
Funding arrangements for Newbury Railway Station Improvements – Supporting Information

1. Introduction/Background

- 1.1 It has been a long standing desire to improve Newbury Railway Station so that it can adequately cater for the travel demands of all passengers into the future. Four years ago a document was produced for the purpose of focussing attention on this matter and bringing together the key areas for improvement. This can be found at Appendix F and provides a helpful short summary of the issues facing Newbury Railway Station.
- 1.2 Following this, a case for funding towards improvements at the station was put forward to the Thames Valley Berkshire Local Enterprise Partnership (TVB LEP) and the Berkshire Local Transport Body (BLTB) who determine how Local Growth Deal funding is spent on transport schemes in their area.
- 1.3 The case that was promoted jointly between the Council and GWR for improvements at Newbury Railway Station scored well and was accepted by the BLTB and given Programme Entry Status in March 2017.

2. Supporting Information

- 2.1 Once a scheme has been awarded Programme Entry Status an amount of money (from the Local Growth Deal) is allocated to it and the promoters are required to develop a full business case in line with Government guidelines.
- 2.2 The Council has therefore been working with GWR (as joint promoters) to develop the business case. The full business case and all other documents relating to the scheme can be found on the Council's website website at www.westberks.gov.uk/sep under Project 24: Newbury – Railway Station Improvements.
- 2.3 The Business Case presents the assessment and appraisal for a proposal to improve passenger interchange and buildings and facilities at Newbury station. This is to be achieved in two distinct elements; improvements to passenger interchange, led by West Berkshire Council and the improvement of station buildings and facilities, led by Great Western Railway Ltd. Details of what is proposed to be delivered are listed in Appendix D. These, plus improvements outside of the north entrance through the Market Street development, will enhance the public realm and provide an attractive gateway to Newbury town centre.
- 2.4 The key elements of the proposal have undergone a series of assessments in line with the Department for Transport WebTAG guidance to outline the strategic, economic, financial, commercial and management aspects of the projects. Assessment and sensitivity tests undertaken as part of the Economic Case demonstrate that the scheme can achieve a Benefit/Cost Ratio of 3.8:1, indicating a **High** value for money. This fits the criteria set by the BLTB as a scheme that can be considered by them as suitable for Growth Deal funding.

3. Options for Consideration

- 3.1 The consideration of various options for the improvement works at Newbury Station are dealt with in the Options Assessment Report (OAR) which forms part of the formal documentation in support of this scheme. The OAR can be found on the Council's website at www.westberks.gov.uk/sep under Project 24: Newbury – Railway Station Improvements.
- 3.2 Given the fact that a large proportion of the proposed improvement works will affect land and buildings on railway land (owned by Network Rail and leased to GWR), it is not considered an option for the Council to procure the work directly. The only realistic option for the delivery of the works is for GWR to procure the improvements works within the station lease area in accordance with their Procurement Strategy and their arrangements with Network Rail.
- 3.3 This paper seeks delegated authority for the Council to award the funding to GWR for their elements of the scheme. An alternative option would be for TVB LEP to fund GWR directly. The decisions in relation to such transport schemes and the awarding of growth deal funds are made by the BLTB. The BLTB's Founding Document (2013) does not currently allow for a direct award to a body other than one of the Local Transport Authorities. A formal change to the BLTB's Founding Document would be required to enable funding to be awarded directly to GWR. The indications were that the TVB LEP / BLTB would not favour going down this route which is likely to be a lengthy process with no guaranteed successful outcome. The strong preference is to use the alternative mechanism of awarding funding to the Local Transport Authority and for the LTA to then award the relevant funding to GWR for their elements of the scheme.

