

REPORT TO: WEST OF ENGLAND JOINT COMMITTEE

DATE: 28 September 2018

REPORT TITLE: MetroWest Phase 1 Programme Update

**AUTHOR: Louise Fradd – Director of Strategic Projects
(Interim), North Somerset Council**

Purpose of Report

1. The purpose of this note is to:
 - i. Outline progress on the Development Consent Order (DCO)
 - ii. Outline the emerging priorities and deliverables to date
 - iii. To obtain agreement to defer the decision on further drawn down of LGF for scheme development (GRIP 4 and GRIP5) to November 2018 to enable more detailed discussions to take place with stakeholders on the funding options to support the delivery of the programme.

Issues for Consideration

2. The Work is progressing on the DCO documents and GRIP 4 design in accordance with the Joint Committee report that was approved on 25 July 2018. A re-phasing of £1.7M (LGF) was approved to cover these costs up to the end of Q2 of this financial year.
3. The DCO process is very front loaded and requires promoters to complete a suite of 40 document types for the submission of a DCO application. The DCO application in summary entails finalising the following major documents:
 - Environmental Statement (and Habitats Regulation Assessment documentation),
 - Work Plans and other engineering plans,
 - Book of Reference for the land assembly,
 - Draft Development Consent Order,
 - Statement of Reasons,
 - Funding Statement,
 - DCO Consultation Report,
 - Statements of Common Ground, and
 - Associated Agreements with land owners and other parties.
4. Many of these documents require engagement with statutory bodies, for regulatory purposes. For example, key elements of the Environmental Statement are currently being discussed with Natural England, the Environmental Agency, the Inland Drainage Board, along with the two Local Planning Authorities. The Environmental Statement is programmed to be completed by the end of September 2018. This will then enable all the other DCO documents to be completed by the end of November 2018.
5. In parallel with the work on the DCO application, GRIP 4 Single Option Development is progressing with Network Rail. GRIP 4 focuses on the signalling design, electrical systems and plant design and industry processes, such as station and network change. Following the completion of GRIP 3, the Network Rail Project Team has been focused on providing technical support for key documents feeding into the DCO application. A

consequence of this is GRIP 4 commenced later than planned and this has resulted in a revised completion date of early 2019. This does not affect the DCO timescales, as the DCO application is drawing on GRIP3 deliverables.

6. The drawdown of £1.7M Local Growth Funding, agreed by the Joint Committee at the July 2018 meeting, is sufficient to meet essential scheme costs into November 2018. A report will be brought back to the Joint Committee for the 30 November 2018 meeting, updating the position on both the scheme funding package and the readiness of the DCO application.

Emerging Priorities and Existing Deliverables

7. Work is currently taking place with Network Rail to reiterate the benefits of the scheme overall and to provide a prioritised programme of works, including delivery efficiency, to secure the overall implementation of the MetroWest scheme. This will be linked to an emerging narrative which will clearly outline the benefits of the rail programme, these are currently within the Outline Business Case, but are not readily accessible as a lot of the detail is contained in appendices. The benefits directly relate to the scheme objectives which revolve around economic growth, improving the transport network resilience, improving accessibility to the rail network and making a positive contribution to social well-being. We are currently putting this into a benefits note which includes a narrative, presentation of key numbers and visual illustrations.
8. The emerging priorities and existing deliverables are outlined below.

Priority	Scheme	Promoter/ Funding	Description and Timescales	Strategic Significance
1	Bristol East Junction Enhanced Renewal	Network Rail Est cost - £70M	The junction is located immediately north east of Temple Meads, controlling all trains on the Parkway/Midlands and Bath/London corridors. The junction is one of the largest junctions outside of Paddington with approx. 34 turn outs. The project is due to complete GRIP4 by end March 2019. The works are programmed to be complete by Sept 2021.	The current junction is life expired. The design for renewal of the junction includes some additional capacity that is essential to provide sufficient train paths to operate the proposed MetroWest train services. Furthermore, the junction renewal is a prerequisite for the future electrification of the GW main line between Bath and Bristol Temple Meads.
2	Bristol Temple Meads Station Programme	Network Rail Est cost - Tbc	The programme includes a range of projects including the progression of the station master plan, the renewal of the station roof and essential access and enhancements to increase the gate line capacity etc. The programme is focused on delivery in CP6.	The programme supports both the development of the Temple Quarter Enterprise Zone and the delivery of the MetroWest programme. Additional gate line capacity is needed taking account of the planned enhancements to train services including the MetroWest proposals.

