



Transport & Infrastructure Committee		Agenda Item
17 January 2024		10
Title:	Peterborough Station Update	
Report of:	Anna Graham, Transport Programme Manager	
Lead Member:	Cllr Anna Smith, Chair of Transport and Infrastructure Committee	
Public Report:	Yes	
Key Decision:	Yes	
Voting Arrangements:	A simple majority of voting Members	

Recommendations:	
A	Subject to the approval from the Department for Transport of the Outline Business Case, recommend to the Combined Authority Board to approve the Outline Business Case and approve the commencement of the Full Business Case.
B	Note that the Director of Place and Connectivity has the delegation to enter into a Grant Funding Agreement up to £1 million in consultation with the Chief Finance Officer and the Monitoring Officer.

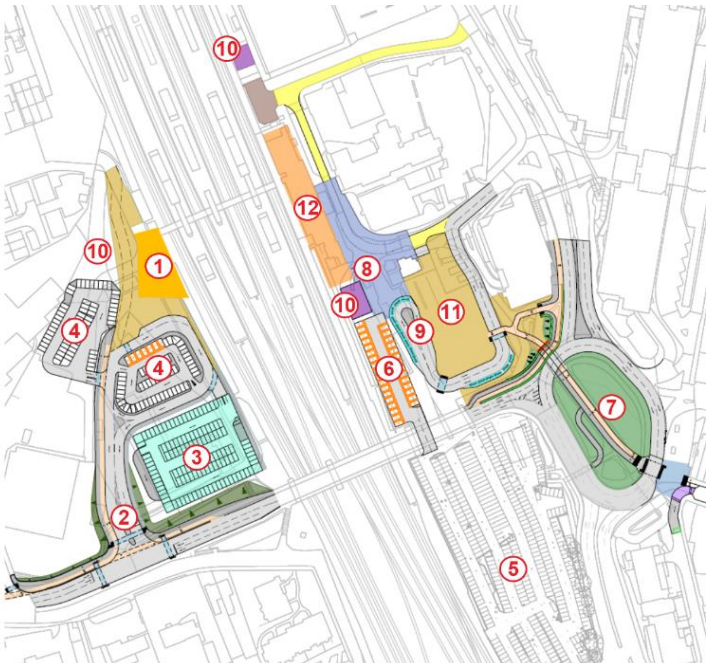
Strategic Objective(s):	
The proposals within this report fit under the following strategic objective(s):	
x	Achieving ambitious skills and employment opportunities <ul style="list-style-type: none">Attracting more businesses to grow or relocate to Cambridgeshire and Peterborough.Improved community connection.
x	Achieving good growth <ul style="list-style-type: none">The project aims to make land available for both commercial and residential development
x	Increased connectivity <ul style="list-style-type: none">Improved station facilities will attract greater rail patronageBetter access to the station by pedestrians, cyclists and buses will improve connectivity between the station and the city

1. Purpose	
1.1	At its meeting of the 22 March 2023 the Combined Authority Board formally accepted the Levelling Up Funding for Peterborough Station Quarter (PSQ) and approved the release of funding to enable Peterborough City Council (PCC) to progress the Outline Business Case (OBC).
1.2	With assistance of strategic partners such as Network Rail (NR) and London North Eastern Railway (LNER), PCC has developed the OBC for submission to the Department for Transport (DfT) for approval.

1.3	Subject to DfT approval of the OBC this paper seeks the Transport and Infrastructure Committee's approval of the OBC and commencement of the Full Business Case (FBC) to the Combined Authority Board.
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2. Proposal

