

Report to Partnership Meeting 3 February 2017

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. Planning application goes to Committee on February 17
2. Scottish Stations Fund 60% intervention awarded
3. Network Rail have been asked to seek tender price
4. Letter to Minister written seeking shortfall

Business Case

The station has a very positive 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.

Cost

Network Rail have estimated that the cost of the station is £3.966m, which includes a 15.5% risk premium. We have asked Network Rail to seek a tender price from contractors BAM so that we have a clear idea of the shortfall. We are aware of the pressing need to link the project with the possessions booked for Elgin and Forres works from October 2017. We will also review the costs associated with the car park and access road which have been designed separately for us by Highland Council's Project Design Unit. These are currently estimated at £1.146m including 20% optimism bias.

Funding

Following the announcement of the 60% support from Scottish Stations Fund (£3.34m), the project partners have revisited budgets to identify further local funding towards the project. The initial shortfall for the £5.6m project was circa £1.5m and through a series of joint initiatives we have found an additional £250k, raising the total of local contributions to £930k but leaving us with a shortfall of £1.3m.

Local contributions

Moray Estates/IABP is contributing £257k for land. HITRANS has already spent £225k to date developing the proposal, and will contribute an additional £100k plus £50k to assist with NMU access at Woodend pedestrian crossing. The Highland Council is contributing £150k and HIE £150k. All other sources of funding have been exhausted, hence a letter has been sent to the Minister.

Level Crossing

On the advice of Network Rail our planning application for the station includes the closure of Dalcross (Petty) Level Crossing as a planning condition. It features in the CP5 Enhancements Delivery Plan on the list of crossings that may be closed with assistance from the Level Crossing Fund. While minor works to facilitate this (creation of turning heads, decommissioning etc) will be covered by the Fund, we believe it is worth pointing out that the closure will result in a saving to government of in excess of £5m in capital, as the crossing is life-expired and requires replacement, and c.£20k per annum in maintenance.

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 in February 2017. More information can be found at [16/04540/FUL](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/614540/16/04540/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.



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 Ministers' 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

1. Members are asked to note the report.

Report by: Frank Roach
Designation: Partnership Manager
Date: 24 January 2017