Heart of South West Local Transport Board

Edginswell Station Business Case

August 2015

STRATEGIC CASE

Case for Change

Business Strategy

Corporately, Torbay Council has three themes, to secure a healthy, prosperous and happy Torbay. One of these aims is to "Invest in the future". This strategic aim focuses on improving the economy to bring prosperity to the area.

Torbay's economy is underperforming and for all too long has been over-reliant on seasonal and service sector employment - predominantly tourism, retail and small light industrial enterprises, typical of English seaside resort towns. And in a similar "typical" vein, its unemployment levels are high and rising, continuing to exceed both regional and national averages; it currently stands at 9.7%.

The recent decline of larger electronic industries and loss of high tech employers especially earlier this Century has resulted in an economy defined by low skilled, seasonal jobs with average salaries 13% lower than regional and 18% lower than national levels.

Further, despite the presence of excellent local educational facilities the lack of skilled and well paid employment opportunities means that Torbay struggles to retain and develop young skilled workers - those aged between 20 and 34 make up less than 15% of the total population, whereas over 31% are 60 years old or over.

With a tourism dominated economy, Torbay is the third largest urban area in the South West behind Bristol and Plymouth, but amongst its resident population of 131,000, there are areas of significant deprivation and indeed are amongst the worst in the entire UK.

Developing a successful economy and improving job prospects requires a number of interdisciplinary activities to take place to stimulate change in the fortunes of the area. Within the corporate plan the following proposals have been identified, which investment in Edginswell Station will help to meet:

Corporate Plan Objective	Scheme Fit
• Creating the right environment for inward investment	Edginswell Station is located centrally within the Torquay Gateway masterplan. This seeks to encourage mixed use development of employment and residential, in addition the existing 8,000 homes nearby, Torbay Hospital, The Willows Retail centre and Edginswell Business Park. It's location 800m from the new South Devon Link Road, will make Edginswell a prime site for transport access in Torbay

• Lobbying to improve rail services	Edginswell Station forms part of Devon Metro. It would be served by planned improvements for a ½ hourly local stopping service between Paignton and Exeter.
• Making it easier to get around the Bay by developing integrated transport where feasible.	Edginswell Station will improve access for residents travelling to Paignton and all stops between Newton Abbot and Exeter. Edginswell Station is also well located to be integrated to the local bus network. Outside of the proposed station, up to 23 buses per hour would serve the station, making access into Torbay via rail very convenient for onward travel to destinations via local bus services, especially St Marychurch, Barton, Willows, Hele, Shiphay and Chelston.

Specifically within the Devon & Torbay Local Transport Plan 2011-2026, it identifies the following objectives:

Local Transport Plan Objective	Scheme Fit
• Deliver and support new development and economic growth	Edginswell Station supports the Torquay Gateway Masterplan, provide access to the national rail network for the planned mixed use development proposed in the area.
• Make best use of the transport network	Edginswell has a national railway line running through the existing community. Providing a station gives access to local residents and employers to travel to destinations by train.
• Work with communities to provide safe, sustainable and low carbon transport choices	Rail offers a low carbon solution to sustainable travel, typically offering the lowest emissions after walking and cycling.
• Strengthen and improve the public transport network	The station provides a significant enhancement to the public transport network for Torbay and the wider geographical area, due to the two-way flows of employment and local travel that it is likely to offer.

Torbay Council and its economic delivery partner-the Torbay Development Agency recognise the value that improving infrastructure both within and beyond the Bay will have in making these areas better and stronger places to live, giving all residents a better way of life. Such infrastructure improvements include highway alterations along the M5/A303/A38 and A380 corridors, as well as rail enhancement through track and rolling stock advances.

Torbay Council and the TDA are committed to ensuring Torbay's potential to be a successful and prosperous economy, attracting new jobs, saving existing ones, and supporting development of the right balance of housing so as to help safeguard the whole area for generations to come and avoid further loss of local, talented people and all the associated socio-economic and demographic problems that would bring.

Problem Identification

Edginswell is a growth area on the outskirts of Torbay. In order to provide sustainable growth that is attractive to both residents and businesses, the transport network needs upgrading across all modes of transport to provide fast and reliable connections to a wide range of destinations.

Edginswell already has a car parking capacity problem as a result of existing development. Both Torbay Hospital and Edginswell Business Park have a lack of spaces available for the current level of demand for both staff and visitors. Although the nearby Willows retail area has substantial free parking for shoppers, the attractiveness of the retail offer and free parking results in demand being exceeded at certain busy periods, especially in the run up to Christmas.

By providing a railway station within easy walking distance to all three sites, this will attract commuters and visitors away from using their private vehicle when travelling to these locations, reducing the demand for car parking on these sites and neighbouring residential areas.

At the end of 2015 the South Devon Link Road (SDLR) will be opened to the north of Edginswell, to relieve capacity on the main road in and out of Torbay. However this, in conjunction with the scale of growth proposed within the Bay, and development plans in the Edginswell area, will result in a significant increase in traffic congestion if not managed correctly. The A3022 Riviera Way is expected to be heavily loaded after SDLR is opened. The Scott's Bridge and Lowe's Bridge junctions and other junctions on routes to Torquay centre will become more congested, increasing delays to buses and further encouraging car use. The Torquay Gateway Growth Area development will put further pressure on the road network in the area and make access to the employment sites, health facilities and residential areas more difficult.

Existing Arrangements

The key corridors into and around Torquay suffer from delays caused by traffic congestion. This is beginning to be addressed through strategic improvements including the South Devon Link Road and the Torquay Gateway Highway Improvements as supported by the Local Transport Board.

Currently rail passengers can contribute to the congestion as the nearest alternative station is over a mile away without parking facilities, and almost 2.5 miles away with parking. However the reality is that many would choose to use drive over 4 miles to Newton Abbot. These vehicle movements can be reduced with the inclusion of an additional station with parking facilities.

Impact of Not Changing

Not implementing this scheme and providing the additional public transport connectivity to Torbay and in particular the growth area of Torquay Gateway, will have a detrimental affect on the proposed growth and expansion of both business and residential development in the area. The new station will support additional growth through easing pressure on the highway network and reduce demand on car parking availability - by diverting trips from the highway onto the railway.

Drivers for Change

Given inadequate road and rail connections external to the Bay, and, unreliable journey times and public perceptions of congestion inside the Bay, the need to free up capacity on the strategic routes and improve reliability is critical using both hard and soft measures. Sustainable modes alone, although relatively low cost however, cannot provide the level of additional capacity and penetration required to facilitate economic regeneration to its fullest potential, but will still play an important role.

