



## Transport Delivery Committee

<b>Date</b>	10 October 2022
<b>Report title</b>	Rail Programme Update
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<b>Report has been considered by</b>	Councillor Tim Huxtable – Rail and Metro Member Engagement Group Chair

**Recommendation(s) for action or decision:**

**The Transport Delivery Committee is recommended to:**

- (1) Note the contents of this report.

## 1. Purpose

- i. This note provides an update to Transport Delivery Committee on the schemes in the scope of the West Midlands Rail Programme. TDC members are welcome to contact the Rail Programme Team to organise site visits.

## 2. The Rail Programme

- ii. The Rail Programme is a significant investment programme to deliver seven new or substantially upgraded stations across the West Midlands. Unlike the majority of rail investment programmes, these are led from the Combined Authority and West Midlands Rail Executive. This means we are directly accountable to the political leadership of the region, and thus the population as a whole.
- iii. We work in collaboration with partners including Network Rail and West Midlands Trains, and this approach was recognised as a leading example of Cross Industry Partnership in the 2022 Rail Innovation Awards.
- iv. We are funded from a range of sources beyond the rail industry which means we can take forward projects which deliver wider benefits beyond those focussed purely on rail, such as at University Station where we are creating a gateway for the West Midlands' world leading institutions.

## 3. Perry Barr

- i. Perry Barr Station opened on time and on budget in May 2022. The bus interchange opened shortly thereafter, in July 2022, in time for the Commonwealth Games. Perry Barr Transport Interchange as a whole played a key role in supporting the very successful transport strategy for the Games and we were delighted with the successful performance on the new infrastructure.
- ii. TDC members visited Perry Barr in June 2022 and we responded to a number of queries following this visit. Work is continuing on activities to support the final handover of the station, including legal agreements with Birmingham City Council and a number of technical issues raised by Network Rail.

- iii. We want to ensure that the Rail Programme exemplifies a culture of continuous improvement and as part of the close out of this project we are working to capture lessons learned that can be applied to future projects. This includes recognising successes such as the collaboration with Network Rail which delivered platform improvements alongside the original scope.



#### 4. University

- i. At the beginning of the year, we took the decision to adopt a two-stage strategy for the delivery of University Station, in order to ensure that the station would be in a fit state for the Commonwealth Games. Stage 1 covered the widened platforms, canopies and public realm, whilst Stage 2 was agreed as the full opening of the station and facilities.
- ii. This reflected significant challenges across the industry both with contractors' resources and the wider supply chain, including insolvency at one of the key subcontractors. We were also concerned to ensure that we continued to deliver the scheme in a way that prioritised the safety of all those working on the job.
- iii. Despite these significant challenges, we successfully entered into service new, wider platforms with full length canopies, and new public realm to accommodate queuing. This was critical to enabling the safe use of University Station during the Games and, as with Perry Barr, we were delighted to play a part in the successful delivery of such a major international event.

- iv. Following the completion of the Stage 1 opening we reviewed the position on Stage 2 to ensure that we had a robust Stage 2 programme which could be delivered in the context of these wider challenges.
- v. We have now adopted a baseline position of Stage 2 opening in Spring 2023. Adopting a range for opening is in line with best practice recommended by the National Audit Office and others. We are now working with our funders and other key partners to formally adopt this baseline.
- vi. We are of course disappointed by the later than hoped opening of Stage 2. However we are confident that this will not detract from the long-term legacy of the station which will serve the West Midlands for decades to come.



## 5. New Stations

- i. The Rail Programme is also delivering new stations in Walsall, at Willenhall and Darlaston, and on the Camp Hill Line in South Birmingham at Moseley Village, Kings Heath, and Pineapple Road.
- ii. Contracts have been let for the delivery of these stations and work is underway at the sites. We are now in the process of undertaking ground investigation and discharging critical planning conditions to enable works to start.
- iii. Our Stations in Walsall are on brownfield land with a long legacy of mining and other industrial uses. As part of these developments we are remediating large areas of formally industrial land. This presents significant challenges both in terms of decontamination and also filling historic voids ('grouting'). In some cases we are discovering unrecorded shafts and contamination that must then be dealt with.



