

Report of:	Head of Economic Prosperity
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Key Decision:	No
Report Track:	Cabinet: 13/12/18

CABINET
13 DECEMBER 2018
CANNOCK RAILWAY STATION

1 Purpose of Report

- 1.1 To endorse the use of £231,000 of Council funding towards the cost of developing an Outline Business Case to set out the case for securing a transformational upgrade of Cannock Railway Station in partnership with the West Midlands Rail Executive (WMRE), Network Rail, West Midlands Trains and Staffordshire County Council.

2 Recommendations

- 2.1 That Cabinet approves the allocation of £231,000 towards a total cost of £400,000 to allow for the development of the Outline Business Case for the upgrade / improvement of Cannock Railway Station.
- 2.2 That Cabinet notes the contribution of £129,000 towards the cost of the Outline Business Case from the Joint Investment Fund (agreed with Staffordshire County Council).
- 2.3 That Cabinet notes the joint contribution of £40,000 towards the cost of the Outline Business Case from the West Midlands Rail Executive and West Midlands Trains.
- 2.4 That Cabinet authorises the Head of Economic Prosperity in consultation with the Portfolio Leader for Economic Development and Planning, to work in partnership with West Midlands Rail Executive, Network Rail, West Midlands Trains and Staffordshire County Council to develop the Outline Business Case and design for a transformed Railway Station at its existing location.
- 2.5 That a report is brought back to Cabinet by the Head of Economic Prosperity on the completion of the Outline Business Case setting out next steps

including detail of the preferred design option, proposed implementation model and funding strategy.

3 Key Issues and Reasons for Recommendation

- 3.1 This report is to seek authorisation for the Council to provide funding towards the cost of developing an Outline Business Case to secure a transformational upgrade of Cannock Railway Station.
- 3.2 The Chase Line is currently benefitting from investment in an electrification scheme and West Midlands Trains have announced investment in new electric trains to improve the frequency and speed of services along the Chase Line. The service improvements will include extensions of the half-hourly service beyond Birmingham New Street to Birmingham International (Airport/NEC) and an hourly direct service to London Euston. The improvements will deliver significant economic benefits to the district as well as encouraging further use of rail services and reducing congestion on the district's road network.
- 3.3 Furthermore, phase 1 of the McArthurGlen Designer Outlet Village (MGDOV) in Cannock is due to open in 2020, creating 80 high quality retail units, over 1,000 new jobs and attracting 3 million visitors per year to the district. The MGDOV is in close proximity to Cannock Railway Station and it is forecast that a significant number of visitors to the Outlet Village will travel by train.
- 3.4 Cannock Railway Station currently offers a very basic level of facilities to passengers and presents an unattractive gateway into the district. The station is in need of upgrade and investment to provide a modern and inviting facility for rail passengers and visitors to the area and to complement the exciting new Designer Outlet Village development when it opens. A fit for purpose station has the potential to make travelling by train to and from Cannock a more attractive experience and help to position the District for further investment in the future.
- 3.5 Initial design and masterplanning work for the Station has been commissioned by the 'Chase Line Station Alliance' and this work was completed in March 2018. The work presents a number of improvements to the station and includes conceptual plans and costings. Work is now required to develop the Outline Business Case for a scheme that can achieve the transformational upgrade to the station that the Council and its partners wish to see come forward. The Council is working closely with a range of partners to progress this scheme including West Midlands Rail Executive, Network Rail, West Midlands Trains and Staffordshire County Council.

4 Relationship to Corporate Priorities

- 4.1 This report will contribute specifically to 'Promoting Prosperity' and 'Community Wellbeing, by maximising the benefits of the new McArthurGlen Designer Outlet Village and encouraging further use of sustainable transport,

potentially reducing road traffic and providing better accessibility for residents to employment, leisure and cultural activities.

5 Report Detail

Background

5.1 Cannock Railway Station is a two platform, unstaffed station on the Chase Line, on the route between Birmingham New Street and Rugeley Trent Valley (via Walsall). The station facilities are currently very basic and the station does not provide a welcoming and attractive environment for passengers or an attractive gateway into Cannock town and the district as a whole. The station is owned and maintained by Network Rail and the adjacent pay and display car park is owned by the Council.

The key issues relating to the Station can be summarised as follows:

- Accessing the station; there are accessibility issues to reach the platforms;
- Customer information; a single ticket machine located at the entrance to the southbound platform only;
- Waiting for trains on the platforms; only basic shelters are provided, there is no waiting room or station building;
- Cycle storage; existing facilities are not being maintained and are poorly used;
- Bus / train interchange; there are poor connections with other forms of public transport;
- Roads and parking; uncontrolled use of adjacent car parks when the station car park is at capacity; uncontrolled parking in adjacent residential streets i.e. Remington Drive.

