ITEM 15



EDINBURGH - BERWICK-UPON-TWEED LOCAL RAIL SERVICE

Report by Service Director Regulatory Services

EXECUTIVE

24 March 2015

1 PURPOSE AND SUMMARY

- 1.1 This report provides an update on progress made towards the potential introduction of a local rail service between Edinburgh and Berwick-upon-Tweed, which includes the re-opening of stations at East Linton in East Lothian and Reston in the Scottish Borders.
- 1.2 Scottish Borders and East Lothian Councils made a joint bid to the Rail Station Fund in May 2014, proposing a joint contribution of £2.84 million in relation to an estimated cost of £7.1m to provide two new stations on the East Coast Main Line (ECML) (£3.2m for a new station at Reston and £3.9m for East Linton).
- 1.3 The bid was reviewed by the Route Investment Review Group (RIRG) who administer the Rail Station Fund and they concluded that further detailed design and costing work was required before they could fully endorse the joint bid.
- 1.4 Following negotiations between a number of parties including the Local Authorities, SEStran and Transport Scotland, it is likely that Network Rail will be contracted to undertake the detailed design work associated with the provision of the two station facilities.
- 1.5 Once the detailed design work has been completed, the bid will be resubmitted to RIRG for approval.
- 1.6 Network Rail has indicated that the detailed design work could take up to 12 months to complete.
- 1.7 The Transport Minister has confirmed the Government's commitment to the proposal for this project, and the intention to deliver a service within the time frame of the franchise by December 2018.

2 RECOMMENDATIONS

- 2.1 It is recommended that the Executive:
- a) Notes the contents of this report

| b) | Approves the re-phasing of the Capital Programme as detailed in paragraph 7.1 | | | |
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3 BACKGROUND

- 3.1 A series of reports have considered the reintroduction of a local rail service between Edinburgh and Berwick-upon-Tweed. The final report was produced by transport consultants MVA in November 2013, following detailed discussions with Transport Scotland.
- The cost of constructing a new station at Reston and East Linton is estimated to be in the region of £3.2m and £3.9m respectively.

4 SCOTTISH RAIL NETWORK FRANCHISE

- 4.1 A new rail franchise agreement for the Scottish rail network (currently operated by First ScotRail) will be initiated in April 2015. In November 2014, the former Transport Minister Keith Brown announced that Abellio would be the new rail franchise operator.
- 4.2 As part of the franchise announcements it was noted that Abellio had made provision for introducing a two-hourly rail service between Edinburgh and Berwick with planned stops for new station facilities at Reston and East Linton.
- 4.3 The agreement between Scottish Government and Abellio requires the station facilities at Reston and East Linton to be constructed before December 2018. The Transport Minister in a letter to the Council on 28 January (see APPENDIX A) confirmed the Government's commitment to the proposal for this project, and the intention to deliver a service within the time frame of the franchise by December 2018.

5 SCOTTISH STATIONS FUND

- 5.1 In June 2012, Scottish Government announced that a £30m fund (Scottish Stations Fund) for new station facilities would be available for Local Authorities to access between April 2014 and March 2019.
- The key aspects required by Scottish Government in order to access the fund included the preparation of a transport appraisal in accordance with STAG (Scottish Transport Appraisal Guidance) and the prospect of third party investment.
- 5.3 In May 2014, a combined bid document from Scottish Borders Council and East Lothian Council was submitted to Scottish Government. The proposed contribution from both Local Authorities to the overall cost of the project was £2.84m which equates to approximately 40% of the total estimated cost of delivering the two stations.

- The Route Investment Review Group (RIRG) is the collective that administer the Scottish Stations Fund. The group is chaired by Network Rail and consists of passenger and freight operators, along with Transport Scotland.
- 5.5 The joint bid was considered by RIRG who concluded that the proposal required more detailed work to be undertaken before a final decision could be made by the group.
- The detailed work required by RIRG consists of the detailed design of the proposed station platforms and associated infrastructure including access roads and car parking facilities. All of the design work requires to conform with Network Rail's Guide to Rail Investment Process (GRIP).

6 NEXT STEPS

- 6.1 Additional dialogue has taken place between Network Rail, Transport Scotland, SEStran and the Local Authorities and it is likely that Network Rail will contracted to undertake the detailed design work on behalf of the Local Authorities and SEStran. It is hoped that the design work can be initiated in the near future, with Network Rail indicating that the work could take approximately 12 months to complete.
- 6.2 Scottish Borders Council officers have held initial discussions with the key landowner in Reston in relation to the potential development of the rail station.

7 IMPLICATIONS

7.1 Financial

The 2015/16- 2018/19 Capital Plan requires re-phasing based on recent indications from Network Rail that design costs will now be approximately £500k. Total project costs will remain within the £1,600k allocated budget.