2.1	<p>Building on the Masterplan developed in 2021 which considered the high-level feasibility of a phased redevelopment of Peterborough Station. The update to the Masterplan has confirmed the essence of the PSQ programme with three key high-level areas,</p> <ul style="list-style-type: none"> • Catalyse a new city quarter, • Connect the station to the city, and • Create an interchange fit for the future. <p>These key areas are supplemented with,</p> <ul style="list-style-type: none"> • Connectivity, • Public Realm, and • Development.
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2.2	<p>The Strategic Outline Business Case developed an Options Assessment Report identifying a range of proposals that could address the objectives of the PSQ programme. The OBC considered all the components of the PSQ programme, viewing them as jigsaw pieces to determine the final scope of the first phase of the project, which would provide the catalytic effect for the PSQ programme, but which could also be delivered within the funding envelope and the timescales required by the LUF allocation. Figure 1 illustrates the overview of the key components</p> <p><i>Figure 1 (Credit ARUP)</i></p> <div style="display: flex; align-items: flex-start;"> <div style="flex: 1;"> <ol style="list-style-type: none"> 1. Western Station Entrance 2. Western Access 3. Multi-Storey Car Park 4. Surface Car Parking 5. Surface Car Parking (existing) 6. Accessible Parking (5%) 7. City Link (Queensgate Roundabout) 8. Station Square 9. Taxi / Pick-up & Drop Off 10. Cycle Parking 11. Meanwhile Use 12. Refurbished Eastern Station Entrance </div> <div style="flex: 2;">  <p>The figure is a detailed site plan of Peterborough Station and its immediate surroundings. It highlights 12 specific areas for redevelopment, each marked with a red circle containing a number. The plan shows the station's layout, including the main building, various parking areas (multi-storey, surface, and accessible), a roundabout (Queensgate), and a station square. The numbered areas are: 1. Western Station Entrance, 2. Western Access, 3. Multi-Storey Car Park, 4. Surface Car Parking, 5. Surface Car Parking (existing), 6. Accessible Parking (5%), 7. City Link (Queensgate Roundabout), 8. Station Square, 9. Taxi / Pick-up & Drop Off, 10. Cycle Parking, 11. Meanwhile Use, and 12. Refurbished Eastern Station Entrance. The plan also shows existing infrastructure like roads and rail lines.</p> </div> </div>
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2.3	<p>The OBC refined the proposals to a single option development that would deliver,</p> <ul style="list-style-type: none"> • A new station square, linking to a high quality and accessible route to the city centre for active modes • Provision of a new Western Entrance and a multi storey car park (MSCP), improving access to the station for all modes and alleviating highway passenger congestion • A refurbished Eastern station building with more space and a relocated entrance to provide a better customer experience and to reduce passenger congestion, and • Freeing up land for redevelopment as part of the wider PSQ Programme. <p>It should be noted that Network Rail are funding and managing the relocation of the Maintenance Depot Unit (MDU)</p>
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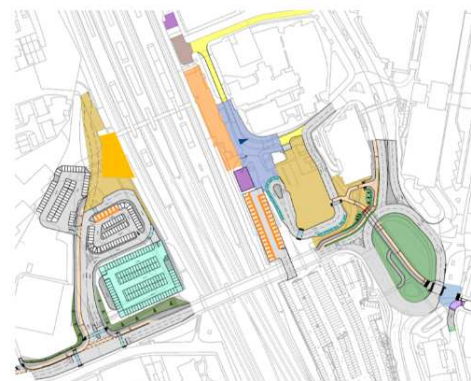
2.4	This aligns with the strategic objectives previously agreed for the PSQ programme, as Figure 2 illustrates,
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Figure 2 (Credit ARUP)

Strategic Objectives

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| <ol style="list-style-type: none"> 1) Capitalise on rail connectivity 2) Maximise growth by releasing land for development 3) Improve range & quality of facilities at station 4) Re-imagine the function and presentation of the station | <ol style="list-style-type: none"> 5) Improve station-city connections in all directions 6) Enhance multi-modal connections 7) Address safety & personal security concerns 8) Social & environmental sustainability |
|---|---|

Activity	Alignment with Objectives
Western Station Entrance	① ③ ④
Western Access & Surface Parking	② ⑤
MSCP on West	③ ⑤ ⑧
City Link (Queensgate Roundabout)	⑤ ⑦ ⑧
Station Square & Interchange	② ③ ⑤ ⑥ ⑦ ⑧
Eastern Station Entrance Upgrade	① ③ ④ ⑦ ⑧