5.2 In 2010, the National Station Improvement Programme (NSIP) funded by Network Rail resulted in a number of low level improvements to the station in terms of CCTV at platform level, new shelters and customer information systems, but the station facilities are still basic in terms of what could reasonably be expected at a station of Cannock's size and the usage of the Chase Line.

5.3 The Chase Line is currently benefitting from a £100m electrification scheme to enable electric trains to operate between Walsall and Rugeley. Electric trains are quieter and more environmentally friendly and will enable faster and more frequent services to run on the line. Network Rail is currently undertaking the works to upgrade the line and it is anticipated that this work will be completed by December 2018. It is estimated that the economic benefit of the Chase Line electrification project will be significant, with £113m of Gross Value Added (GVA) added to the economy per annum and circa 1,400 new jobs created.¹

¹ Economic assessment produced by KPMG on behalf of Centro, 2012

- 5.4 There is also planned investment in improving passenger services on the Chase Line. In 2018, West Midlands Trains announced that on completion of the electrification scheme that 4 coach electric trains will be introduced (replacing two diesel trains), to operate two trains an hour to Birmingham New Street and extended to Birmingham International to enable access to the Airport and the NEC. Furthermore, there will also be direct services operating from Walsall to London Euston. From 2021, new electric trains will be introduced, together with later weekday evening and additional Sunday services. Platform extensions at Cannock Station are currently being constructed to allow for 4 coach trains.
- 5.5 The development of the £160m McArthurGlen Designer Outlet Village (MGDOV) in Cannock is underway and the first phase of the development, consisting of approximately 80 retail units, will open in 2020. It is estimated that when opened the site will attract around 3 million visitors per annum. The site is in close proximity to the Railway Station and figures provided by the developer (as part of the planning application) forecasted that 2% of visitors to the Designer Outlet Village will arrive by train. It is expected that there is the potential for this figure to be significantly increased as rail services on the Chase Line improve and the area benefits from faster and more frequent services and improvements to the rolling stock.
- 5.6 The Section 106 agreement linked to the planning application for the MGDOV provides for £90,000 of funding for station improvements but these will be limited in scope. The works will make a contribution to passenger waiting and general station facilities and improved accessibility to the station. The Council is currently working to relocate the existing bus stops on Lichfield Road to outside of the Railway Station so that they can serve as an interchange for connections from the Railway Station to the MGDOV and to Cannock Town Centre.
- 5.7 It is recognised by the Council that there is a need to develop a plan for a modern and well designed station that meets the needs of passengers and can create a fitting gateway into the district.
- 5.8 To achieve improvements to the station, the Council has been working with the 'Chase Line Stations Alliance' which is comprised of key organisations such as the West Midlands Rail Executive (WMRE), Network Rail, West Midlands Trains and Staffordshire County Council. This partnership forms part of a wider 'Stations Alliance' initiative led by WMRE which has the aim of achieving substantial improvements to local rail stations.
- 5.9 Work was commissioned by the Alliance in 2017/18 to develop some initial proposals to improve and upgrade Cannock Railway Station. The proposals present a phased approach to transforming the station identifying opportunities to improve station facilities and amenities, improve the public realm, and address the issues regarding accessibility and car parking.

The key elements of the proposals include:

- Platform extension and widening works; installation of step free access (new lifts and stairs from Lichfield Road to platforms 1 and 2); retaining wall along the existing embankment (enabling work for a multi-deck car park); platform canopies, creation of a bus interchange for connections from the station to the MGDOV and Town Centre and relocation of the taxi rank.
- Creation of a multi-deck car park (300 spaces) on the footprint of the existing car park, secondary access to Platform 1 and potential re-development of a parcel of land adjacent to the current car park.
- Public realm enhancements, a new cycle parking facility and information point / café and potential creation of overbridges to improve pedestrian access to the station from the road. Creation of a more prominent façade on the Lichfield Road to advertise the Railway Station.

5.10 It is considered that the proposed improvements to the station have the potential to achieve a number of benefits as follows:

- Increased visitors to the district creating the potential for new residential, leisure and commercial opportunities;
- Increased multi modal journeys, by improved connectivity to other forms of public transport and walking and cycling routes, encouraging a shift to low carbon active travel choices;
- Increased value and desirability of land adjacent to the station; opportunity for new development to come forward;
- Increased desirability of Cannock as a place to live and work – increasing demand for new housing, jobs and leisure/cultural opportunities;
- Wider economic benefits i.e. increased potential for new businesses to locate to the district and retention of existing businesses.
- Cannock Chase District lies within the Birmingham Housing Market Area, within which 38% of all am peak journeys into Birmingham City Centre are now made by rail. This is predicted to grow by 49% from 2013 to 2023 and 114% by 2043. (Network Rail West Midlands & Chiltern Route Study 2016).

5.11 Creating a 'fit for purpose' station will enable the town to fully capitalise upon the opportunities created by the electrification of the Chase Line and the high quality retail offer at the MGDOV when it opens.

