

WMCA Board

Date	24 July 2020
Report title	University Station Full Business Case - Revised Submission
Portfolio Lead	Transport - Councillor Ian Ward
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Report has been considered by	Strategic Leadership Team - 3 June 2020 Investment Board - 15 June 2020 Strategic Leadership Team - 24 June 2020 Programme Board

Recommendation(s) for action or decision:

WMCA Board is recommended to:

- (1) Authorise the Full Business Case for the redevelopment of University Station.
- (2) Authorise the £56.0m budget to complete the scheme.
- (3) Delegate the authorisation of the award of contracts to the successful tenderer for the design and build stage are entered into, subject to:
 - (i) The contract being within the approved budget;
 - (ii) All funding agreements being signed and sealed to the satisfaction of the WMCA Finance Director and the Monitoring Officer;
 - (iii) The operating costs of the station being fully quantified and affordable.

- (4) Approve delegation/s to the WMCA Monitoring Officer and WMCA Finance Director to enter into the various funding agreements and contracts which would be reasonably required to enable delivery of the station improvements, including (if necessary) the issuing of a Letter of Intent to ensure the project schedule is maintained whilst funding agreements are being finalised subject to the risks of doing so being acceptable to the WMCA Section 151 Officer and the Monitoring Officer.

1. Purpose

- 1.1 WMCA Board was due to receive the Full Business Case for approval in March 2020 but due to the Covid-19 pandemic, the WMCA Board meeting was cancelled.
- 1.2 Since this time, the University Station project team have continued to engage with contractors to help refine the costs of the scheme and have revised the Full Business Case accordingly.
- 1.3 To maintain project programme and deliver a functioning station before the Commonwealth Games, it is essential that the FBC is approved by WMCA Board in July 2020.

2. Background

- 2.1 University Station was built in 1978, to accommodate half a million passengers per year, between the University of Birmingham to the east and Queen Elizabeth Hospital and Medical School site to the west. Latest figures released in January 2020 indicate that it is currently being used by circa four million passengers per year.
- 2.2 Provision of a larger, sustainably designed station for the long-term capacity requirements will encourage more staff, students, hospital patients and visitors to arrive by train, benefitting traffic congestion and the local environment.
- 2.3 The University of Birmingham is also due to host two events for the Commonwealth Games in 2022 (squash and hockey) and an upgraded station to meet the additional demand for the games is vital as part of the wider transport plan. The project is currently working towards this important milestone.
- 2.4 The immediate surrounding area is the largest employment site in Birmingham outside the city centre and one of the busiest arterials in Birmingham (the A38 corridor) passes through the station's catchment area. A lack of peak station capacity threatens successful growth of the University and NHS Trust's plans and sustainable development, with a consequent risk of increasing peak traffic levels on the A38.
- 2.5 WMCA has been actively developing a solution to the above issues which consists of the rebuilding of the station building and associated infrastructure. As the scheme has a number of direct beneficiaries, WMCA have worked hard to bring all these key stakeholders together to recognise the importance of the scheme and provide a financial contribution towards the re-development.

3. Financial Implications

3.1 Funding Sources:

Funding Body	Amount
WMCA funding:	
• Transforming Cities Fund	£3m
• MHCLG Economic Growth Bid	£13.1m

Department for Transport	£12.0m
Greater Birmingham and Solihull LEP	£8.0m
University of Birmingham	£10.0m
Other funding sources	£9.9m
TOTAL	£56.0m

3.2 The funding package for the scheme is complex – with a number of funding partners, including WMCA.

3.3 Further detail on the financial implications is found in the confidential Appendix 1 included elsewhere on the agenda.

4. Legal Implications

4.1 Part 3 of the West Midlands Combined Authority Order 2016 conferred powers to the Authority relating to public transport functions for the constituent authorities to the Combined Authority. TfWM is the executive body of the WMCA responsible for carrying out its transport related functions and to implement policies and strategies. TfWM is the body responsible for co-ordinating and promoting the use of public transport.

4.2 Section 113A(1)(a) of the Local Democracy, Economic Development and Construction Act 2009 gives the Authority a power of competence appropriate for the purposes of carrying-out any of its functions. This includes enhancements to the transport network and delivery of new transport infrastructure.

4.3 The Delivery of the new University Station requires a number of legal issues being addressed. These include the ownership of land, the procurement and delivery of the scheme and connectivity with the Hospital and University sites. These are being managed as part of the project process.

5. Equalities Implications

5.1 Diversity Impact Assessments have been undertaken by the project which identify and address key equality issues and their mitigating measures. This project provides a positive impact on accessibility at University station, with plans for more and larger lifts, a dedicated passenger assistance area and clearer signage amongst others.

6. Inclusive Growth Implications

- Economic Growth – the enhanced station will provide capacity for the economic growth planned to be delivered through the University and Hospitals Masterplan.
- Transport – Improving connectivity by providing extra capacity at the station which in conjunction with WMT plans to introduce new rolling stock in 2021 will benefit allow for increased passenger numbers in line with anticipated growth.
- Accessibility – A key aspect of this scheme is to improve access to the University/Hospitals Masterplan area by reducing pedestrian delays and improving train reliability. The area is already connected to the rail network and by bus services, so the accessibility impacts will be incremental.

- Fiscal Impact – The larger facility will increase operating and maintenance costs for the station. The scheme also includes new retail facilities which will help offset these costs.
- Environmental impact – the current congestion at the station has a risk of discouraging the choice to use rail, resulting in more car traffic and increasing peak traffic levels on the A38. The project is also installing solar panels to contribute towards energy needs and reduce the carbon footprint of the new station and installing hundreds of cycle storage spaces to encourage cycle use to the station.