The need for transport to support the economy is critical and this means being able to move people and goods around the Bay efficiently, as well as addressing socio-economic inequalities and associated transport deficiencies characteristic of low income and other vulnerable groups with no access to a car.

But given the level of growth planned particularly to the West and North of the existing urban area and the additional pressure placed on the existing highway network, trip reliability and investor confidence will be risked. Hence addressing network deficiencies and also building in measures that support sustainable, low carbon transport solutions are vital to reduce congestion, facilitate economic regeneration, and improve access for local and sub regional trips.

Objectives

The vision for Torbay within the Devon and Torbay's LTP3 is that, by 2026 Torbay "will have excellent connections to Devon and the rest of the UK. Residents and visitors will find it easy to move around, explore and experience Torbay's beautiful urban and marine environment. People will enjoy better health and quality of life using improved cycling, walking and public transport links for work, leisure and education. A low-carbon, sustainable transport system will contribute towards the public realm, distinct character and function of the three towns of Torquay, Brixham and Paignton".

Torbay's transport priorities are to:

- Enable economic growth and development;
- Protect and enhance Torbay's built and natural environment;
- Improve safety and health;
- Promote access to education, employment and services;
- "Make the big connections" by rail and road to the rest of the UK.

The new station at Edginswell interacts with both the South Devon Link Road and Torquay Gateway Highway Improvement Scheme, which will provide essential relief to key corridors around the area. The station will complement these schemes by providing an alternative to travel by private car to the area, improving access to and from a range of destinations in a way that neither of these schemes can. In doing so it will improve employer's access to the labour market and job seekers access to jobs within Torquay Gateway. It will also further open up alternative travel opportunities for occupiers of the new dwellings that will also be constructed in the Torquay Gateway growth Area. In addition by improving use of the rail network, and encouraging modal shift, the scheme will make best use of existing capacity on both the rail and road networks, releasing capacity on the latter for captive vehicle trips.

To achieve the aims of the scheme the following 3 key SMART objectives will need to be delivered;

Objective 1	
Promote economic development by improving access to existing as well as planned employment, commercial, and housing development sites in the Torquay Gateway	
Measure of Success	Deliver phase 1 – 4 of the Torquay Gateway Masterplan.
Timescale	5-10 years post completion of scheme
Indicators	Economic and Planning Data – obtainable from Torbay Development Agency and Spatial Planning
Dependencies, Risks, Constraints	**Dependencies:** Isolating other socio-economic or demographic changes and their affects **Risks:** Local Plan / Torquay Gateway Masterplan not being adopted Wider economic forces may outweigh local intervention – could also be a positive affect **Constraints:** Availability of land as well as the type and amount of new investment

Objective 2	
Improve journey times by public transport from Edginswell to Exeter	
Measure of Success	It will be possible to travel from Edginswell to Exeter St Davids within 45 minutes by train
Timescale	On completion of the scheme
Indicators	Train journey time
Dependencies, Risks, Constraints	Changes to current rail timetable; development of other rail stations along the route which increases the number of stops and journey time

Objective 3	
Encourage modal shift by increasing the number of people using the railway from Edginswell	
Measure of Success	Total footfall at new station
Timescale	5 years post completion of scheme
Indicators	2018 = 350,000 trips, 2023 = 750,000 trips
Dependencies, Risks, Constraints	Ability to provide sufficient and suitable services to meet demand

A statement of the scheme outputs, showing jobs and housing numbers connected to the scheme, is included in the table below:

Scheme Outputs Statement – Target Year 2022	
Homes	550 homes
Jobs	750 jobs
Employment Space	19000sqm

It is important to clarify that these figures are indirectly linked to the station proposal and should be read alongside the Torquay Gateway highway scheme.

Summary				
Problems		Scheme Objective	Organisation's Objective	Contribution of Scheme proposal
1	**Lack of inward investment and diversity of economy**	Promote Economic Development by improving access to existing as well as planned employment, commercial, ad housing development sites in the Torquay Gateway	Draft Local Plan Aspirations 1, 2, 5 and Policies SD1, E1, E2, TA2, SDT1, SDT2, and SDT3 Local Transport Plan 3 and associated implementation plan	Removing barriers to access, reducing journey times and improving reliability of journeys will encourage inward investment and show the Council is able to support economic regeneration
2	**Poor connectivity to the rest of Devon and the wider country restricts economic growth and confidence of investors in the area**	Improve journey times to/from the Bay – by all modes	Draft Local Plan Aspirations 1, 2, 5 and Polices SD1, E1, E2, TA2, SDT1, SDT2, and SDT3 Local Transport Plan 3 and associated implementation plan	Alongside the improvements brought by the South Devon Link Road and Torquay Gateway Highway scheme this proposal will provide an alternative option and ease the burden and pressure on the highway network, allowing all modes to improve
3	**Over reliance on highway network, restricting growth**	Encourage Modal Shift and provide opportunities for alternative modes at times of disruption		Provides a viable and sustainable alternative to the car and use of the highway, unlocking development potential

Scope

The project will deliver a new station parallel to Newton Road and Riviera Way, between Brown's Bridge and Scott's Bridge. The station will be served by the existing mix of local trains between Paignton, Newton Abbot and Exeter. Although a continued enhanced local service frequency is a key aspiration this is excluded from the scope of the station project and is not assessed within the station business case.

The station will have two 125 metre platforms, capable of handling six car Class 150 multiple unit formations, lit to NR lighting standards and with full CCTV coverage. The platforms will be connected by a lit footbridge, with steps and ramps.

Each platform will include:

- Waiting Shelter

- Ticket Vending Machine
- Customer Information System
- Public Address System
- Help point
- Station signage and information boards

Access to the station will entail:

- A car parking area adjacent to Newton Road (scale to be determined at time of writing) with a drop off / pick up area
- Dedicated pedestrian and cycle access from Riviera Way, in addition to the link from Newton Road

Outline Designs are produced in Appendix A.

Constraints

As with any project there are a small number of constraints that have the potential to affect the delivery of the station.

Internally these are generic constraints relating to available resources. Externally the constraints reflect those affecting any rail project during the current period of high investment and high usage, which restricts access to the network and stretches contractor resources. A specific constraint affecting the project is the current limited availability of rolling stock and uncertainty on the timetable impact of enhancement projects elsewhere, which is likely to affect the initial timetable and timing of wider service improvements. Further detail on all these constraints is shown below.