4. Proposals

- 4.1 Once the business case for a scheme is completed, it is submitted for independent assessment by consultants commissioned by TVB LEP / BLTB. Once accepted as meeting the Government Guidelines for assessment and showing that it provides good value for money, the 'allocated' funds are then confirmed by the BLTB.
- 4.2 The Growth Deal funding allocated to this scheme is £6.051m. The Council and GWR submitted their business case earlier in the year and the BLTB granted conditional approval of the business case. Full approval should be achieved in December 2018 once the conditions have been met.
- 4.3 The funding from TVB LEP will be confirmed to the Council through a Capital Grant Letter. A draft of this letter is included at Appendix E. The detailed wording will be finalised and agreed between TVB LEP and the Council during December.
- 4.4 The rules around the establishment of the BLTB and the way in which Growth Deal funding is granted for transport schemes means that the full funding will be paid to the Council (in instalments). The split of the Growth Deal Funding in order to deliver the proposed scheme is: GWR £4.734m and WBC £1.317m
- 4.5 The Council proposes to pass on the funding required to deliver the elements of the scheme inside the station lease area to GWR. This will be done in arrears with evidence of the work and expenditure presented to the Council. To ensure appropriate financial and procedural controls, the Council proposes to enter into a

legal agreement with GWR. This will ensure that the GWR elements of the scheme are delivered in accordance with the business case and the conditions contained in the Capital Grant Letter from TVB LEP.

5. Conclusion

- 5.1 The proposed scheme at Newbury Railway Station is in the Capital Programme and has been through the BLTB process to attract funding. A resolution from the Executive is required for the Council to provide funding to GWR as described above. The Executive is therefore asked to delegate authority to:
- (a) the Head of Development and Planning (in consultation with the Head of Finance and the Portfolio Member for Transport) to award the funding in connection with improvement works at Newbury Station to GWR. The source of this funding is from the TVB LEP and will only be allocated once it is available.
 - (b) the Head of Legal Services to enter into a funding agreement with GWR.

6. Consultation and Engagement

- 6.1 Key people consulted on this report are: Cllr Jeanette Clifford, Shiraz Sheikh, Sarah Clarke, Andy Walker, John Ashworth, Gary Lugg, Bryan Lyttle, Jon Winstanley and Chris Sperring. GWR and TVB LEP have confirmed that there is no reason why this information cannot be in the public domain as the BLTB meetings and decisions are made in a public forum.

Background Papers:

The formal documentation relating to this scheme can be found on the Council's website at www.westberks.gov.uk/sep under Project 24: Newbury – Railway Station Improvements.

Subject to Call-In:

Yes: No:

- | | |
|---|-------------------------------------|
| The item is due to be referred to Council for final approval | <input type="checkbox"/> |
| Delays in implementation could have serious financial implications for the Council | <input checked="" type="checkbox"/> |
| Delays in implementation could compromise the Council's position | <input type="checkbox"/> |
| Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months | <input type="checkbox"/> |
| Item is Urgent Key Decision | <input type="checkbox"/> |
| Report is to note only | <input type="checkbox"/> |

Strategic Aims and Priorities Supported:

The proposals will help achieve the following Council Strategy aims:

- SLE – A stronger local economy**
- HQL – Maintain a high quality of life within our communities**

The proposals contained in this report will help to achieve the following Council Strategy priority:

- SLE2 – Deliver or enable key infrastructure improvements in relation to roads, rail, flood prevention, regeneration and the digital economy**

The proposals contained in this report will help to achieve the above Council Strategy aims and priorities by assisting to deliver a key piece of infrastructure improvement in line with the Newbury Vision. It will help to support housing delivery and economic growth in Newbury and the surrounding area.

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Appendix D

Summary of Proposed Scheme

Improvements within the station lease area relating to buildings and facilities - To be delivered by GWR

- *New relocated ticket hall / office to better serve the Market Street development and*
- *the new station footbridge*
- *Relocated gateline onto north side platform*
- *New canopy and forecourt outside north entrance*
- *New cycle hub within the station*
- *New and increased secure cycle parking (including cycle hub) with CCTV*
- *New retail space and vending machines on the station*
- *Waiting room refurbishment*
- *New refurbished toilets, with improved facilities for disabled passengers*
- *New two-storey office (incubator/business start-up) development within rail land to the south of the station*

Improvements to the south of the station within highway land for enhanced interchange - To be delivered by WBC

- *Creation of a forecourt area with simple landscaping feature*
- *Improved and safer access for pedestrians and cyclists*
- *Increased bus interchange facilities able to accommodate three buses*
- *New retaining structure to enable a widened footway for safer pedestrian movement*
- *Revised and clearly marked parking and taxi areas*
- *New parking areas created*
- *10 minute short-stay waiting zone introduced*
- *Creation of 20mph zone along Station Road*
- *Introduction of improved drainage features*