Approval is sought to re-phase as detailed below:

| Current Capital Plan as approved by Council 12 February 2015 | | | | | | |
|--|---------|---------|---------|-----------|--|--|
| 2015/16 | 2016/17 | 2017/18 | 2018/19 | Total | | |
| £'000 | £'000 | £'000 | £'000 | £'00 0 | | |
| 365 | 0 | 65 | 1170 | 1600 | | |
| | | | | | | |
| Revised Capital Budget required | | | | | | |
| 2015/16 | 2016/17 | 2017/18 | 2018/19 | Total | | |
| £'000 | £'000 | £'000 | £'000 | £'00 0 | | |
| 500 | 0 | 0 | 1100 | 1600 | | |

Should further phasing adjustments be required in future, reports will be brought back to committee at that time.

7.2 **Risk and Mitigations**

A potential rail station project will provide the usual range of risk. In terms of mitigation, optimism bias value of 50% has been attached to the estimated cost of the project. The further detailed design and costing work to be undertaken by Network Rail will further firm up potential costs.

7.3 **Equalities**

There are no adverse impacts due to race, disability, gender, age, sexual orientation or religion/belief arising from this report.

7.4 **Acting Sustainably**

The promotion of a new rail station will provide the opportunity to encourage more sustainable transportation for Eastern Berwickshire providing potential benefits for the wider economy of the area.

7.5 **Carbon Management**

There are no significant carbon emissions impacts as a result of this report.

7.6 **Rural Proofing**

The provision of a new rail station in Eastern Berwickshire will significantly improve accessibility and social inclusion for the area and will help initiate the development of tourism and educational opportunities.

7.7 Changes to Scheme of Administration or Scheme of Delegation

No changes to the Scheme of Administration or Delegation are required as a result of this report.

8 CONSULTATION

- The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and comments received have been incorporated into the final report.
- 8.2 The Chief Executive, Depute Chief Executive Place, Corporate Transformation & Services Director, Service Director Neighbourhood Services, Service Director Commercial Services and Service Director Capital Projects have been consulted and their comments have been incorporated into the final report.

Approved by

Director of Regulatory Services Signature

Author(s)

| Name | Designation and Contact Number |
|------------------|---|
| Graeme Johnstone | Strategic Transportation Officer 01835 825138 |

Background Papers: Executive – April 2014

Environment and Infrastructure Committee - June 2013

Previous Minute Reference: None

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Jacqueline Whitelaw can also give information on other language translations as well as providing additional copies.

Contact us at Jacqueline Whitelaw, Environment and Infrastructure, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 01835 825431, Fax 01835 825071, email e&itranslationrequest@scotborders.gov.uk.

APPENDIX A

Minister for Transport and Islands

Derek Mackay MSP

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Cllr. David Parker Scottish Borders Council Council Headquarters Newtown St. Boswells MELROSE TD6 0SA

Our ref: 2015/0001299

28 January 2015

Dear David

Thank you for your letter of 16 December regarding the proposed Edinburgh to Berwick-upon-Tweed local rail service.

I am delighted that the Scottish Ministers have been able to secure a priced option in the new franchise for the provision of a two hourly service which can accommodate calls, not only at Reston Station, but also at East Linton in East Lothian. This is a considerable step towards bringing these stations to life and highlights the Scottish Government's commitment to the proposal which will provide improved access to work and education opportunities for the area.

As you note, the Scottish Stations Fund (SSF) application cannot be approved until the full scope of the project and an accurate cost has been determined. Network Rail has been working closely with council officials to determine the scope for the station and they have advised that this work is very near completion.

In relation to the design work, Network Rail has confirmed, following discussion with my officials at Transport Scotland, that they will accelerate the process for the planning and development work and that they will provide a robust cost for carrying out this work by the end of January. Network Rail has also provided reassurance that the stations can be delivered within the time frame of the priced option, which is December 2018.

My officials have met with both Local Authorities and SEStran to confirm that the SSF application for Reston and East Linton stations is currently at the most developed stage for any applications for new stations across Scotland. Also, Network Rail has notified the councils and SEStran what is required in terms of re-submitting the application to an acceptable standard to satisfy the Route Investment Review Group (RIRG) who make the decision. Therefore, I am confident that continuing dialogue between all parties will result in a successful conclusion to the application.

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~ 2 FEB 2015

Government

Riaghaltas na h-Alba



I look forward to seeing this progressed as soon as possible to ensure that the December 2018 deadline for the priced option can be achieved.

I hope this is helpful.

Kind regards

DEREK MACKAY

5 Atlantic Quay, 150 Broomielaw, Glasgow G2 8LU www.scotland.gov.uk