Internal	External
Staff/Client Resources Torbay Council's recent success in securing funding has created a wave of schemes for delivery between 2014 and 2018. With the continued downward pressure on resources delivery of these schemes represents a significant challenge. With Edginswell Station technical resources to complete the procurement of a design and build contractor and a range of commercial agreements will be essential.	**Contractor Resources** The range of significant infrastructure projects for delivery in Control Period 5, combined with a shortage of skills in key disciplines, has created an overheated construction market. This is reducing competition for construction contracts – just two contractors tendered for Newcourt station – and affecting delivery programmes with consequential impacts on tender prices. The situation is most acute within specialist disciplines such as signalling.
Available Finance Funding has been allocated with approval from Torbay Council, including the necessary financing to progress the scheme to full business case, through procurement. However, such is the position of decreasing budgets within Local Authorities that continued progress and achieving certain gateways such as outline business case is essential.	**Possession Availability** Construction activities at the confined station site are likely to require possessions. While use of conventional overnight possessions is expected, some work may only be possible within day time possessions. Availability of these on the main line is limited and costly, and combined with the long lead in time, this may impact on programme.
	Timetable Development

	The development of the timetable for trains serving the new station is constrained by interacting train services, which may affect the initial timetable until the impact of major enhancement projects elsewhere is understood. However, work has been undertaken with Network Rail and First Great Western which demonstrates that most of the Riviera Line services (those stopping services between Paignton, Newton Abbot and Exeter) would be able to serve the station under the existing conditions. A report is produced in appendix G.
	Rolling Stock Availability The commencement of a full timetable recast in association with both Marsh Barton and Edginswell stations, and the wider Devon Metro project, is constrained by the need for more rolling stock, which is unlikely to be available until early 2017. This may constrain the timetable which can be operated for the first 6 to 12 months of operation.
	Station Location The precise location of the station is constrained by a series of factors, including track curvature and gradient, the ground conditions in the area, being in part in or close to flood plains or marsh. Therefore the location has been selected that minimises these impacts, particularly the track curvature. It is not possible to move the location much within these parameters.
	Ground Investigation Work It has not been possible to gain access to the site of the station, within the timeframe and budget of the project before submission of the bid. This work will be carried out once a supplier has been selected to carry out construction. However the GI work itself does not comprehensively provide all information of the state of the ground where works are carried out, so can only ever deliver a snap shot that lessens the probability of identifying further constraints to construction.

Inter-dependencies

The interdependencies between partners are complex and managed through National Rail's GRIP process (Governance of Rail Infrastructure Projects)

Stakeholders

The majority of stakeholders support the scheme including the largest and most influential stakeholders (DfT, NR and First Great Western)The Torbay and Marsh Barton Business Forums also have a positive attitude, aware of the potential benefits for businesses and employees.

Options

The option assessment, details of which are contained within the Options Assessment Report in Appendix B, clearly showed that the Preferred Rail Station option was the most suitable, economic, feasible and effective scheme. The other key options were an Alternative Rail Station and Torquay Gateway Junction Improvements (as previously approved by Local Transport Board).

The report found that whilst the Station was the most preferred option in achieving the objectives, the junctions were also critical in delivering the full potential growth in the area. The two projects would be best running side by side.

The Alternative Rail Station was not considered suitable as it was outside of key catchment areas and therefore resulted in a lower forecasted patronage with a higher cost and greater delivery risks.

Bus priority was also considered but found not to achieve the objectives and to restrict traffic growth due to the limited highway space.

The Council has undertaken further work on establishing the option for the station itself, once the modal option was clarified. The report identified the location and aspects of the design. This Option Selection Report has been reproduced in Appendix C.

Strategic Fit

Economy

The improvement of transport infrastructure for all users, this scheme is complimentary to Torquay Gateway Highway Improvement, will stimulate growth in the local economy by improving accessibility to the area and to markets and will develop and promote quality sites and premises away from the traditional tourist areas.

The South Devon Highway brings a direct connection by road to the motorway network and therefore will allow Torbay to be a competitive urban area for businesses. In addition there is planned investment along the highway corridor into Torquay Town Centre. However, one transport system can not be relied upon to meet the needs of all businesses or all users of the transport network. It is not possible for one network to operate efficiently and effectively with that level of pressure and use needs to be distributed across modes to develop the capacity in other uses. The station brings the balance to the network in Torbay, providing the opportunity for balanced growth across the transport network in a complimentary way.

Building the capacity into the network supports growth and allows the businesses to enhance their productivity. The developments will collectively aid new developments by being more attractive to inward investment but also assist existing businesses to continue and expand in a growing economy.

Edginswell station represents excellent Value for Money (VfM): falling within the "Very High" VfM category with economic benefits of over £12 for every £1 spent. In addition the station is financially positive returning more than £2 of revenue for every £1 spent – providing an operating surplus for the train operator and contributing to premium payments to central government.

The station will support the addition of new housing and employment in the Torquay Gateway area. This, as set out within the masterplan for the area, includes the expansion of the existing Edginswell Business Park as well as a key site for housing alongside the Hamlin Way (West of the site). This will collectively help to grow the economy of the area and support a wider range of business by providing access to regional centres, and connections further afield, by rail – increasing their productivity. Additionally it will support the existing businesses in the area by improving their widened connectivity and thus supporting an increase in productivity and growth.

The masterplan supports delivery of 550 new homes and 19000sqm of employment land in the Edginswell Growth area alone. This is in addition to allocations set out within the New Local Plan for Torquay Gateway. The development is expected to be delivered in 4 phases from 2017 for 10-15 years. Employment will be delivered in the earlier phases to enable the early delivery of jobs and would include substantial B1 office space, with supporting B2 and B8 uses, as well as a local school and neighbourhood centre.

Policy Fit

The Devon and Torbay Local Transport Plan 3 expands on these themes with a number of specific objectives, which the scheme closely aligns with as set out below:

Local Transport Plan Alignment

Objective	Scheme Fit
Deliver and support new development and economic growth	Improving access to the key employment areas and supporting development in the Torquay Gateway
Make best use of the transport network and protect the existing transport asset by prioritising maintenance	Make better use of the local rail network by improving access to it, increasing demand and opening up new travel opportunities
Work with communities to provide safe, sustainable and low carbon choices	Increase the sustainable choices available in across the area
Strengthen and improve the public transport network	Strengthen and improve public transport along key corridors into Exeter and Torbay
Make Devon and Torbay the 'Place to be naturally active'	Encouraging walking and cycling to the station from the neighbouring residential areas, as well as connecting by rail to the sea front area.

