

Report to Partnership Meeting 25 November 2016

RESEARCH AND STRATEGY DELIVERY

Inverness Airport (Dalcross) Station Update

Purpose of the Report

This report provides members with an update on progress on the Inverness Airport Dalcross station opening.

Summary

1. The planning application has been lodged.
2. Scottish Station Fund application has been submitted.

Planning

The Project Design Unit at THC submitted the planning application on behalf of HITRANS on 6 October 16. The planners and they expect the application for Dalcross to be presented at the South Planning Application Committee on the 17 January 2017. More information can be found at [16/04540/FUL](#). We have responded to comments raised in Transport Planning's initial response through some amendments to the Transport Assessment and a meeting held with our consultant and THC. There are still some issues to be resolved.

Transport Assessment

AECOM have now produced some revisions to the Transport Assessment to support the planning process. This includes the letter from Network Rail explaining that they would not support the new station without the closure of Dalcross (Petty) level crossing.

Estimated Cost

HITRANS has received from Network Rail an estimated cost for the single platform station construction (excluding car park and access) of £3.7m. The 2016 cash price is £3.966m. Assumed construction start is January 2017.

The current estimate for the new station including a car park and road infrastructure is £5,562,784 (2016 Q1 price). This is inclusive of 20% optimism bias for the car park/road infrastructure and 15.5% risk for the station infrastructure. Discussions between Network Rail HITRANS and consultant Systra led to some revisions to the Business Case. As a result of the reduction in Optimism Bias (OB) from 44% to 18% (Network Rail/STAG guidance) the final costs are now more refined.

The cost has been modified as a result of a reduction in temporary and permanent land acquisition costs. Following a site meeting on 10 November 2016 a new plan for occupation will be drawn up ensuring full synergy between temporary groundworks for the station construction and those for the car park/access. Savings have also been made through a revision of permanent way costs, and the donation of land worth £32k by Moray Estates. A Network Risk fee of £241k has also been added.

The standard 10% OB in the Car Park/Access costs has been uplifted to 20% to ensure uniformity, at the same time as aligning the price to Q1 2016 (the same date as the station construction cost), although outturn costs of this non-railway element are historically more predictable.

Business Case

In line with Scottish Transport Appraisal Guidance, if growth is truncated at 2037 (20 years from the assumed station opening date of 2017) the BCR is 2.6. Based on growth truncated at 2055 levels (which is the assumed year for full build-out of the IABP) the BCR is 3.2. Based on growth truncated at 2077 levels, the BCR is 3.6.

Funding

Moray Estates/IABP are contributing £257,000 for land. HITRANS has already spent £225,175 to date developing the proposal. The Highland Council is contributing £100,000 and HIE £100,000. Therefore the HITRANS total contribution is £682,175.

£4,880,609 (2016 prices) is requested from Scottish Stations Fund.

Scottish Stations Fund Application

The funding case for the station was lodged on 9 November 2016 will be discussed by the Route Investment Review Group on 23 November 2016.

Level Crossing

It is anticipated that costs associated with the level crossing closure such as the stopping up of the road, and turning head provision will be covered through Network Rail's Level Crossing Closures Fund.

Review of Network Rail's Major Projects Portfolio

Members will be aware of the EY report commissioned by Transport Scotland on the way major rail projects in Scotland are managed. This has noted increases in estimated costs including on Aberdeen-Inverness from £170m to £280m, but it is not deemed to be a risk to Inverness Airport (Dalcross) Station opening, or indeed Forres realignment on which it depends.

RISK REGISTER

RTS Delivery

Impact – Positive.

Comment – Develops connectivity and modal shift.

Policy

Impact – Positive.

Comment - Strategic fit with STPR, Inner Moray Firth Development Plan, Scottish Minister's HLOS for CP5.

Financial

Impact – Positive

Budget line and value – This item has financial costs.

Comment – HITRANS continues to fund development costs for the project through the CP5 Rail budget line

Equality

Impact – Positive

Comment – A Diversity Impact Assessment form part of the project.

RECOMMENDATIONS

Members are asked to note the report.

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