



## Fenland Stations Regeneration Outline Business Case

To:	Cambridgeshire and Peterborough Combined Authority Board
Meeting Date:	25 November 2020
Public report:	Yes
Lead Member:	Mayor James Palmer
From:	Paul Raynes Director of Delivery & Strategy
Key decision:	Yes
Forward Plan ref:	KD2020/063
Recommendations:	The Combined Authority Board is recommended to:  (a) Approve the Outline Business Case outcomes  (b) Approve the start of construction for Manea and March Station works  (c) Approve the drawdown of £1.2 million from the budget within the Medium-Term Financial Plan.
Voting Arrangements:	Item a and b – A simple majority of all Members  Item c – A vote in favour by at least two thirds of all Members (or their Substitute Members) appointed by the Constituent Councils, to include the Members appointed by Cambridgeshire County Council or Peterborough City Council, or their Substitute Members

### 1. Purpose

- 1.1 To report on the Outline Business Case for the Fenland Stations Regeneration project and request budget approval to enable construction to begin on both March and Manea Station improvements.

## 2. Background

- 2.1 The Fenland Stations Regeneration project was first approved for inclusion in the Transport Programme at the March 2018 Combined Authority Board meeting and is one of the key projects in the Combined Authority Business Plan.
- 2.2 In April 2012 Fenland District Council gave a commitment to deliver railway station improvements in phases up until 2031. The timescales were associated with the developing proposals for each station and securing funding for scheme delivery.
- 2.3 In 2017, the Combined Authority agreed a substantial package of funding in addition to the Section 106 funding already secured for part of the schemes within each station masterplan.

## 3. Summary of the Outline Business Case Outcomes

- 3.1 The Strategic Case has considered the policy context within which this project has been developed. The stations serve a wide area, including substantial communities such as Chatteris and Wisbech, which have no railway stations of their own. Driving to a nearby station from the communities without a station, and from the large surrounding rural areas, is currently unavoidable for many and the needs of those residents need to be taken into account.
- 3.2 Fenland communities are remote from the growing centres of employment and rely on good transport links to maintain their economic and social wellbeing. Highway links in the area are generally slow and unreliable, and the rail service provides a critical role in ensuring people can access jobs, education, training and key services such as healthcare.
- 3.3 Plans for housing growth in the Fenland communities are important in terms of providing adequate housing to the wider population and to the continued sustainability of the communities themselves. An important part of the offer, especially in meeting the needs of working families, is in terms of rail services and the access to jobs and services which this facilitates. 11,000 new homes and 9,000 local jobs are proposed for Wisbech, March, Whittlesey and Chatteris. Without increases in public transport capacity, journey times by road are likely to increase significantly and become more unreliable.
- 3.5 Investment in the rail service, especially in terms of station facilities and parking, is therefore crucially important. Larger scale investments are planned in the area, including the new Cambridge South station and capacity increases at Ely North Junction.
- 3.6 The proposals in the business case have been developed as a result of community and passenger engagement. Fenland has a long and strong tradition of community involvement in its railway. Fenland District Council (FDC), Cambridgeshire County Council (CCC) and Fenland Strategic Partnership (FSP) developed the 'Fenland Rail Development Strategy 2011 – 2031' (FRDS), which provided a detailed framework for actions to promote and develop stations, train services and community involvement in the Hereward Line ever since. One of the outcomes of the FRDS was the Hereward Community Rail Partnership which has since been involved in developing rail proposals for the area.

- 3.7 The Mayor has identified the station improvements as a key priority. As well as being individually identified among the commitments in the Devolution Deal and in the policies of the Local Transport Plan, these improvements deliver against the Combined Authority's long term Local Transport Plan aims of:
- doubling the size of the economy over 25 years;
  - increasing productivity in the Fenland economy;
  - supporting housing growth;
  - reducing journey times;
  - improving public transport; and
  - transitioning to a net zero carbon economy.
- 3.8 The primary objectives within the Outline Business Case are:
- To enable improved access to jobs and services for the Fenland community
  - To accommodate housing growth in the area
  - Improve levels of passenger service at Fenland rail stations
  - Accommodate and enable longer and more frequent train services at Fenland rail stations.
- 3.9 The Economic Case demonstrates that the scheme achieves a Benefit Cost Ratio (BCR) of 2.9 and offers a high value for money. This has been confirmed by the Independent value for money Review for the combined improvements at Manea and March Station, which is available on the request.
- 3.10 Department for Transport guidance indicates that a BCR greater than 2 is considered high value for money. Equally the Combined Authority's Assurance Framework says that a scheme will require to be above 2.0 before investing. A breakdown of the BCR is provided in Table 1 below.

Table 1: Benefit Cost Ratio Assessment

Value (£'000s) 2010 prices, benefits discounted to 2010	
Present Value of Benefits (PVB)	6,984
Present Value of Costs (PVC)	2,333
Benefit Cost Ratio	2.9

- 3.11 The improvements that are included in the Fenland Stations Regeneration project are:
- Improved footpath and lighting at Whittlesea Station
  - Additional cycle parking facilities at Manea, March and Whittlesea Station
  - A second ticket machine at Whittlesea Station
  - Redesign of Platform 1 buildings at March Station
  - Additional car parking facilities at March Station
  - Car parking facilities at Manea Station – Phase 1
  - New waiting shelters for Manea and Whittlesea Stations
  - Car parking facilities at Whittlesea Station – Phase 1

- Platform lengthening at Manea and Whittlesea Station including a footbridge – Phase 2.