Contribution to Sponsoring Organisation's Objectives and Wider Government Aims

The Government Policy Paper, 2010-2015 Rail Network, quotes that "rail is vital to the UK's economic prosperity. If rail services are inefficient and do not meet people's needs for routing or frequency, business and jobs suffer… Encouraging people to use trains rather than cars, and reducing carbon emissions from trains and stations themselves, can also contribute to the UK's carbon reduction targets." It is therefore clear that the addition of a new station in this growth area, where travel behaviour is most likely to be swayed by the provision of infrastructure early and not late in the development cycle, will have a significant impact and supports the

Governments agenda for increased rail usage.

The Torquay Gateway scheme fits with the ambitions for Torbay, and objectives for sectors including transport, as set out within "Torbay's Community Plan 2011+". Furthermore it fits with the policies of the National Planning Policy Framework and the emerging Local Plan as set out below:

New Local Plan	
Objective	**Scheme Fit**
Aspiration 1 – A better connected, accessible Torbay	Improved access through Torbay
Aspiration 2 – Secure economic recovery & success	Provides access to the key growth areas in Torbay, enabling investment
Aspiration 5 – Create more sustainable communities & better places	Enables the needs of the local residents to be met, particularly in respect of housing, jobs & education
Policy SD1 – Growth strategy for a prosperous Torbay	Providing high quality infrastructure to support urban regeneration, future proofed living, working & leisure environments.
Policy E1 – Employment	Encourages the step change in economic prosperity by facilitating expansion & diversification of the economy through improved access
Policy E2 – Employment space	Provides access to 'unlock' areas with development potential and expansion of existing business premises.
Policy TC1 – Town Centres and Retail	Improvement of access to Town Centre to facilitate future growth in that area
Policy TA1 – Transport & accessibility	Contributing towards a sustainable & high quality transportation system, meeting the accessibility needs of everyone.
Policy TA2 – Strategic transport improvements	Supports the delivery of schemes along 'Western Corridor'.
Policy SDT1 – Torquay	Supporting the regeneration and redevelopment of the area
Policy SDT2 – Torquay Town Centre and Harbour	Allowing better access which will encourage investment in the area
Policy H2 – Five year housing land supply	Provides access to unlock development sites which contribute towards the housing supply

National Planning Policy Framework	
Policy Objective	**Scheme Fit**
Delivering Sustainable Development 1 – Building a strong, competitive economy	Supports the delivery of sustainable economic growth, proactively meeting the development needs of business.
Delivering Sustainable Development 2 – Ensuring the vitality of town centres	Recognising the town centre as the heart of the community and support its vitality and viability.
Delivering Sustainable Development 4 – Promoting sustainable transport	Provision of a real choice to the user of how they travel, & reducing congestion.
Delivering Sustainable Development 8 – Promoting healthy communities	Facilitating safe and accessible environments with clear and legible routes and high quality public space
Delivering Sustainable Development 10 – Meeting the challenge of climate change, flooding & coastal change	Improvement to essential infrastructure away from potential coastal flooding & allowing continued connectivity at times of flooding.

ECONOMICS CASE

Economic Summary		Value for Money Category
PV Benefits (£m)	90,938	VERY HIGH
PV Costs (£m)	8,154	
BCR	11.15	

Assessment Approach and Assumptions

The general approach to demand forecasting and economics is set out in further detail within the following documents:

- Appraisal Specification Report (Appendix D)
- Transport and Economics Report (Appendix E)

However in summary the following approach and assumptions have been used:

Overview of Method
The method to estimate rail passenger demand makes use of travel data for the local area, existing rail servicers and stations.

The rail passenger estimates are based on the method developed for the Devon Metro studies including the proposed new station at Marsh Barton and the soon to be opened station on the Exmouth branch at Newcourt.

Rail trip rates (trips per dwelling or job) for the existing and new development have been derived from 2001 Census journey to work data, expanded to all purposes using 2004/5 National Rail Travel Survey data and updated to present day using Office for Rail Regulation annual passenger data. Details of the forecasting method follow.

2011 Census journey to work data by residence has already been published but full 2011 Census journey to work origin-destination data was not available for this appraisal. As the full 2011 journey to work data was not available for the appraisal then the residential and employment based trip rates derived from 2001 data have been updated using Office of Rail Regulation annual passenger data.

Benefits
The benefits expected from the scheme include improved access to the existing Edginswell Business Park, Torbay Hospital, the Willows and residential areas.

Strategic development will see homes and jobs provided in the area close to the railway increasing the number of trips on the A380 corridor. Additional planned housing development nearby will place further pressure on corridors into Torbay which are likely to remain a constraint on capacity following the completion of the South Devon Link Road.

The scheme will make travel to, from and within the Bay easier; as part of the Devon Metro scheme and will

make the more accessible whilst complimenting the new half hourly service delivered by the European Regional Development Fund INTERREG IVB project between Exeter and Paignton.

The scheme will also help fulfil the Council's commitment to improving sustainable transport near the A380 corridor in accordance with its award of SDLR funding. Trip rate forecasting estimates 350,000 trips on opening, expected to grow to half a million per annum.

The SDLR Saturn model was used to derive travel time benefits from the new station at Edginswell. Most economic benefit results from non-user time savings on the highway network with rail passenger forecasts indicate time savings in the peak direction would be high. In addition, a review of the Edginswell modelling has identified high time savings and economic benefit in the 2016 PM peak due to high levels of congestion.

Costs
The cost of the scheme is £9.208m, including a 20% Optimism Bias, risk and allowance for inflation.

Operational expenditure has been calculated using the model developed for Newcourt station including three components:

- Long term access charge – based on equivalent stations
- Train fuel cost – using information on fuel cost per station call and the mix of future services at the station
- Maintenance and renewals – expressed as a proportion of revenue

Capital expenditure has been taken from the latest scheme cost estimate with an allowance for risk, using the outputs from the Quantified Risk Assessment, and a WebTAG compliant level of Optimism Bias. The latter has been calibrated with the current level of scheme development and the level of knowledge that is available from the delivery of Newcourt station.

Appraisal
TUBA 1.9.5 has been used to undertake appraisal of the scheme benefits and costs over the standard 60 year appraisal period.

The costs have increased since the initial allocation and have therefore reduced the BCR value, however this figure still represents a very high value for money.

Appraisal	PVB	PVC	NPV	BCR
Traditional	90,938	8,154	82,784	11.15

The Appraisal Summary Table summarises both the quantifiable economic impacts of the scheme and a range of other environmental and social impacts.

Details of all economic calculations are provided in the Transport and Economics report, see Appendix E.

