

East West Rail Consortium Strategic Board Tuesday 3rd March 2020

Agenda Item 7: Treasurer's Report and Work Programme

Recommendation: It is recommended that the meeting:

- a) Note the Treasurer's Report as set out in Section 1**
- b) Agree the subscription rates for 2020-21 as being**

District Authorities	£1,500
Unitary and County Authorities	£3,000
- c) Agree all outstanding subscription amounts for this financial year should be paid by 31st March 2020**
- d) Note the update on the 2019/20 work programme priorities set out in Section 3**
- e) Consider and agree the work programme priorities for 2020/21 based on the information set out in Section 4**
- f) Agree to Buckinghamshire Council being the Accountable Body for the Consortium from 1st April 2020.**

1. Treasurer's Report

- 1.1. Appendix 1 attached is the estimated financial position as at 31st March 2020, along with the final position 31st March 2019 and projected position 31st March 2021. Particular points to note are as follows:
 - Income from 2019-20 subscriptions is expected to be £51,000 (2018-19: £40,500 as prepayments were made in previous financial year); no prepayments are anticipated in this current financial year.
 - Members are not being asked to contribute to development work for 2020-21 as there are sufficient funds within the Consortium to cover affordable needs in the foreseeable future.

2. Proposed Subscriptions 2020-21

- 2.1. Subscriptions have remained unchanged since 2005-06 and are as follows:

District Authorities	£1,500
Unitary and County Authorities	£3,000

- 2.2. The above subscriptions are due and payable on 1st April each financial year.
- 2.3. Being a member of the East West Rail Consortium enables organisations to be involved and have a say in the ongoing development work for the East West Rail project as a whole, including working with the East West Railway Company.

- 2.4. It also enables organisations to be involved in making the case for realising the wider opportunities that arise as a consequence of the East West Rail project.
- 2.5. An organisation's subscription covers the costs of project and communications management for the Consortium's activities. This includes stakeholder engagement, maintenance of the East West Rail website, media relations, production of promotional material, marketing and events, legal and consultancy costs, where applicable.
- 2.6. It also covers All Party Parliamentary Group events which in the past have successfully raised the profile of East West Rail and helped to maintain a high level of political support for the scheme.
- 2.7. It is **proposed** to maintain subscriptions at their current level.
- 2.8. This takes account of the continued financial climate in which most local authorities are operating, and therefore has a reasonable chance of being paid by most members whilst attracting new membership requests.
- 2.9. A further consideration is that with the Western Section of the project about to enter the delivery phase, and with the East West Railway Company resourced to take forward the work on the Central Section the need for the Consortium to build up funds to commission significant pieces of work in its own right is much reduced.

3. Review of Work Programme for 2019/20

- 3.1. The 2019 Annual General Meeting identified a number of priorities – specifically:

- a) *Eastern Section* – it was agreed that work to support the Eastern Section would be prioritised over other activity for the year under review.

The publication of the Eastern Section Prospectus in the first half of 2019 acted as a stimulus for the Consortium's work in support of the Eastern Section. At its previous meeting the Consortium committed £100,000 of funds to enable work to be commissioned on a preliminary Strategic Outline Business Case. That is now being taken forward.

The EEH Business Unit has commissioned a Rail Passenger Study working with Network Rail System Operator in support of its work to develop the draft Transport Strategy for the EEH region. The EEH Business Unit has ensured that representatives from Suffolk and Norfolk are actively involved in that work given the importance of through connectivity.

- b) *Wider Linkages* – the 2019 Annual General Meeting noted that the Consortium has consistently identified the need to ensure that services using East West Rail form part of the wider rail system. It identified that with delivery of EWR moving forward, there was a need to explore how best to realise this potential.

This is being taken forward largely through the work commissioned by the EEH Business Unit referred to above. The Consortium has been kept sighted on the development of the work and received a briefing on it from Network Rail System Operator at its previous meeting.

- c) *Oxfordshire Rail Connectivity Study* – the Consortium agreed to provide financial support for this work. The Consortium received a report on the outcome of the first phase of the study at its January meeting. It is expected that the next phase of the study will begin later this year.

- d) *London Road (Bicester) Level Crossing* – the issue of barrier down time at the level crossing on London Road, Bicester has been consistently identified as a strategic issue for the EWR project and the region as a whole. At its January meeting the Consortium reaffirmed its commitment of £25,000 to support Oxfordshire County Council take forward a piece of work to identify potential options for a long term solution.
- e) *Freight* – the Consortium considered the output from the Freight and Logistics study co-commissioned with England’s Economic Heartland at its June meeting. The output from the study is being used to shape the draft Transport Strategy for the EEH region, publication of which is scheduled for 14th July 2020.

4. Work Programme for 2020/21

- 4.1. Notwithstanding the progress being made by the East West Railway Company in terms of moving both the Western Section and Central Section forward, it is important to bear in mind that the ambitions of the Consortium extend beyond the remit of the Company.
- 4.2. The need to press for and make the case for further investment in infrastructure beyond that already committed, needs to remain a key focus for the Consortium. As should the need to consider the opportunities at a network level to improve connectivity – in the widest possible sense, not just east-west.
- 4.3. In 2019/20 the Consortium committed a significant amount of the funds it had accumulated commissioning work in support of its agreed work priorities. That work is in the process of being commissioned and will be taken forward in the first half of 2020/21.
- 4.4. In this context the Consortium is asked to consider the following as potential work priorities for the year ahead:
 - a) *Eastern Section* – the Eastern Section should remain a priority for the Consortium. The work to develop the preliminary Strategic Outline Business Case is being commissioned with a view to being complete before the end of 2020. The output of the work being commissioned will inform the next step in ensuring that the Eastern Section of the EWR project is realised.
 - b) *Freight* – this continues to be an area of considerable interest to the Consortium. As noted above, the output from the co-commissioned Freight and Logistics Study is being used by the EEH region to inform its draft Transport Strategy.

