

**NORTH SOMERSET COUNCIL
DECISION****DECISION OF SECTION 151 OFFICER OF THE COUNCIL,
CORPORATE SERVICES DIRECTORATE****DECISION NO: CSD34****SUBJECT: MetroWest Phase 1 – Acquisition of additional land for Portishead Rail Station and associated highway alteration works****BACKGROUND:**

The MetroWest Phase 1 project proposes to re-open the Portishead rail line with stations at Portishead and Pill. The project is being promoted by the four West of England councils; Bath & North East Somerset, Bristol City, North Somerset and South Gloucestershire. The project forms part of a wider MetroWest programme to deliver strategic enhancements to the local rail network over the next 10 years during Control Period 5 and 6. MetroWest Phase 1 is being led by North Somerset Council on behalf of the four councils. In respect of infrastructure, the MetroWest Phase 1 project in summary comprises rebuilding the 5km dis-used section of railway between Portishead and Pill, upgrading the Portbury freight line, partial reinstatement of the Down Relief line near Bedminster station, minor signalling works at Avonmouth and a crossover and signalling at Bathampton.

Re-opening the Portishead rail line and the construction of Portishead rail station will require highway alteration works including the partial re-alignment of Quays Avenue and the creation of a new roundabout with Quays Avenue, Phoenix Way and Harbour Road.

The process of assembling the land required for the project is progressing however some additional land is required for the works in Portishead, which is owned by third parties. Negotiations with the land owners has progressed and terms have been agreed for the purchase of a parcel of 0.16 acres of land off Harbour Road (Item A), a parcel of 0.12 acres of land off Quays Avenue (Item B) and the payment of a sum to lift an overage provision (Item C) to provide a clean land title. The total cost of the acquisition of item A, B and C is £65,000 excluding legal fees. Legal fees are estimated up to £10,000, giving a total cost of up to £75,000.

Acquiring this land now will open up various cost savings, reduce our Compulsory Purchase Oder (CPO) burden and will de-risk our construction programme. At Portishead the construction programme is complex, and there are five main construction elements:

- Diversion of utilities
- Re-alignment of Quays Avenue
- Rail permanent way works Portishead to Sheepway inc Trinity School footbridge
- Rail station building works
- Rail station forecourt, car parks and associated civils works

The rail engineering works cannot proceed until the diversion of utilities and the re-alignment of Quays Avenue has been completed and this will take 4-6 months. Acquiring this land now provides an opportunity to undertake these works in advance of the main construction programme, subject to achieving the relevant planning and funding approvals. This in turn could reduce the overall construction programme by a corresponding period of time and this could yield very significant cost savings (potentially a six figure sum) as a result of avoiding future construction inflation costs that would otherwise have been incurred. Furthermore early acquisition reduces the projects CPO burden resulting in potentially lower overall legal fees and a shorter consenting/CPO inquiry.

DECISION:

The S 151 Officer in consultation with the Director of Development & Environment authorises the Head of Legal and Democratic Services or his authorised deputy to execute the transfer and any related compromise or other agreement with the owners of the Land and any other parties considered appropriate to enter into agreement with, to secure the purchase of the Land. Such transfer and agreements to be on terms approved by the Council's legal advisers, within budget (where compensation is agreed) and shall be, if specifically required and necessary, by deed.

REASONS:

The details regarding these acquisitions provided by the Project Manager and reviewed by Property Estates & Regeneration Manager and Council Solicitor, show the acquisition of this land now provides an opportunity to de-risk the construction programme and deliver some of the proposed highway works in advance of the main construction programme. This could reduce the overall length of the construction programme and yielding significant cost savings. Furthermore early acquisition reduces the projects CPO burden resulting in potentially lower overall legal fees and a shorter consenting/CPO inquiry.

OTHER ALTERNATIVES CONSIDERED:

The option to acquire this land via the CPO would mean the opportunity to undertake some of the highway works in advance of the main construction programme, would be lost. Furthermore the CPO process places an onus on the promoter to demonstrate it has used all endeavours to acquire all the land needed through negotiation.

RISK ASSESSMENT

The top three key project risks are:

- Technical scope of compliant GRIP3 AIP design is greater than identified at GRIP2, causing construction cost increase beyond the £58m envelope.
- The traffic impact arising from the increased use of Ashton Vale Road level crossing (number and length of LC cycles) is unacceptable to either the highway authority, local businesses and or residents, resulting in risk to achieving consents (DCO etc) and or compensation costs.
- Train service revenue support costs and associated operational costs for the first three years, are not affordable to the councils, causing delay to programme.

In respect of the acquisition of these land parcels, the main risk arising is:

- There wouldn't be any obvious use for the land by the council and no obvious potential purchaser, in the unlikely event the project is not constructed.

This risk is accepted and is being managed as a project risk and the financial impact is relatively low for a project of this magnitude.

The MetroWest Phase 1 project manager maintains a risk register as part of the risk strategy and reports risks to the WoE Rail Programme Board.

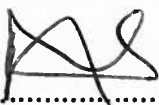
FINANCIAL IMPLICATIONS:

The cost of the acquisitions will be met from the local contributions which form part of the project budget. The project budget is managed as part of the councils Capital Programme. The project has been awarded £8.846m Local Growth Funding from the WoE LEP, a further £44.9m has been agreed in principle by the WoE LEP following the acceptance of the project Preliminary Business Case. A further £4.265m has been contributed to date by the four WoE councils, which includes s106 funds, giving a total funding allocation of £58.011m. The project estimated capital outturn cost is £58.159 million. An updated capital outturn cost is being prepared based on the emerging outline engineering design (known as GRIP stage 3). However there are emerging cost pressures which will need to be addressed, though these acquisitions begin to mitigate these.

The estimated spend in 2016-17 is up to £5.245m, of which budget approval has been authorised for £2.482m. Approval for the remaining spend for 2016-17 is to be sought from the Council Executive at its meeting on 6th September 16.

IMPLICATIONS FOR FUTURE YEARS:

The acquisition of the land does not commit North Somerset Council to delivering the project. Should in the unlikely event the project not be constructed, there wouldn't be any obvious use for the land by the council and no obvious potential purchaser, however this is accepted and is being managed as a project risk and the financial impact is relatively low for a project of this magnitude.

Signed: 
Section 151 Officer, North Somerset Council

Dated: 3 / 8 / 16