Key Risks, Sensitivities and Uncertainties

Core and Low growth scenarios have been produced to assess the full range of benefits likely to arise from the scheme. The Core growth scenario is considered the most likely outcome of the scheme. Low growth predicts what would happen if less development came forward close to the scheme and if demographic changes led to a significant reduction in existing trips.

In addition to the Core scenario, a low growth scenario has also been produced. The Core growth scenario is considered to be the most likely outcome of the scheme whilst the low growth predicts what would happen if demographic, economic and behavioural changes led to a significantly lower level of travel in the future.

The benefits in these two scenarios have remained the same from the original business case with the only difference being seen in the BCR figures due to the increase in cost.

In order to provide a sensitivity check on the figures, a scenario was assessed which capped Rail Growth 10 years after opening. It is not know if the level of growth can be maintained on the rail network without knowledge of rolling stock advances and other capacity enhancements. This limits the benefits but, as shown in the table below, still provides very good value for money.

The Appraisal Summary Table summarises both the quantifiable economic impacts of the scheme and a range of other environmental and social impacts.

Scenario	Travel Time Benefits	VOC* Benefits	Indirect Tax Benefits	Total Benefits	Net Present Value	Benefit to Cost Ratio
Core Scenario	54.00	7.29	-10.97	90.94	82.78	11.15
Low Growth Scenario	52.87	6.66	-10.72	89.33	81.18	10.96
Rail Growth Cap	51.15	6.66	-10.53	86.55	78.39	10.61

**Vehicle Operating Costs*

Appraisal Summary Table

The Appraisal Summary Table summarises both the quantifiable economic impacts of the scheme and a range of other environmental and social impacts.

Impacts	Positive Non-Monetised Impacts	Scale of Impact
Reliability impact on Business users	There will be reliability benefits for users travelling by rail into the Edginswell area. This is due to the high reliability of local services which typically are within 5 minutes of scheduled time in approx. 95% of cases. Modal shift from car to rail will also lead to reliability benefits for travel along highway corridors in the North of Torbay particularly the A380.	Slight Beneficial
Reliability impact on Commuting and Other users		Slight Beneficial

Physical activity	With modal shift from car to rail, physical activity benefits would be expected from rail users walking or cycling to and from the rail station at both ends of their journey. The station is connected to a developing network of on road cycle lanes and traffic free cycle routes and this is expected to encourage increased levels of walking and cycling to the station.	Slight Beneficial
Access to services	Access to employment in Edginswell will be improved particularly for those without access to the private car outside the immediate area.	Slight Beneficial
Affordability	Rail services within the Devon Metro area offer affordable fares normally cheaper than equivalent bus services providing likely benefits for those without access to the private car for travel to services and facilities in Edginswell .	Slight Beneficial

FINANCIAL CASE

Summary Financials

Overall Cost of Scheme	£9,208,463	LTB Contribution (Total)	£8,287,463	Available Budget	£921,000	Contingent Liabilities	£-

Scheme Costs

Main Expenditure Items (include project income separately)		FY 15/16	FY 16/17	FY 17/18	Total
1	Direct Works		£ 977,757	£ 2,982,230	£ 3,959,987
2	Indirect Works		£ 1,158,010	£ 401,840	£ 1,559,850
3	Approvals, Possession and Project Management	£ 348,928	£ 337,413	£ 337,413	£ 1,023,755
4	Off Site Works		£ 38,701	£ 158,303	£ 197,004
5	Inflation and Risk		£ 335,924	£ 783,823	£ 1,119,747
6	Optimism Bias (20% of 1-4 total)		£ 537,269	£ 775,957	£ 1,348,120
	TOTAL PLANNED COST	**£ 348,928**	**£ 3,385,075**	**£ 5,474,460**	**£ 9,208,463**

Budgetary Impact Summary

Forecast Net Budget profile	FY 15/16	FY 16/17	FY 17/18	Total
Total Required Budget	**£ 348,928**	**£ 3,385,075**	**£ 5,439,567**	**£ 9,208,463**
Total Local Authority Budget Available	£ 264,928	£ 210,000	£ 255,072	£ 730,000
Total Developer Contributions	£84,000	£107,000	£ -	£ 191,000
Total Growth Deal 1 (£31,925 moved from 16/17 to 17/18)	£ -	£3,068,075	£ 931,925	£ 4,000,000
NET BUDGET POSITION	**£ -**	**£ -**	**-£ 4,287,463**	**-£ 4,287,463**

Anticipated Funding & Financing Arrangements

Funding for the scheme is to come from the following principle sources:

- Torbay Council – Local Transport Plan Integrated Block Funding
- Torbay Council – Capital Investment
- Torbay Council – Revenue Allocation
- Private Development – Section 106 agreements with nearby developments, including Torbay Hospital expansion
- Department for Transport Major Schemes Funding
- Growth Deal 1
- Growth Deal 3

The Council is also investigating the opportunities for funding through the New Stations Fund announced in the Chancellors Budget Statement. However, at the time of writing few further details were available. More information is expected in September. If the opportunity does arise it could provide an alternative funding stream for all or part of the funding, thereby reducing the impact on the Local Transport Board funding and enabling other projects to come forward and be delivered.

Additionally the Council will continue to investigate opportunities to increase the developer contributions for the works. As the Growth Area is developed, where appropriate, the Council will seek contributions through Planning Applications.

Financial Risks

The key financial or funding risks that have been identified are:

Risk	Mitigation status	Calculated Risk Value
Tender returns higher than estimates	Review Marsh Barton tender, have a view from NR on constructability, ensure estimate is robust	£1,000,000 (10% probability)

Preferential engineering and future proofing by NR (NR asking for more work than standard to future proof the proposals)	Early engagement with NR and TOC	£20,000 (10% probability)

A full Quantified Risk Assessment is available in Appendix I

Accounting and Budgeting Issues

Torbay Council has undertaken (with partners Jacobs) to carry out a robust cost estimate for the station at each stage of the optioneering assessment. We have also worked closely with Network Rail with regards to possessions for the line and other costs, endeavouring to better understand the potential cost implications of constructing a station in this location.

Accounting and budgeting will be in accordance with the Council's standing orders

Additional Notes

Detailed Cost Estimates have been provided in Appendix H.

COMMERCIAL CASE

Introduction

The overarching deliverables for the project are as follows:

- Provide a point of access for the public to use rail services on the Riviera Line from the North of Torquay
- Acceptance of the station asset by Network Rail and the Train Company when the built station is handed over for operation
- Station capable of serving local services that run between Paignton & Exmouth, made up of up to 6 car multiple-units.
- Station is built and delivered within the stipulated budget
- 250,000 passenger journeys will be generated per year by the station by 2023
- Station is accessible for all rail users

Capability and Skills

The scheme will be managed by the Council's Strategy and Projects team, the same team responsible for preparing the business case and thus ensuring that the project is delivered in accordance with it.