- iv. In addition we encountered a number of issues with land acquisition, and we have been forced to implement a Compulsory Purchase Order to secure land at a fair price from a landowner at Darlaston. This is important to protect both the project budget and the long term interests of the Combined Authority. The CPO was confirmed significantly sooner than expected, and strongly endorsed our argument for the public interest of the scheme. WMCA was the first Combined Authority to successfully secure a CPO in this way. We have undertaken a lessons learned activity to consider what we can learn from our property acquisition challenges, and this has been shared across the Combined Authority to support future decision making.
- v. These challenges mean that, at the moment, we expect the station at Willenhall to open in the first quarter of 2024, with Darlaston following in the summer.



- vi. Meanwhile on the Camp Hill Line work is underway to set up sites and undertake early enabling works. We are currently aiming for operations to start by the end of 2023. This is dependent on securing a nine-day rail blockade in February 2023, and we are currently working closely with Network Rail to ensure that this can successfully be achieved.
- vii. As noted above, the Rail Programme is committed to learning lessons. As well as conducting a detailed internal review into the challenges that we faced with regard to land acquisition, we are currently working with Network Rail's Centre of Excellence on an external Peer Review of the Package 2 scheme. We believe we are one of the first non-Network Rail schemes to be reviewed in this way. We anticipate that this will help to identify both areas of improvement, and to highlight good practice that we will seek to repeat.



## 6. Financial Implications

- i. This paper is presented for information at this point and does not seek any further financial draw down.
- ii. The rail programme has a combined capital lifetime forecast of £215.4m, of which £110.8m has been expended to date over the project life.
- iii. The table below outlines the project spend to date to August 2022 and associated approved budgets and forecasts for each of the major rail projects. Perry Barr was delivered within the budget set at FBC, with additional platform scope funded by Network Rail.

Project	Prior Year Spend	Year to Date Spend (to Aug 22)	Project Life Spend to Date	Full Life Forecast	Full Life Budget	Expected Project Under / (Over) Spend	Notes
	£m	£m	£m	£m	£m	£m	
University Station	44.1	11.8	55.9	65.0	65.0	0.0	<b>WMCA Board approval:</b> £56m approved 24 July 2020, Revised £65.027m approved November 2021
Perry Barr	25.5	3.1	28.6	33.1	23.6	(9.5)	<b>WMCA Board approval:</b> £30.98m approved 15 January 2021. Additional NR funded scope increasing the overall budget to £33.148m approved and noted in March 2022 WMCA Board Financial Monitoring Report.
Package 1 (Willenhall & Darlaston)	12.7	2.3	14.9	55.8	55.8	0.0	<b>WMCA Board approval:</b> £55.84m approved 15 January 2021
Package 2 (Moseley Village, Kings Heath & Pineapple Road)	9.1	2.3	11.4	61.4	61.4	0.0	<b>WMCA Board approval:</b> £61.40m approved 15 January 2021
<b>Grand Total</b>	<b>91.4</b>	<b>19.4</b>	<b>110.8</b>	<b>215.4</b>	<b>205.9</b>	<b>(9.5)</b>	

- iv. The funding for the rail programme has been approved and outlined as per the respective CA Board reports. It is noted that in the case for Perry Bar and Bus Interchange, the Final Business Case was approved by WMCA Board in January 2021. At this point a funding gap of £9.5m remained to be found and no contracts could be let without the scheme being fully funded. In March 2021, the WMCA Board approved the increase in the Investment Programme affordable limit from £801m to £871m and approved the provisional distribution of the additional £70m.
- v. Due to the CWG timeline for delivery, the Perry Bar and Bus Interchange contracts were required to be let to meet the CWG target. As such, the £9.5m funding gap was provisionally allocated from the increase in the Investment Programme affordable limit conditional on the funding being returned to the Investment Programme for re-allocation if WMCA can successfully lobby Government to fund the £9.5m.
- vi. We continue negotiations with our contractors, particularly on the University project, to understand the position with regard to liability associated with prolongation.

## **7. Legal Implications**

- i. This paper is presented for information. The Rail Programme will continue to work closely with the Combined Authority's legal team to assess and manage any legal risks, and any contracts and obligations placed on WMCA.
- ii. Key legal and regulatory interfaces currently include:
  - a. Complex land and lease agreements at University
  - b. The final handover of Perry Barr and associated surrenders of land
  - c. Discharge of planning conditions, particularly at Willenhall and DarlastonThis list is not exhaustive and other legal issues are being managed with the legal team.

