

## REQUEST FOR SUPPLEMENTARY CAPITAL ESTIMATE

### CREWE RAIL EXCHANGE

1. The Crewe Rail Exchange scheme provides a crucial first step towards the Council's ultimate plans for Crewe Station and moving forward with its economic growth plans set out in "All Change for Crewe".
2. The total cost of the scheme, being undertaken in conjunction with Network Rail, is estimated at £6.177m and is being fully funded by Government Grant. Included within this is a risk/contingency of £0.9m, which is held by Network Rail and will be managed through its Change Control Process.
3. In order to secure the £6.177m funding the Council must comply with a number of conditions specified by the Station Commercial Project Facility (SCPF) awards panel. These include requiring the Council to:
  - Lead the delivery of the project;
  - Provide land required to Network Rail through a 99 year lease at a peppercorn rent and nil premium;
  - The land being included in the station lease upon project completion
4. The completion of the Crewe Rail Exchange will encourage greater use of public transport by providing improved pedestrian access around the station, enhanced taxi and "kiss and ride" facilities and increased station car parking.
5. The increased patronage anticipated with the improvements at Crewe Station will contribute towards the reduced carbon from transport use benefitting climate change.
6. A summary scheme cost estimate is provided below:-

|   |                   |
|---|-------------------|
| Scheme Cost Estimate                    | £4,522,781        |
| Risk Contingency (20%)                  | £904,556          |
| CEC Fees                                | £500,000          |
| NR Sponsor fee estimate (advised by NR) | £250,000          |
| <b>TOTAL</b>                            | <b>£6,177,338</b> |

7. It should be noted that the Council's costs associated with developing and delivering the project are covered within the funding.

8. The Tranche 2 SCPF Funding is to be programmed to be delivered and spent by March 2014, which is the end of NR Control Process 4 (CP4). A funding profile of expenditure anticipated through the delivery of the project has been set and Network Rail will release the funds to the Council in accordance with this cost profile.
9. Full details of the scheme and conditions to the grant funding were included in a separate report to Cabinet on 6 February 2012.