Expertise from Torbay Council, Jacobs, Network Rail and First Great Western have been brought together to deliver the station, and this is a continuation of the group that have been delivering Newcourt and Marsh Barton stations in Exeter. This continuity of roles and relationships is important to ensure the project stays on programme, achieving the objectives and delivering fit for purpose infrastructure.

The key roles and responsibilities are set out in the table below.

Organisation	Role	Responsibilities	Resourced
Torbay Council (with Jacobs Support)	Project Manager	Accountable for Project Development and Delivery	Adam Luscombe
	Engineering Manager (in-house)	Contract Management	Dave Stewart
	Engineering Manager (Jacobs Support)	Technical Design Assurance	Clive Paxton
	Designers	Technical Design	Jacobs Team
	Principle Designer	As defined in the Construction (Design Management) (CDM) Regulations	Jacobs (to be confirmed in accordance with update regulations)
	Procurement Support	Procurement Compliance	Josie Medforth
	Development Management Team Leader	Pre-application and Application decision making	Helen Addison
	Planning Support	Pre-application and Application submission	Jacobs Team
	Legal Support	Cross party agreements,	Anne Marie-Bond /

		and additional Procurement support.	Phillip Taylor
	Estate/Land Support	Land Considerations	Mike Paulframan
	Financial Support	Financial Regulation Compliance	Martin Phillips
Network Rail	Sponsor	Accountable for NR management compliance and commercial agreements	Phil Brown
	Asset Protection Manager	NR asset protection and technical compliance	Richard Selwood / Martin Evans
	Designated Project Engineer	Technical design and construction activities	Paul Walch
First Great Western	Regional Development Manager	Commercial agreements	Dan Okey
	Project Manager	Use of the infrastructure	Steve Livermore

Procurement Strategy & Sourcing Options

The Public Contract Regulations 2015 will apply to this contract and this has been recognised in the programme. It is intended to carry out pre-market engagement bidder day, advertised through a PIN for those interested in tendering for our contract. Following this exercise, a restricted OJEU procedure (PQQ and ITT) . The current plan is to award a design and build contract. The Council has drawn up a strategy and will work closely with Devon County Council and Jacobs, again continuing the joined up working practices following on from Newcourt and Marsh Barton. Torbay expects to award a NEC3 contract as this is considered most appropriate to this project.

Financing Arrangements and Payment Mechanisms

This will be set out in detail within the contract and at the time of writing is not known. More information will be provided at the Full Business Case submission.

Personnel Issues Including TUPE

The schemes will be managed by in-house technical staff where possible. Additional resources may be required at certain periods during the design, procurement and supervision stages and these will be provided by the Authority's partner consultant under its existing contract arrangements.

There is no requirement to employ additional staff to assist with this scheme and therefore there are no TUPE issues to consider.

Risk Allocation and Transfer

In general responsibility for risks associated with the design and procurement processes will rest with the Authority. Design and Procurement will be carried out by the Authority's 'in-house' specialist Engineering and Procurement teams.

Risks associated with the construction process will be contractually passed to the appointed contractor or utility company, unless responsibility is proven to rest with the Authority's design.

Contract Length
A 12 month contract is proposed to allow adequate time for detail design and construction within the confined site. This includes potential for float within the contractor programme.
Human Resources Issues
No issues identified
Contract Management
Contract Management will be carried out by the Torbay Development Agency Engineers, who are used to dealing with large construction contracts of this magnitude. During project start up and closure, the Project Manager will provide additional support during this process.

MANAGEMENT CASE

Introduction

The station has been developed using Network Rail's Governance for Rail Investment Projects (GRIP) and is currently at stage 3. This has seen the station develop from the principle and initial feasibility – which provided an understanding of options and constraints – to an option selection design to be agreed with Network Rail. Using this process has ensured rail industry support for the scheme and demonstrated that the station is deliverable. Further details of each stage completed to date, and the next step, in project development are shown below:

GRIP Stage	Remit	Outputs	Key Findings
1	Output Definition	Define the needs and requirements – the opportunity	Strong business case for station, agreement with NR and FGW
2	Feasibility	Identifying solutions in response to the requirements	Preferred station site selected and initial cost estimated
3	Option Selection	Single Option determined and stakeholder approval to option secured through Approval in Principle	Initial design developed and optioneering completed – submitted for AiP
4	Single Option Development	Development of the chosen design	-

At the time of writing Network Rail are reviewing the Option Selection Report and the plans for the preferred option will have been submitted prior to the Local Transport Board meeting. An Interdisciplinary meeting has been held between Torbay Council, Jacobs and Network Rail which discussed and reviewed the current position.

Evidence of Similar Projects

Torbay Council are working closely with Devon County Council and share a Steering Group meeting which also invites Network Rail, First Great Western and Jacobs. The delivery of Newcourt and Marsh Barton, along with Edginswell is discussed at the meeting. This provides a good opportunity to learn from other schemes and discuss processes. It also allows any particular issues or steps to be identified early and discussed accordingly.

Torbay Council is in the process of delivering and £12.3m highway scheme along the western corridor, a £3.8m highway scheme in the Torquay Gateway and has recently completed a £4.8m scheme at Tweenaway Cross junction. The same delivery teams will be utilised.

Torbay Council's framework consultant, Jacobs, are commissioned to provide considerable input to this project. They have experience of supporting and delivering railway projects across the country, this experience is being used to support the delivery of Edginswell Station.