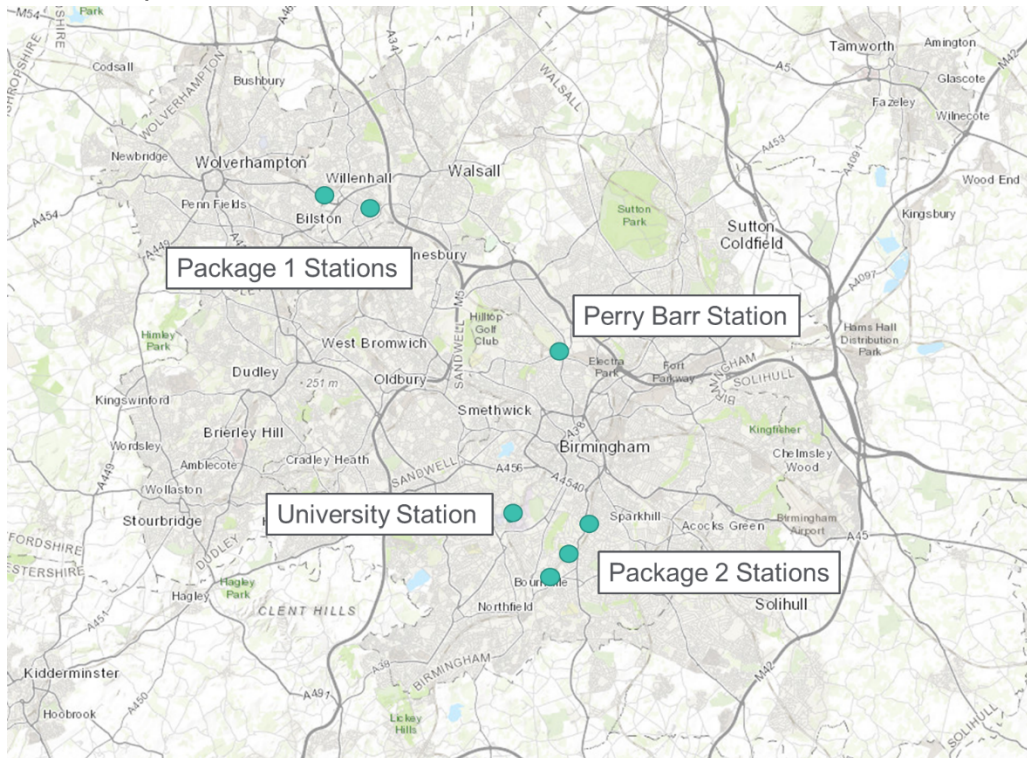
## **8. Equalities Implications**

- i. Ensuring that our stations are accessible for all has been an important focus. All stations have been subject to a Diversity Impact Assessment as part of the design development, as well as ongoing consultation with groups representing People of Reduced Mobility (PRMs).
- ii. In some cases we are seeking to vary our design from the latest guidance – for example, where this may not deliver the best outcome for PRMs in practice, or where the local environment may mean that this is not reasonably practical. In such cases we are working with the wider industry to identify appropriate solutions.



## 9. Geographical Scope

- i. The map below shows the location of all the stations discussed above.



## 10. Inclusive Growth Implications

- i. The paper notes above that we are working across the Rail Programme to ensure that our stations can be used by all passengers, including those with mobility requirements. This includes delivering fully accessible toilet facilities in the new station buildings at University and Perry Barr, and providing lift access at all stations.
- ii. A number of our new stations will benefit populations that experience significant levels of deprivation. In particular, our new stations will significantly enhance public transport access to areas of education and employment by providing an alternative to buses or private cars. All our schemes are subject to post-delivery evaluation to ensure that we deliver on the benefits to which we have committed.
- iii. As well as the benefits delivered after opening, we are working with our contractors to ensure that the local communities are benefitting from the delivery of the scheme. This includes activities as varied as providing education and training opportunities for local people, working with local SMEs, and supporting local projects.