With the East West Railway Company taking forward the development of the detail for the Central Section so the issue of provision for rail freight will become all the more pertinent. It is therefore proposed that this should remain a priority area of activity for the Consortium in the year ahead.

- c) *Wider Linkages* – the output from the EEH commissioned Rail Passenger Study (being taken forward by Network Rail System Operator) will start to become available in late spring. The output from this work will help the region and its partners identify opportunities to realise the wider linkages that delivery of EWR will enable. It is proposed that this remain a priority area of activity for the Consortium in the year ahead.
- d) *London Road (Bicester) Level Crossing* – the output from the work being taken forward by Oxfordshire County Council (funded by the Consortium) will be available in early summer. Given the strategic importance of

identifying a long term solution for this level crossing it is proposed that his remains a work priority.

e) *Oxfordshire Rail Connectivity Study* – the next phase of this study will be taken forward later this year. It is proposed that the Consortium continue to support this work moving forward.

4.5. A number of pieces of work now underway will report over the course during the middle part of the year. Given this to be the case it is proposed that the Consortium consider requests to commit the outstanding balance of funds available on a case-by-case basis, within the framework provided by the above priorities.

5. Accountable Body

- 5.1. The Accountable Body for the Consortium is currently Buckinghamshire County Council.
- 5.2. All the Councils in Buckinghamshire cease to exist with effect from 1st April at which point the newly created Buckinghamshire Council becomes established.
- 5.3. Whilst the Buckinghamshire Council is a new body it will offer the Consortium a degree of continuity not least because the many of the staff involved in support the Consortium will have a similar role in the new authority.
- 5.4. It is therefore recommended that the Consortium agree to formally request the new Buckinghamshire Council be the Accountable Body for the Consortium moving forward.

February 2020

Appendix 1: East West Rail Consortium Financials

EAST- WEST RAIL CONSORTIUM for Financial Year ending 31st March 2019, Estimated 31st March 2020 and Projected 31st March 2021		Appendix 1
General Consortium balance as at 31st March 2018		(180,191)
General Consortium Expenditure:-	75,682	
Archiving	0	To be c/o POS MKC at nil cost
Domain renewal	720	For domain names: eastwestrail.com/co.uk
Marketing & Events	1,178	Marketing, promotion & events
Legal & Consulting	0	Projected legal costs
Professional Subscriptions	284	Subscriptions to passenger transport / transport extra magazines
Development Work	73,500	Funded by Consortium (Eastern Section work £23.5k, EEH Freight work £25k , OCC Oxfordshire Rail Connectivity Study £25k)
Central Section Expenditure :-	11,976	
Rail Consultant	11,976	Q3 last charge - POS retired
Communications Officer	0	No charge expected
Income:-	(45,042)	
Subscriptions 2018-19	(40,500)	Actual receipts in year
Sundry income	(4,542)	Mainly cost recovery of domain sales & transfer to EWR Company (co.uk and .com)
Development Funding income	0	Assume no call for Development Funding
General Consortium balance as at 31st March 2019		(137,576)
General Consortium Expenditure:-	82,470	
Archiving	0	To be c/o MKC at nil cost
Domain renewal	470	Domain renewal, SSL certificate
Marketing & Events	1,200	Projected marketing, promotion & events
Legal & Consulting	0	Projected legal costs
AGM	500	Estimated AGM 2019.20 meeting costs
Professional Subscriptions	300	Estimated subscriptions to passenger transport/ transport extra magazines
Development Work	80,000	Funded by the Consortium (£50k Eastern Section SOBC, £25k London Road level crossing Bicester, £5k digital connectivity along the Western Section)
Central Section Expenditure :-	0	
Rail Consultancy work	0	No charge expected
Communications Officer	0	No charge expected
Income:-	(51,000)	
Subscriptions 2019-20	(51,000)	Assume current membership subscription remains level in 2019.20 & all payments made in year
Development Funding income	0	Assume no call for Development Funding
Estimated General Consortium balance as at 31st March 2020		(106,106)
General Consortium Expenditure:-	78,470	
Archiving	0	To be c/o MKC at nil cost
Domain renewal	470	Domain renewal, SSL certificate
Marketing & Events	1,200	Projected marketing, promotion & events
Legal & Consulting	1,000	Projected legal costs
AGM	500	Estimated AGM 20.21 meeting costs
Professional Subscriptions	300	Estimated subscriptions to passenger transport/ transport extra magazines
Development Work	75,000	To be funded by the Consortium - Freight,£50k Eastern Section SOBC
Central Section Expenditure :-	0	
Rail Consultancy work	0	No charge expected
Communications Officer	0	No charge expected
Income:-	(48,000)	
Subscriptions 2020-21	(48,000)	Assume current membership subscription remains level in 20.21 & all payments made in year (BCC & AVDC & WDC Unitary from 1st April)
Development Funding income	0	Assume no call for Development Funding
Projected General Consortium balance as at 31st March 2021		(75,637)

David Harvey
Treasurer, East West Rail Consortium
Buckinghamshire County Council

26th February 2020