Programme / Project Dependencies

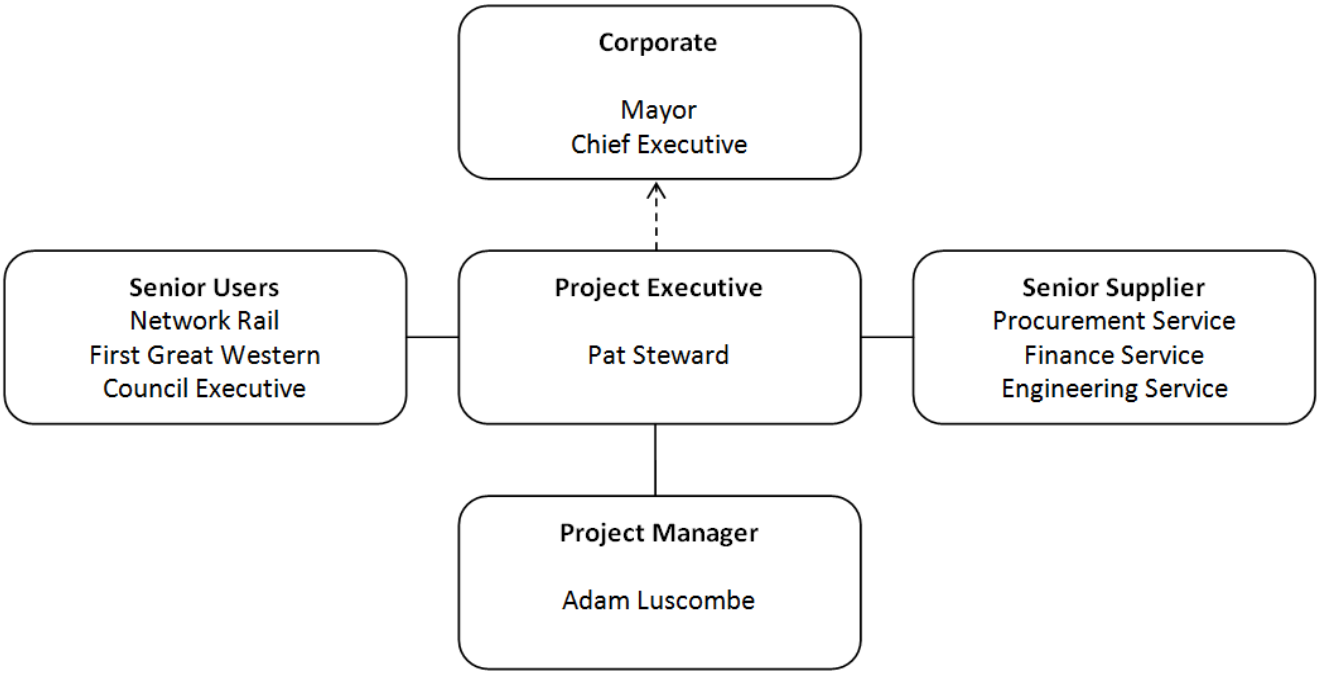
- Network Rail will need to agree to the designs at the relevant stages.
- A land transfer between Torbay Council and Network Rail will be required but this can be undertaken later in the programme.
- Planning Permission is required and that is programme for late 2015.

Governance, Organisational Structure & Roles

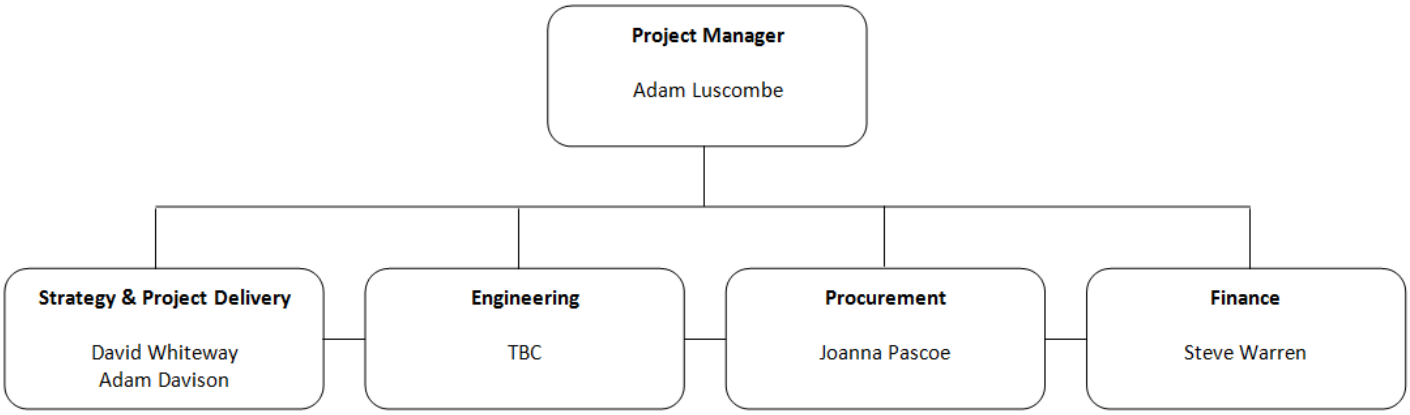
Senior Responsible Owner	Pat Steward	Project Manager	Adam Luscombe

The project will be managed using PRINCE2 methodology. The project board will provide the decision making in accordance with the Corporate Board's requirements. A dedicated PRINCE2 Project Manager will be allocated to the project and will co-ordinate the technical and design teams under instruction from the Project Board and oversee the procurement of contractors. There are two tiers above the Project Delivery Structure. The higher tier Board and the lower tier Project Delivery Team. The Project Manager attends both. The table and chart below shows the membership of the Project Delivery Board. The SRO chairs the Project Delivery Board.

Board Member	Key Roles and Responsibilities	Resourced
Pat Steward	Project Executive	Yes
Adam Luscombe	Project Manager	Yes
Dave Stewart	Engineering Lead – Senior Supplier	Yes
Josie Medforth	Procurement Lead – Senior Supplier	Yes
Martin Phillips	Finance Lead – Senior Supplier	Yes
First Great Western	Senior User	No
Network Rail	Senior User	No
Council Executive	Senior User	Yes



The Project Delivery Team is important in the delivery process and the chart below sets out this structure:



Risk Management Strategy

The key risks that have been identified are:

Risk	Mitigation status	Calculated Risk Value
Tender return higher than estimates	Review Marsh Barton tender returns and engage with NR early about constructability	£1,000,000 (10% probability)
More complex temporary works required	Continue discussions with Environment Agency and undertake further investigate the current condition of river banks	£250,000 (25% probability)
Unknown Ground Conditions	Conservative designs will reduce the impact if ground conditions are not as anticipated, further desk based studies and trial holes will also support this	£50,000 (10% probability)
Remediation of River Banks	Continue discussions with Environment Agency and undertake further investigate the current condition of river banks	£25,000 (50% probability)
Unforeseen invasive and/ or protected species	Continue survey work and ensure all areas are covered	£35,000 (20% probability)

A Quantified Risk Assessment has been produced in appendix I

Project Plan

The key milestones have been identified below:

Milestone	Date
AiP Approval from Network Rail	October 2015
Asset Protection Agreement Signed with Network Rail	January 2016
Planning Approval	February 2016
Publish PQQ	March 2016
Publish ITT	May 2016
Receipt of Tender Submission	June 2016
Full Business Case Approval from Local Transport Board / LEP	August 2016
Award Contract	August 2016
Detailed Design Approved	December 2016
Construction Commencement	January 2016
Station Opening	December 2017

A project plan has been produced in appendix J

Communications and Stakeholder Management

The current Local Transport Plan, which includes this project, was subject to a full consultation with affected stakeholders prior to its adoption in 2011. The new station has appeared in the Local Plan and has therefore been local policy since at least 1999. The station is also set out in the new Local Plan which is currently at a stage of modifications following feedback from the Inspector on the Submission Version (Feb 2015). It is of importance to note that Edginswell Station, or any of the policies in the surrounding area, is not subject to any modifications. The proposals are also set out within the Masterplan for the area which again has been subject to public consultation.