2.5	<p>In developing the OBC, the Commercial and Management Cases have been considered. In a workshop in November 2023 the steering group, made up of LNER, Network Rail, PCC and the Combined Authority considered whether separate delivery routes and contracts for each element of the project or a combination of elements, would secure better value for money, allow phased approach to delivery, and minimise risk.</p>
2.6	<p>The partners agreed that the most effective and efficient route to delivery would be to separate out the project into four distinct delivery packages, based on issues such as land ownership and type of works, experience of similar projects with a partner identified to lead each:</p> <ul style="list-style-type: none"> • Highways and Active Travel - junction improvements on Thorpe Road to provide access to the new station entrance/building/parking areas, amendments to the existing access on the eastern side for taxis and a high quality and accessible route to the city centre for active modes through Crescent Bridge Roundabout – to be led by PCC; • Rail Station – the new station entrance/building on the west side and extension/improvements to the existing station – to be led by the rail industry (either LNER or Network Rail) • Multi-Storey Car Park – the new MSCP adjacent to Crescent Bridge – to be led by Network Rail; and • Public Realm and Station “Floormats” - the station frontage for the new entrance, with access for all modes from the new junction on Thorpe Road and surface car parking, and public realm and the new station square on the east with revised pick up/drop-off facilities, accessible car parking and enhanced public realm – to be led by PCC. <p>Within these four main delivery packages, there may be sub-divisions (primarily based around the location of the work on either side of the rail line), but in essence these are the four principal delivery packages, in addition to the relocation of the MDU which is required to provide all the necessary space on the western side of the rail line.</p>
2.7	<p>Up to completion and acceptance of the OBC, PCC has taken the lead in procuring the necessary development work using established procurement routes, including existing framework arrangements. In order to maintain momentum and with a mind to the March 2026 deadline for the LUF allocation, it has been agreed that PCC will continue to lead the next stage of development work for the whole project, seeking to confirm a possible extension to existing contract arrangements and bring in specialist skills as necessary. This will include preparation of the Full Business Case (FBC), once the delivery phase commences the project will be split into the packages as set out in paragraph 2.6.</p>
2.8	<p>The cost estimates for the project have been updated in the OBC and remain in budget for the LUF2 and Towns Fund allocations identified – a total of £49.5 million</p>
2.9	<p>The Benefit Cost Ratio (BCR) is 2.6 – High Value for Money</p>

2.10	The OBC was submitted by the end of December to DfT for their review and approval. The PSQ project team has met with members of DfT, DLUHC and Active Travel England providing an overview of the project, and to discuss progress so far and next steps. DfT has seen and provided comment on the draft OBC prior to submission to minimise any potential delays in reviewing the submitted OBC.
2.11	In parallel the OBC will be assessed by the Combined Authority's third-party independent business case reviewer in compliance with the Combined Authority's governance process.
2.11	More detailed design work leading to the preparation of a FBC is programmed to start in early 2024 and is expected to be completed in Autumn 2024 at an expected cost of £510,000 The programme provides 3 months for DfT to review and approve the OBC prior to substantial work commencing.
2.12	The FBC will be brought to the Transport and Infrastructure Committee and Combined Authority Board when completed.

3. Background

3.1	Through close working with PCC, the Combined Authority sought and secured funding for the first phase of the Peterborough Station Quarter Programme via the second-round bid to the Department for Levelling Up, Housing and Communities.
3.2	The near £48 million will be match funded by partners, Network Rail and through PCC's Towns Funding bringing the total up to approximately £65 million. This enables the first phase of the Peterborough Station Quarter regeneration, releasing land for commercial and residential development as a further future phase.
3.3	In the context of the Levelling Up Agenda, Peterborough is categorised by the Government as a 'Priority One' area. The allocation of 'Priority One' status specifies that the Government deems Peterborough as a region in most need of investment through Levelling Up funding. This categorisation is primarily driven by the region's poor performance against the "Need for Economic Recovery and Growth" indicator, as Peterborough falls significantly below the national average in relation to Unemployment and Skills.
3.4	The bid outlined the need for better connectivity between the station and the city centre, improving the station square layout and active travel route, ensuring visitors can easily find their way when exiting the station. A new western entrance to the station with a car park to create a double-sided station and alleviating pressure on city centre roads.
3.5	The project meets the overarching aims of the Local Transport and Connectivity Plan, including having significant economic impact on the city and regionally, as the city is already well connected to key areas of Eastern England and the rest of the UK. In addition, it will support Peterborough City to attract more knowledge intensive and high-level employers through its transport links and potential commercial and residential space.

4. Appendices

4.1	Appendix A: Peterborough Station Quarter Outline Business Case
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5. Implications

Financial Implications

5.1	On 22 March 2023 the Combined Authority Board approved the release of funding of £47,850,000 for PSQ to be spent between 2023 and 2026. However, the project only has approval to spend up to £5 million, before returning to agree future spend profile.
5.2	The OBC cost a total of £560,000 and the FBC is expected to cost £510,000 within the existing £5 million approved funding envelope.

