRIP). This is an eight stage process from the initial scheme idea right through detailed designs to construction and opening.
- 2.4 MetroWest Phase 1 will see half hourly services in 2020 on the Severn Beach Line and local stations to Bath Spa with a possible extension to Westbury as part of Stage A and an hourly service on a reopened line to Portishead with new stations at Pill and Portishead in 2021 as part of Stage B. 1m new passengers a year are expected and 50,000 people will be connected to the local rail network. Originally costed at £58.1m costs were revised to £145m to £175m in March 2017 following completion of detailed technical work (GRIP 3).
- 2.5 Phase 2 will see a reopened Henbury Line with new stations at Henbury, North Filton and Ashley Down and half hourly services to Yate with a possible extension to Gloucester. Passenger numbers are forecast at 0.6m a year. The current scheme cost is £43.1m. Phase 2 is progressing with the GRIP 3 outline design report expected in early autumn 2018.

To date no major design issues or funding pressures have emerged and opening is still planned for 2021.

Issues for Consideration

- 3.1 Revised outturn total schemes costs for Phase 1 have been produced ranging from £106.4m to £116.4m, including the cost of work to date of £9.7m. This represents a considerable reduction in costs from the previous estimate of between £145m and £175m and follows extensive value engineering work by Network Rail and a reduction from a two train an hour service to hourly.
- 3.2 The current capital budget for Phase 1 is £57.8m leaving a funding gap of between £48.6m and £58.6m. North Somerset Council has allocated an additional £6m of funding and WECA is being asked to agree in principle a £6m contribution from the West of England Investment Fund.
- 3.3 For the remaining £46m funding gap a bid is to be made to the Department for Transport (DfT) 'Large Local Major Transport Scheme Fund'. Bids for the next available round must be submitted to the DfT by 22 December 2017. The DfT will announce decisions on funding in April/May 2018. Other potential funding options will continue to be investigated.
- 3.4 For both Phase 1 and 2 the Bristol East Junction enhancement scheme is required to provide the additional capacity for the new services. The scheme is in Network Rail's Control Period 6 (2019 to 2024) programme for delivery in 2020 but full funding is still to be confirmed.
- 3.5 The Department for Transport and Network Rail have indicated that moving to a West of England wide programme approach to the delivery of transport infrastructure would be easier for them to engage with and fund, rather than trying to seek additional funding for individual schemes. This approach allows flexibility in delivery to accelerate or slow down delivery as projects are developed and funding is added to the overall programme budget. This is the approach Government has taken with the North, Midlands and London. It is a comparable situation for devolved administrations in Wales, Scotland and Northern Ireland. Options for a programme approach to MetroWest and future governance arrangements are currently being explored.

Consultation:

- 4.1 MetroWest proposals for Phase 1 and 2 have previously been extensively consulted on. Consultation on the Development Consent Order Section for Phase 1 started on 23 October 2017 and will run to 4 December 2017.

Other Options Considered:

- 5.1 MetroWest has previously undergone EAST (Early Assessment and Sifting Tool) analysis for other options.

Risk Management/Assessment:

- 6.1 There are no direct financial implications arising from this report.

Public Sector Equality Duties:

- 7.1 Equality Impact Assessment will be undertaken, maintained and adapted as MetroWest Phase 1 progresses.

Economic Impact Assessment:

8.1 The qualitative and quantitative benefits of the MetroWest Programme are documents in the supporting papers and individual business cases for the projects that make up the programme.

Finance implications:

9.1 As set out in the main body of the report.

Legal Implications:

10.1 None arising from this report.

Land/Property Implications:

11.1 None arising from this report.

Human Resource Implications:

12.1 MetroWest is a joint project with resources provided by all four local authorities and WECA.

Chief Executive Comments:

13.1 Paper approved by Chief Executive.

Recommendation:

14.1 To note progress on MetroWest and the proposals for a MetroWest programme.

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Background Papers

None