3.	Filton Bank	£126M	Four Tracking Scheme	Under construction and programmed for completion by early 2019
4	MetroWest Programme	West of England Est cost - £160M+	Delivery of the MetroWest committed schemes including Phase 1, Phase 2, and Portway Platform, opening early/mid CP6	The delivery of the MetroWest programme is essential for the West of England' growth agenda for new housing, jobs and economic growth which is integral to the Joint Spatial Plan, Joint Transport Study and Local Transport Plan. The MetroWest programme will provide the building blocks for creating a comprehensive local and regional rail network.

9. Retaining MetroWest as a programme, at this stage, will ensure that the maximum level of benefits are realised for the region and West of England residents, as per the original business case for delivering MetroWest as a programme. It will also ensure that works can be delivered in the most financially and economically beneficial way and avoid unnecessary duplication of costs; generating greater value for money for the authorities as a whole and public finances.
10. The project programme, which is currently on schedule, does not require a decision to be made prior to November 2018, with relevant funding approvals already in place to progress with DCO. In taking a decision in November 18 officers, jointly across the authorities, will be able to work through the implications of any changes to the programme of delivery, so that a fully informed decision can be made.
11. Further work needs to be undertaken to understand the potential revenue forecasts relating to passenger demand and where any risk would be held. In addition, a request has been made to DfT regarding the ability to include revenue patronage risk as part of any future franchise direct award. It is anticipated that patronage revenue predictions and any associated risks, would be brought back to this committee once further information is available.

Future Governance and Client Delivery Arrangements

12. It is proposed that some initial changes will be made to the existing governance and programme management arrangements as follows:
- (i) North Somerset Council, (NSC), and the West of England Combined Authority, (WECA), jointly manage the scheme development process and jointly meet with Network Rail to progress the design and procurement to implement the scheme.
 - (ii) Maintain full reporting to West of England Directors and adopt a joint client project management team approach moving forward.

13. Further detailed proposals on the future scheme governance programme management and scheme delivery arrangements, will be jointly developed as part of the Gateway Decision in November 2018.

Consultation:

14. Consultation has been carried out with the Chief Executives, Leaders and Section 151 Officers.

Risk Management/Assessment:

15. The MetroWest project team maintains a full reviewed risk register for the project which is regularly reviewed as part of the programme governance arrangements.

Public Sector Equality Duties:

16. There are no specific public-sector equalities issues arising from this report although these are an integral part of the considerations for the project as it progresses through the delivery process.

Finance Implications:

17. The funding gap for Phase 1(b) remains at £46.9M assuming the current provision of up to £6M from the West of England Combined Authority and £6m local contribution from NSC as match funding in support of external funding bids.
18. Unfortunately, the local majors funding bid, as submitted to Government in December 2017, was unsuccessful. All options to meet the funding gap will continue to be explored prior to the Gateway decision proposed in November 2018.
19. It is considered that all existing spend to the November 2018 Gateway decision point will be met from approved capital resources, provided an element of the Phase 1 programme is fully delivered. Further detailed advice on revenue reversion risk will be provided to the Joint Committee in November.

Advice Provided By: Malcolm Coe - S151 Officer, North Somerset Council

Legal Implications:

20. None arising directly from this report on the basis that the recommendations are only delaying the Gateway Decision date and continuing with committed work as previously authorised. The Gateway Decision in November 2018 will need to take account of legal advice as to prospects of successfully pursuing the DCO application in light of the known funding position at that time together with the further detailed revenue reversion risk advice.

Advice Provided By: Nick Brain – Monitoring Officer, North Somerset Council

Recommendation:

21. The Joint Committee agrees:

- 21.1. **To note the update on the Metrowest Phase 1 programme and the continuation of spending towards obtaining the DCO within the overall level of LGF funding as approved by the Joint Committee on 25 July 2018.**
- 21.2 **Agrees a review of governance be undertaken and presented back for approval at Joint Committee in November 2018.**
- 21.3 **Agrees the deferment of the Gateway Decision on the progression of Phase 1(b) element of the MetroWest programme until the next meeting of the Joint Committee in November 2018**

Report Author: Louise Fradd, Director of Strategic Projects (Interim), North Somerset Council

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the Contact Officer for the meeting who is Tim Milgate on 0117 426210; writing to West of England Combined Authority, 3 Rivergate, Temple Way, Bristol BS1 6ER; email: democratic.services@westofengland-ca.gov.uk