

SUBJECT:	SECTION 106 FUNDING – MAGOR GRIP REPORT
MEETING:	CABINET
DATE:	2nd DECEMBER 2015
DIVISION/WARDS AFFECTED:	MAGOR AND UNDY

1. PURPOSE

1.1 To consider an underwriting request from Section 106 balances.

2. RECOMMENDATIONS that:

2.1 the Council gives an underwriting guarantee up to a maximum of £30,000 towards the cost of a feasibility study, in line with GRIP requirements, relating to the possibility of establishing a walkway railway station in Magor;

2.2 any costs incurred as a result of this underwriting guarantee be taken from the Section 106 balances held in the 2015/16 Capital Budget on Project Code 90723 (Magor & Undy Community Hall).

3. KEY ISSUES

3.1 As part of the wider City Regions Transport Plan for South Wales, the possibility of establishing a walkway railway station at Magor has been identified. This project now features as a key priority in the Council's Local Transport Plan (approved by Council on 26th February this year) and the Welsh Government's National Transport Finance Plan.

3.2 Investments in rail infrastructure can be funded and delivered in a number of ways, some by Network Rail and others either in whole or in part by third parties. For schemes involving third parties, Network Rail still has an important part to play in its capacity as infrastructure manager of the national rail network. Governance arrangements for new projects are set out in the Governance for Railway Investment Projects (GRIP), which describes how projects intended to enhance or renew parts of the network will be managed. The GRIP process has been designed to ensure best practice and has been developed in partnership with the UK Government and some of the national major professional bodies.

3.3 GRIP divides each project down into eight distinct stages, as follows:

1. Output definition
2. Feasibility
3. Option selection
4. Single option development
5. Detailed design
6. Construction test and commission
7. Scheme hand back
8. Project close out

3.4 In order to progress the Magor walkway station project MAGOR, a local action group (Magor Action Group on Rail) is looking to commission a specialist firm of consultants to undertake a GRIP study and produce a report to cover the first two stages of this process.

These are Output Definition (define the output for the project) and Feasibility (define the scope of the investment and identify constraints and confirm that the outputs can be delivered economically and aligned with the network strategy).

- 3.5 MAGOR has secured a grant of £5,000 from the Magor with Undy Community Council and it has self funding of £1,000 available. The Group has applied to the First Great Western Customer and Communities Infrastructure Programme, Railfutures and the Welsh Government for financial assistance towards cost of the study. However, these applications are likely to take some time to consider, so it has requested the County Council to provide an underwriting guarantee for the remainder of the cost, pending the outcome of these external grant requests. This will enable the feasibility study to be commissioned early in 2016
- 3.6 MAGOR has been one of a number of groups involved in a collaborative approach designed to bring forward the development of the Three Fields Site in Magor, which was acquired by the County Council in the late 1990s/early 2000s. One of the possible locations for the new station is adjacent to the Three Fields Site, where there is already a centrally placed car park alongside the B4245, but it is not possible to forward plan the use of this site as a location for the station until a proper feasibility report is in place.
- 3.7 There is currently an unspent S106 balance of £32,346 held in the Capital Budget under Project Code 90723 (Magor & Undy Community Hall) and it is proposed that the County Council offers an underwriting guarantee of up to £30,000 from this balance towards the cost of the GRIP Study and Report.
- 3.8 This funding has been in the Council's capital budget since 2010 but little progress has been made with the Community Hall project to date because the overall layout and scheme design has not been progressed as quickly as had been hoped originally.
- 3.9 The current position with the Three Fields Site is that discussions are continuing with the Community Council regarding site layout and design, business planning and funding. There is some Section 106 funding received from the Kingfisher Rise development that could possibly be used towards the development of the Three Fields Site once the detailed layout & design and future management arrangements have been agreed, so the use of up to £30,000 from the existing budget balance (Capital Budget Project Code 90723) towards the GRIP Study and Report should not have a detrimental effect on the future funding of the Three Fields Site.

4. REASONS

- 4.1 To enable the GRIP Feasibility Study and Report to be commissioned - this will be a critically important factor in determining the feasibility of a walkway railway station being established in Magor in the foreseeable future.

5. RESOURCE IMPLICATIONS

- 5.1 It is proposed to utilise existing Section 106 funding to underwrite, up to a maximum of £30,000, the commissioning of a GRIP Study and Report by specialist consultants. If this is agreed by Cabinet, it will enable the local group to proceed and commission the study in January 2016.
- 5.2 The local group (MAGOR) has applied to the Great Western Community Fund, Railfutures and also to the Welsh Government for financial assistance towards cost of the GRIP Study. Should any of those applications be successful then the underwriting guarantee

proposed in this report would either not be paid or would be repaid in whole or in part, depending upon the amount of external grant aid secured.

6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS

6.1 There are no significant equality impacts arising from this report – the equality impacts and sustainable development implications of the proposal to establish a walkway station at Magor will be identified in the GRIP Study and in the further stages of the GRIP process.

7. SAFEGUARDING AND CORPORATE PARENTING IMPLICATIONS

7.1 There are no safeguarding or corporate parenting implications arising from this report.

8. CONSULTEES

Cabinet Members	Local County Council Members
Strategic Leadership Team	Head of Legal Services
Monitoring Officer	Head of Tourism, Leisure & Culture
Assistant Head of Finance/Deputy S151 Officer	Transport Planning & Policy Officer

The report has been amended to take into account the comments received as a result of the consultation process.

9. BACKGROUND PAPERS

Nil

10. AUTHOR

Mike Moran, Community Infrastructure Coordinator

11. CONTACT DETAILS:

Tel: 07901 854682
E-mail: mikemoran@monmouthshire.gov.uk