Business case preparation

5.12 To progress the improvement scheme for the Railway Station, it is essential that the project moves through a robust Business Case process. The first stage in the process will be to complete an 'Outline Business Case' which will test and refine options for delivery. The Outline Business Case will use the work undertaken by the Station Alliance as the starting point, but the final design option will be refined during the process. The business case will

further consider the benefits of the scheme in relation to the impact on the rail network as well as the economic and social benefits; this work will include analysis of the 'Benefit-to-Cost' Ratio (BCR) for the proposed scheme which funding bodies consider as part of their appraisal of any transport funding bid.

- 5.13 WMRE has agreed to take a lead on procuring suitably qualified and experienced consultants to undertake this work through an existing Procurement Framework. This will enable the work to be more quickly initiated than using the Council's procurement procedures and provides access to pre-qualified rail consultants who have experience of undertaking similar projects and will ensure value for money.

Recommended next steps

- 5.14 It is proposed to formally establish a Project Board led by the Council and comprised of senior representatives from key partners including WMRE, Network Rail, West Midlands Trains and Staffordshire County Council. It is also proposed to invite a representative from McArthurGlen onto the Board given the close proximity of the MGDOV to the station and in recognition of the inter-dependency between the development of the MGDOV and the business case for seeking a transformational upgrade of the station. Establishing the Project Board will help to create momentum in the development phase of the scheme and ensure that key partners can commit their support to the project.
- 5.15 Work will progress to develop a detailed, agreed specification for the Outline Business Case work and it is proposed that this will be signed off by the Project Board. It is anticipated that consultants will be appointed in early 2019 and the Outline Business Case will be completed by September 2019. On completion of the Outline Business Case, a report will be brought back to Cabinet by the Head of Economic Prosperity setting out the future phases for the development of the scheme, including detail on the preferred design option, proposed implementation model and funding strategy.

6 Implications

6.1 Financial

It is estimated that the cost of producing the Outline Business Case for this scheme is £400,000; this is based on figures provided to the Council by the WMRE and takes account of previous costs for similar projects.

It is proposed that the cost of the business case work is to be met from three sources:

- £129k from the Joint Investment Fund (agreed with Staffordshire County Council);
- £40k from West Midlands Rail Executive / West Midlands Trains;

- £231k – Balance of funds from CCDC.

The £231,000 contribution from the Council is available within the capital budget for the District Investment Fund. As this is a feasibility study, and a revenue item, this will require a reduction in the Revenue Contribution to Capital Outlay funding of the Capital Programme to accommodate the spend. The Outline Business Case work will seek to identify the total cost of an improvement scheme based on a proposed design solution and it will also explore whether the work can be delivered in phases. A project of this scale will require a detailed funding strategy and it is anticipated that this will be developed as part of the Outline Business Case work.

The Council would seek to work with key partners such as WMRE, WMT, Network Rail and Staffordshire County Council to explore relevant funding opportunities and would also aim to bid for public funding opportunities available through the Department for Transport, Local Enterprise Partnerships and the West Midlands Combined Authority. It is also possible that alternative delivery models could be explored to provide a funding stream for the capital works.

6.2 **Legal**

There are no legal implications arising from this report.

6.3 **Human Resources**

None

6.4 **Section 17 (Crime Prevention)**

The provision of a transformed Cannock Railway Station and associated improvements in passenger services will allow the younger population, to access a wider range of employment, evening, and leisure, recreational and cultural facilities in Cannock, Walsall or Birmingham. It will also provide a safer and more welcoming environment than at present and contribute to reducing incidences of crime and anti-social behaviour and fear of crime.

6.5 **Human Rights Act**

There are no human resource implications in the report.

6.6 **Data Protection**

There are no data protection implications in the report.

6.7 **Risk Management**

It is anticipated that a Risk Management Plan and Register will be established as part of the work to develop the Outline Business Case.

The key risk to the Council at this juncture is that there is no guarantee that funding will be made available to support any emerging scheme for the Station. The development of the Outline Business Case is limited to undertaking a design process to test whether an acceptable scheme can be achieved, what this would look like, and to assess what implications it would have and what benefits it could bring.

Further consideration will be given, in full consultation with stakeholders, about how an acceptable scheme could be taken forward and funded and a further report will need to be brought back to Cabinet to outline next steps once the business case work is completed.

6.8 Equality & Diversity

The development of the business case and proposed design solution for the station will seek to positively address the needs of the community and station users. The opportunity to positively improve accessibility onto the platforms should provide an enhanced experience for people with mobility issues.

6.9 Best Value

The West Midlands Rail Executive will use an existing Procurement Framework to procure suitable consultants. The Framework will ensure that best value is sought both in terms of price and quality of submissions.

7 Appendices to the Report

7.1 None.

Previous Consideration

None

Background Papers

None