A letter was sent to over 120 properties, June 2015, in the vicinity of the site as well as the community ward partnership and the local councillors. This letter explained the progress of the station up to that point and also gave some explanation of the next steps. At the time no detailed designs were available to be shared but a site location plan was included with the letter.

In addition to the letter there was a meeting of the local community ward partnership in July 2015 at which a presentation was given about the station. Following the presentation there was a questions and answers session and some good feedback was received. Again no detailed plans were available so it was the principle of the station and the site location that was primarily discussed. However, some indication of station features was given. Generally the principle of the station was supported however, there were key concerns raised about impact on landscaping and the car parking provision.

A communications plan has been produced in appendix K

A benefits realisation plan has been produced in appendix L

Assurance & Approvals Plan

Project assurance is being undertaken in accordance with Network Rail's Governance for Railway Investment Projects. This includes the allocation of a Network Rail Sponsor, Project Manager and Designated Project Engineer to independently support the management and development of the project.

Technical assurance of design and construction activities is supported by the Designated Project Engineer who implements Network Rail's technical approval processes. All designs must be signed off by both a Network Rail Asset Engineer and the relevant Asset Manager, providing a form of peer review of design proposals and construction proposals. In addition, to support the independent technical acceptance of the station by the Office of Rail Regulation, a suitably accredited independent conformance engineer will be procured to provide conformance services in connection with the Common Safety Method (Principle Designer/Contractor) and Railways Interoperability Regulations.

Management assurance will be responsible for ensuring the project is managed to the appropriate standards. This assurance will be provided by the Project Steering Group, with oversight from both Network Rail and First Great Western to provide an element of peer review of the project, as with Marsh Barton. Stage gate reviews will be held with the Network Rail Sponsor at key stages in the process.

Programme / Project Reporting

The programming and reporting will be in accordance with the PRINCE2 Methodology. The business case programme will be developed further with work packages developing and progress will be regularly monitored against the programme. The project board has overall responsibility for the outcome of the project while delegating day to day management to the Project Manager. Good reporting structures keep the Project Board (and all other interested parties) informed and involved. The Project Manager will produce a highlight report on a quarterly basis or at more regular intervals if deemed appropriate, which will provide the Project Board with summary information about the status of the project. The highlight report will inform the board about progress against the agreed programme and expenditure against the expenditure profile. The highlight report will also include an updated risk register. Should significant issues arise between the quarterly reports the Project Manager will raise these issues to the Board using the exception report.

Implementation of Work Streams

The key, overarching, work stream is to deliver the station which meets the objectives and the adopted by Network Rail. However, in order to achieve that the following need to be considered:

- Outline Design and Option Selection
- Governance of Rail Investment Process
- Procurement
- Detailed Design
- Construction

Key Issues for Implementation

There are a number of key issues that if not achieved will impact on the delivery. However, all of these are addressed within the programme. The key issues are:

- Achieving the relevant approvals from Network Rail throughout the GRIP stages
- Achieving planning permission
- Receiving a suitable tender response from an appropriate contractor

- Undertaking construction within the programme and Network Rail consents for use of the line

Contract Management

The contract will be managed by the Service Manager for Engineering but the Project Manger remains a member of the Strategy and Projects team to ensure that that the scheme remains in accordance with the business case, delivering on the objectives identified.

Benefits, Monitoring and Evaluation Plan

A Benefits, Monitoring and Evaluation Plan has been produced and is available within Appendix L.

Objective	Benefit	Measure	Monitoring and Evaluation
Promote economic development by improving access to existing as well as planned employment, commercial, and housing development sites in the Torquay Gateway	Delivery of the Torquay Gateway Masterplan Proposals	Delivery of 550 homes and 19,000sqm of employment (including new primary school and neighbourhood centre facilities)	Ensure stated levels of development (e.g. 550 homes) are delivered within the masterplan period
Improve journey times by public transport from Edginswell to Exeter	Journey times are expected to come down between Edginswell to Paignton from 40 minutes by bus, to 15 minutes by rail; and from Edginswell to Exeter from 1 hour 10 minutes to 50 minutes	Faster journey times from Edginswell by public transport	Rail & Bus timetable journey times
Encourage modal shift by increasing the number of people using the railway from Edginswell	Modal shift from car to rail	Travel mode shift in the Edginswell area (encompassing Shiphay & Willows)	Staff travel plan surveys from Torbay Hospital, Edginswell Business Park and the Willows retail area, and census data
	Reduced pressure on the Torquay Gateway Corridor	Limit traffic growth along Newton Road to 10% increase on current levels over the next 10 year; taking into account new South Devon Highway opening nearby and further housing and employment proposals at Edginswell	Manual traffic surveys before and after station delivery

Monitoring and Evaluation will be in three stages with key outputs as follows:

- Collection of pre-opening baseline data – the collection of pre-opening data associated with the scheme to support a post opening evaluation
- One year after opening – production of a year one report which sets out a comparison of the forecast and outturn impacts of the scheme against each of the key outputs
- Three years after opening – expands on the findings of the year one report and sets out a comparison of the forecast and outturn impacts of the scheme against each of the key benefits and objectives.

The monitoring will look assess how the resultant scheme faired against the objectives, reflect on the scheme build and development, review costs against previous estimates, and compare the economics of the business case to the final outcome.

Contingency Plan

Project expenditure and progress will be monitored against the expenditure profile and programme included within the business case. The Project Manager will have responsibility for this and will report this to the Project Board.

The risk register will be regularly updated and where risks do occur then the contingency will be used with the approval of the Project Board.

In respect of the level of development, the standard station has limited opportunity to reduce in scale due to the minimum requirements.

Options

At this stage of the project, the scheme is project managed by the Council's Strategy Team who lead on the delivery of the business case and the options appraisal. As the project develops to final approval, contract management will be passed to the delivery team, but overall project management will remain in the Strategy Team for continuity.