7. Geographical Area of Report's Implications

- 7.1 The project targets a specific place. The walking distance buffer surrounding University Station includes the Queen Elizabeth Hospital and University of Birmingham. Therefore, the bulk of the resulting accessibility benefits will be perceived by staff, students and a vulnerable subsection of the population.
- 7.2 The railway line divides the land uses with the University of Birmingham (UoB) to the east of the line and the Queen Elizabeth Hospital, Medical School and other NHS sites to the west of the line.
- 7.3 With a student population of 34,000 and 7,500 staff the University of Birmingham (UoB) is the 4th largest in the UK. Student numbers have increased by 25% since 2012 corresponding with a 22% increase in rail journeys.
- 7.4 In 2010 the new Queen Elizabeth Hospital opened, becoming the largest single site hospital in the UK. There was a 21% increase in University station passengers in the year after the hospital opened. The overall hospital facilities employ 16,500 staff, serve 275,000 patients per year and generate over 200,000 visitors per year.
- 7.5 One of the busiest arterials in Birmingham – the A38 corridor – passes through the station's catchment area. Lack of peak station capacity threatens successful growth of the University and NHS Trust's plans and sustainable development, with a consequent risk of increasing peak traffic levels on the A38.
- 7.6 However, this also translates to a significant employment area, the business of which will be greatly impacted by the station's improvements.
- 7.7 Together, the campus is the largest employment site in Birmingham outside the city centre. Over 25,000 people are employed within walking distance of University station, as shown in Figure 2. This figure does not include students regularly commuting to the area.

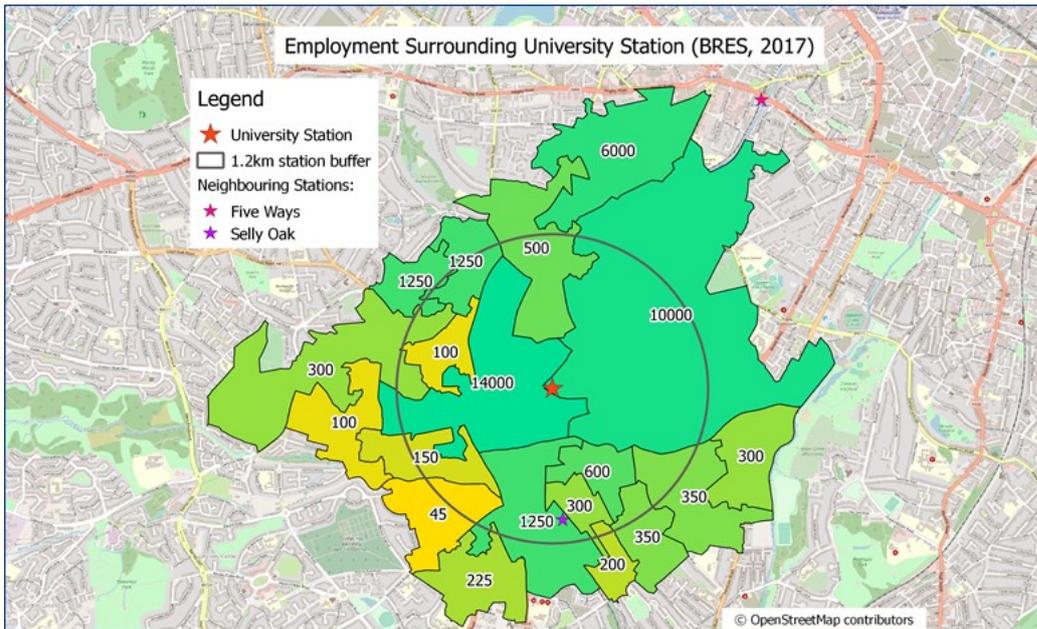


Figure 2: Employment surrounding University station. Source: National Business Register and Employment Survey, 2017.

8. Other Implications

The Scheme

- 8.1 The Station scheme will comprise a new station building and bridge providing access to both platforms, wider platforms, a small car park area and access point as well and a direct link with the university campus with a new footbridge over the Worcester Canal. There will also be enhanced public realm. The works will all be procured by the West Midlands Combined Authority (WMCA). WMCA is seeking planning permission for the works and this is currently out for consultation, with a decision due in March 2020. A suite of legal agreements will be entered into between WMCA, the University of Birmingham, Network Rail and the Canal & River Trust to allow development to progress, to provide asset protection for the existing railway, to provide for the handover to the relevant stakeholder when completed and to address property rights and ongoing responsibilities going forward. WMCA will be managing the delivery of the development and managing the construction contract.

Connectivity

- 8.2 It is proposed that the area of Public Realm will provide a new pedestrian route from the hospital site to the new station building. The new station being the point of access to train services with the old station building is proposed to be exit only. The Station Platforms will be connected by a new footbridge extending from the station building across to the second platform. There will be a passenger drop-off area adjacent to Vincent Drive for the new station building. There will be no general right of public access across the bridges although there will be permissive rights as needed. The station will also connect with a new footbridge proposed across the Canal that will provide direct access to the University campus, including accessible access to the site.

8.3 It is predicted that passenger numbers passing through the station will increase from c.3.9m to c.7m a year by 2043, based off predicted growth from the local masterplan. The improvements to station facilities and the revised circulation will assist with the increased level of usage, with the new station designed for 7.2m people per year.

9. Schedule of Background Papers

9.1 WMCA University FBC – Final (Private)