



## **Progress Report – October 2008**

### **1. Introduction**

- 1.1 In February 2008 a report into the operating and business case for re-opening the western section of the East West Rail (EWR) link was completed. The study was jointly funded by Milton Keynes Partnership (MKP), South-East England Regional Assembly (SEERA), South-East England Development Agency (SEEDA) and the East West Rail Consortium.
- 1.2 As the major contributor of funding to the project MKP has undertaken the lead role in the recent development work. MKP's Chief Executive is chairing the Project Board responsible for overall governance of the project and MKP provides the services of a specialist railway project manager responsible for the day to day project development.
- 1.3 The GRIP Stage 3 (Optioneering Stage) study report, which was prepared in general compliance with the Network Rail Guide to Railway Investment Projects (GRIP) process underlines the potential for East West Rail and gives a sound basis on which to progress the scheme through the GRIP Stage 4 (single option development) phase.
- 1.8 However, since the completion of the GRIP 3 study, a number of strategic rail developments have arisen as well as new proposals by Chiltern Railways for train services between Oxford and London Marylebone via Bicester, which are to be incorporated into the next stage of project development.
- 1.9 The purpose of this report therefore is to set out the proposals to develop the project through to the next stage (GRIP 4) and how the recent developments arising from the rail industry's strategic thinking will be incorporated into the next phase of work.

### **2. Context**

- 2.1 The complete East West Rail project aims to provide new and upgraded railway infrastructure between Oxford and Cambridge to facilitate the operation of a network of new passenger and freight services between eastern and western England and between intermediate towns and cities on the route without the need to travel via London.

- 2.2 The western section is concentrated on the section of the route west of Bedford and involves the creation of a network of railway routes and trains linking Milton Keynes to Oxford, Aylesbury and Bedford by utilising a number of lightly used and disused railway corridors.
- 2.3 The need to improve inter-regional local rail services as part of wider investment in public transport is recognised as a key element of the sub-regional strategy within the emerging South East Plan.
- 2.4 This project is being advanced as part of the drive to provide infrastructure to support the growth of Milton Keynes and surrounding area in the period 2011 to 2031. The completion of the western section of EWR will enhance sustainability of this expansion, as well as other growth planned along the rail corridor, and it will facilitate development of high-density housing around the new stations. It will improve connectivity between Milton Keynes and Bedford to the east and Oxford and Aylesbury to the west.

### **3. Incorporation of DfT Rail and Network Rail requirements into the next phase**

- 3.1 Regular liaison between the project and the rail industry has been a key element of work during the development of the brief for the next phase. As a result of ongoing discussions the following additional design elements will be evaluated to GRIP 3 during the next phase in parallel with some essential topographical survey, geotechnical investigations and structural assessments of existing earthwork embankments and bridges.

#### **(i) Strategic Freight Route**

The route between Oxford and Bletchley has been identified by Network Rail as a potential strategic freight route if there were to be some gauge enhancement of the Midland Main Line north of Bedford. This requires the re-opening of the former freight line from Oxford to Bletchley.

#### **(ii) Inter-Regional Passenger Services**

The western section of East West Rail could provide an alternative route to bypass the congested rail network around Birmingham for north-south Cross-Country passenger services.

#### **(iii) Bletchley to Bedford train services**

Certain aspects of the Promoter's base case option, namely the section of existing railway between Bletchley and Bedford, will be incorporated into the commission as a provisional item. This is due to uncertainty surrounding the

level of train services that may be required by either the potential Eco-Town at Marston Vale and/or the partnership of local authorities within Bedfordshire.

#### **(iv) Oxford to Marylebone train services**

Consideration is to be given to an Oxford to Marylebone service routed via High Wycombe with a new cord at Bicester. It is likely that this would be 2 trains per hour service and the proposal is being promoted by Chiltern Railways, as their Evergreen 3 scheme. This proposal may lead to improvements at Oxford Station enabling train services to make use of the disused parcel bay platforms.

To avoid duplicating development work, MKP and the East West Rail Consortium have signed a Memorandum of Understanding with Chiltern Railways that will see the East-West Rail requirements west of Bicester developed as part of Evergreen 3, should Chiltern Railways be given the go ahead by DfT Rail.

## **4. Eco-Towns**

- 4.1 As well as the above strategic issues, there is an issue regarding the possible development of new eco-towns. The eco-towns at Weston Otmoor and Marston Vale could affect the proposed train service patterns developed in the GRIP 3 study, should the eco-town developments proceed.

## **5. Outline of Scope of Work for next phase**

- 5.1 The objective of the next stage of work is to ensure that the project reaches GRIP Stage 4. The intention is to use the outcome of the previously completed GRIP Stage 3 work as the basis for the next phase.
- 5.2 Decisions on the full final specification of the preferred scheme, and hence the final work scope for the GRIP 4 work, will not be reached until further GRIP 3 work as outlined above is completed. However, in order to proceed as quickly as possible towards GRIP 4, the GRIP 4 investigations and surveys that will be required in all possible project definition scenarios will be commenced without delay and undertaken at the same time as the further GRIP 3 work.
- 5.3 The intention is that during Phase 1, additional strategic rail industry objectives will be evaluated and the engineering and cost implications of incorporating these strategic issues identified by the rail industry will be assessed. In addition joint working with the eco-town developers as well as with Chiltern Railways will be undertaken.

5.4 On completion of Phase 1 when topographical surveys, ground investigations and structural assessments of existing structures will have been completed, a decision will be made in conjunction with the rail industry to determine the precise specification for the GRIP 4 design works. The process for the decision making during the GRIP process is known as a Stage Gate review.

## 6. Programme

6.1 The Key planned Programme Dates are:-

- Award contract for next phase - By end November 2008
- Surveys to Commence - January 2009
- Phase 1 Complete (GRIP 3/4)- By end April 2009
- Design Specification Fixed - By end May 2009
- Commencement of Phase 2 (GRIP 4) - By end June 2009
- GRIP 4 Review and Commission complete - By end December 2009

## 7. Funding

7.1 The next phase of work is being funded via the Growth Area Funding that has been allocated to local authorities as shown below:

<b>Local Authority</b>	<b>GAF Award</b>	<b>Relative %</b>	<b>Contribution per LA to EWR</b>
Bedford Borough Council	£5,539,720	25%	£250,896
Milton Keynes Council	£10,205,574	46%	£462,214
Aylesbury Vale District Council	£4,583,640	21%	£207,595
Oxford City Council	£1,750,819	8%	£79,295
<b>Total</b>			<b>£1,000,000</b>

7.2 In addition CLG is making a direct contribution to MKP of £1 million and there is therefore a sum of £2 million available to progress the GRIP Stage 4 works.

## **8. Long Term Funding Strategy**

- 8.1 East West Rail has always been promoted on the basis that most if not all of the funding for its implementation can be sourced from private sector developer contributions through a tariff type mechanism, not dissimilar to the tried and tested Milton Keynes tariff.
- 8.2 A small working group by MKP has been established with colleagues drawn from SEERA, SEEDA and the local planning authorities (LPA) and local delivery vehicles (LDV) along the route of the railway. The remit of this group has been to identify the housing sites and numbers that could attract a form of tariff or levy. In addition it is to determine an appropriate level of tariff to be applied to each new housing unit.
- 8.3 SEERA have now undertaken to lead on the funding strategy proposals and an immediate task is to draw up appropriate mapping that will illustrate and locate relevant development sites against which a levy can potentially be applied. At the same time it is important that the LPA's identify in their local development frameworks wording that supports the need for East West Rail and the principle of the application of a tariff arrangement to finance the necessary transport infrastructure, including East West Rail.