3.12 The Financial Case demonstrates that March and Manea station improvements has been robustly costed. The Scheme Outturn Cost for the March and Manea station improvements is £2.7 million. This includes a Risk Allowance of between 20-30%.

3.13 The Management and Commercial Cases have been set out within the Outline Business case. Fenland District Council took the decision at an early stage not to procure station facilities directly but to engage Greater Anglia station design and procurement expertise instead. This will be the case, except for Manea car park which will be design and built in house.

3.14 The outcome of procurement processes is reported to the Project Board for the relevant station. From a public accountability perspective, the Project Board makes decisions through the elected representatives and the organisations who attend the board.

3.15 The Executive Summary of the outcomes of the Outline Business Case is provided at Appendix 1 of this Board report.

## 4. Stations Improvement Update

4.1 The schemes in the project are running concurrently. The feasibility design and associated technical work for the larger elements of improvements has been completed for most items or is well underway.

4.2 The small package of projects which has already been completed includes the waiting shelters at both Manea and Whittlesea Station, improvements to the footpath and lighting at Whittlesea Station and additional cycle parking at each of the stations. See Figure 1 which shows some of the completed improvements.



Figure 1: Station Improvements – Waiting Shelter and Cycle Parking

4.3 The larger schemes, which include the station car parking at March, Manea and Whittlesea and Platform 1 building at March Station, have completed the preliminary design stage.

- 4.4 At March Station, Combined Authority officers have worked closely with delivery partners Fenland District Council and Greater Anglia. Procurement for a design and build contract has commenced for the Platform 1 building and car park. It is expected that construction of both the Platform 1 building and car park will commence February 2021.
- 4.5 Manea Station car park is being delivered by Fenland District Council. Planning permission was granted in September 2020. Following detailed design completion at the end of October, Fenland District Council is ready to commence procurement should the Board agree to release funding today. It is expected that construction on site will commence in February 2021.
- 4.6 The feasibility design and cost completed by Greater Anglia at Whittlesea Station on land adjacent to the existing car park exceeded the available budget and did not meet the value for money criteria set out by the Combined Authority assurance framework. An alternative approach has therefore been developed. A first phase will provide improvements to the existing car park using land within the current Greater Anglia lease area for Whittlesea Station. Phase two will extend the car park further, using additional land and will come forward as part of the wider aspirations for the station which include extended platforms and a footbridge.

## 5. Next Steps

- 5.1 The following construction timescales for March and Manea are set out in Table 2.

Table 2: Construction timescales

Activities	Start	End
Manea Station Car Park	February 2021	May 2021
March Station – Car Park and Platform 1 Building	February 2021	December 2021

- 5.2 Work related to Whittlesea Station is currently at the redesign stage and this is planned to be completed by Greater Anglia by mid- December. Costs and programme for Phase 1 of Whittlesea Station will be provided and presented to subsequent Combined Authority Committees and Board.
- 5.3 The March and Manea improvements have a BCR of 2.9 and it is expected that through quantification of further impacts this could rise. It therefore represents high value for money. The current Outline Business Case development has incorporated a level of design work, also informed by public consultation and agreed at the Project Board that would normally have been conducted within the Full Business Case stage. It is therefore recommended to the Combined Authority Board that we proceed directly to construction in the interest of value for money and proportionate effort as described within the assurance framework.
- 5.4 The Independent Value for Money Statement supports this approach. Although this is a variance from the usual process described in the Authority's 10 point project management guide, it is an option for the Director of Finance and the Director of Delivery and Strategy to agree this approach within the Gateway Process. In addition to progress to construction, this will also be subject to agreeing satisfactory legal terms with partners as advised by the Chief Legal Officer.

- 5.5 Further improvements at Manea and Whittlesea will be developed subsequently. This will involve the preparation of designs and costs related to platform lengthening at Manea and Whittlesea and a new pedestrian footbridge at Whittlesea. Discussions are continuing with Network Rail on this and the Project Board has agreed that this work will progress once train services on the line improves.

## 6. Financial Implications

- 6.1 The Scheme Outturn Cost for both improvements at March and Manea station is approximately £2.7 million. This includes a Risk Allowance of between 20-30%.
- 6.2 The Medium-Term Financial Plan (MTFP) capital programme provides £3.6 million for the Fenland Stations Regeneration project. Approval has already been given for £1.7 million, of which £200,000 has already been spent on the business case, cycle parking, ticket machines, footpath improvements, and preliminary and detailed design, leaving a balance of £1.5 million. The Combined Authority Board is requested to approve a further £1.2 million, to meet the £2.7 million cost for construction.
- 6.3 It is recommended therefore to ask the CPCA Board for the approval of the drawdown of £1.2m from the subject approval budget for commencement of construction for both March and Manea station projects.

## 7. Legal Implications

- 7.1 The recommendations accord with CPCA's powers under Parts 3 and 4 of the Cambridgeshire and Peterborough Combined Authority Order 2017 (S1 2017/251).
- 7.2 The meeting shall be conducted in accordance with Parts 2 and 3 of the Local Authorities and Police and Crime Panels (Coronavirus)(Flexibility of Local Authority and Police and Crime Panel Meetings)(England and Wales) Regulations 2020.

## 8. Appendices

- 8.1 Appendix 1 – March and Manea Outline Business Case Executive Summary

## 9. Background Papers

- 9.1 March 2018 Combined Authority Board Paper

[CA Board Report March 2018](#)

- 9.2 November 2020 Transport Infrastructure Committee Paper

[CA Transport Infrastructure Committee November 2020](#)