5.3	<p>The current financial profile over the financial years is detailed below</p> <table border="1" data-bbox="188 174 1074 295"> <thead> <tr> <th data-bbox="188 174 320 226">Financial Year</th> <th data-bbox="325 174 448 226">2022/23</th> <th data-bbox="453 174 576 226">2023/24</th> <th data-bbox="580 174 703 226">2024/25</th> <th data-bbox="708 174 831 226">2025/26</th> <th data-bbox="836 174 1074 226">Total</th> </tr> </thead> <tbody> <tr> <td data-bbox="188 232 320 295"></td> <td data-bbox="325 232 448 295">£20,670</td> <td data-bbox="453 232 576 295">£659,330</td> <td data-bbox="580 232 703 295">£15,678,000</td> <td data-bbox="708 232 831 295">£31,492,000</td> <td data-bbox="836 232 1074 295">£47,850,000</td> </tr> </tbody> </table>	Financial Year	2022/23	2023/24	2024/25	2025/26	Total		£20,670	£659,330	£15,678,000	£31,492,000	£47,850,000
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Legal Implications													
6.1	<p>Each phase of the project is supported by a Grant Funding Agreement between the Combined Authority and PCC. The Director of Place and Connectivity, in consultation with the Chief Finance Officer and the Monitoring Officer, can enter into a Grant Funding Agreement up to the value of £1 million as per the updated Scheme of Delegation, as set out at Chapter 18, para 18.1.3.1 (g).</p>												
6.2	<p>Delivery of the project will entail PCC entering into either the standard Network Rail Asset Protection Agreement or a Development Services and Implementation Agreement with Network Rail</p>												
Public Health Implications													
7.1	<p>The percentage of adults who smoke and who are overweight or obese are both higher than the national average in Peterborough. Rates of preventable deaths from cardiovascular disease in Peterborough are significantly above the national average, with high level of local inequality between our most and least deprived communities.</p>												
7.2	<p>The proposed improvements, including a new station entrance to the northwest will facilitate greater access to and from the improved Railway station infrastructure. Alleviating the pressure on the road network and reducing journey times. Safer and more accessible active travel connections between the station and the city centre will increase active travel mode share with people benefiting from the subsequent health and wellbeing benefits.</p>												
7.3	<p>The project is expected to reduce carbon emissions through an increase in rail patronage and reduction in private vehicle use. The increase in rail patronage will be driven by improved station facilities, better access to the station by pedestrians, cyclists and buses, enhanced car parking, and new active travel connections between the station and the rest of Peterborough.</p>												
Environmental & Climate Change Implications													
8.1	<p>Peterborough Station Quarter is expected to reduce carbon emissions through an increase in rail patronage and reduction in private vehicle use. The increase in rail patronage will be driven by improved station facilities, better access to the station by pedestrians, cyclists and buses, enhanced car parking, and new active travel connections between the station and the rest of Peterborough.</p>												
8.2	<p>A key part of the project is the provision of a new western station entrance and associated car parking facilities. The station is currently only accessed directly from the eastern side of the rail lines, including all car parking provision. This means that passengers accessing the rail station often need to travel further than is necessary, discouraging walking and cycling (due to added distances) and increasing highway congestion and carbon emissions.</p>												
8.3	<p>Within the public realm elements of the project there is opportunity for tree/vegetation provision to support greening the area.</p>												
Other Significant Implications													
9.1	<p>Extensive work has been undertaken to identify risks and interdependencies. A key risk and interdependency is the relocation of the Network Rail MDU. The relocation of the MDU enables the western entrance and car parking to be delivered but is reliant on sensitively managing the relocation of staff and Network Rail having positive discussions with unions.</p>												
9.2	<p>In addition, whilst the Eastern station is refurbished this is likely to require the temporary relocation of train operator staff and again would need sensitive management, and discussion with the unions by LNER</p>												
9.3	<p>A key requirement for the project from LNER and supported by the DfT is the maintenance of the number of parking spaces. It is understood that the current level of car parking capacity needs to be retained as it would otherwise have an adverse impact on the revenue and leasing arrangements currently in place.</p>												

Background Papers	
10.1	Link to previous Strategic Outline Business Case (SOBC) stage funding approval to the Business and Skills team. Document.ashx (cmis.uk.com)
10.2	Transport and Infrastructure Committee Paper – 15 March 2023