

# **Cherwell District Council**

## **Executive**

**5 December 2022**

### **Digital infrastructure - East West Rail**

#### **Report of Assistant Director - Growth and Economy**

This report is public.

#### **Purpose of report**

To seek approval for a financial contribution of £133,000 to be made to install related digital infrastructure along the East West rail route, and for delegated authority to be given to officers to progress any necessary agreements.

#### **1.0 Recommendations**

The meeting is recommended:

- 1.1 To authorise investment of £133,000 in digital infrastructure along the East West Rail line.
- 1.2 To delegate authority to the Corporate Director – Communities, in consultation with the Portfolio Holder for Regeneration and Economy, the S151 Officer and Monitoring Officer, to progress this workstream and to enter into any necessary agreement with partners to enable the works to proceed.

#### **2.0 Introduction**

- 2.1 It has been a long-held ambition by Government and local authorities along the former Oxford to Cambridge rail route to see the EWR line re-opened for passenger traffic. The re-opened line is expected to achieve a collective objective of promoting and facilitating economic growth, prosperity and jobs. The East West Rail Consortium was therefore created in the 1990s by Cherwell District Council and other local authorities. The Consortium is now named [The East West Mainline Partnership](#).
- 2.2 In 2013, to progress the East West Rail project, local authority partners committed to provide £50m of the total £500m project costs for the entire East West Rail line (the remainder being met by central Government) and Cherwell District Council was one of those partners.
- 2.3 In 2018, the Department for Transport created the [East West Rail Company](#) to accelerate delivery of the entire route between Oxford and Cambridge. It is now

responsible for planning the section of the East West Rail route between Bletchley and Cambridge, whilst overseeing delivery of the Phase Two section between Bicester and Bletchley.

- 2.4 The Phase Two section is being delivered by [The East West Rail Alliance](#) procured by Network Rail (public owner and operator of rail infrastructure). Main construction work started in Spring 2020 and is due for completion by Summer 2024, as explained on [Network Rail's website](#).

### 3.0 Report Details

#### Delegation of Powers

- 3.1 The construction of Phase Two of East West Rail is progressing well and expected to be completed by Summer 2024.
- 3.2 The Council is currently being asked by Network Rail to make a capital contribution of £133,000 towards the installation of digital fibre in ducts alongside the new track. (this funding can be made either in funds or a proportion, work in kind). The funding will contribute towards an enhanced specification of the fibre installation - from 24 core fibres (railways operation only) to 432 fibres (railway and fibre capacity; including access points for network upgrades) to enhance connectivity for local communities along the route. The total cost of installing the fibre at this stage is estimated by Network Rail to be around one tenth of retrospective installation.
- 3.3 The installation would be done by the East West Rail Alliance and a commercial telecoms operator appointed by Network Rail Telecoms. The payment of this sum would be subject to compliance with CDC's Contract Rules and the Public Procurement Regulations. As with the main agreement, other local authorities are also being asked to commit a per-capita proportion of the cost and will all enter into legal agreements for the two stages of delivery:
  - A) **Provision and installation of the fibre** – the works required to lay the fibre next to the railway line.
  - B) **Marketing and arrangements for local access to the fibre** (including any return on investment from the Council's contribution) – this agreement will follow the first agreement and will identify any gainshare benefits and income accruing from the capital investment by the partners (the quantum of return is yet to be determined and it is anticipated that there will be no revenue costs to the Council in relation to this second agreement, other than officer time to facilitate, any revenue costs that are incurred will be contained within existing service budgets).
- 3.4 A draft funding agreement for the enhanced digital infrastructure has been provided and officers are seeking to negotiate the optimal terms for the Council, including minimising risks and sharing them with Network Rail whilst also seeking any 'gainshare' benefits accruing from arrangements with network operators, alongside wider benefits for local communities. Once operational, Network Rail Telecoms would provide reports on community metrics and details on benefit realisation.
- 3.5 Once operational, Network Rail Telecoms will provide reports on community metrics and details on benefit realisation.

- 3.6 The Executive is requested to delegate authority to the Corporate Director – Communities in consultation with the Portfolio Holder for Regeneration and Economy, the S151 Officer and Monitoring Officer to progress workstreams and to enter into any legal agreements with partners, as appropriate.

## **4.0 Conclusion and Reasons for Recommendations**

4.1 By Summer 2024, East West Rail Phase 2 will provide the first direct rail link in more than 50 years between Oxford and Bletchley/Milton Keynes, transforming connectivity and journey times for people and businesses to, from and through Cherwell district and across the heart of the country. It is expected to:

- Boost economic growth and create opportunities for new housing and jobs
- Encourage people out of cars and onto public transport
- Provide a greener low carbon transport system

4.2 The Council has committed to assist the East West Rail project. Funding is, alongside partner local authorities, now being requested to enable digital fibre infrastructure to be installed. To expedite delivery, it is recommended that delegation of authority for officers to progress work streams and to enter into legal agreement with partners is granted.

## **5.0 Consultation**

5.1 Given the nature of this matter, conversations are ongoing between CDC and OCC officers and other organisations such as Network Rail.

## **6.0 Alternative Options and Reasons for Rejection**

6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not to proceed with investing £133,000 in digital infrastructure as part of the East West Rail project. This is not recommended as it would mean that the Council is not meeting its earlier agreement in principle to join with other Councils to contribute towards and to benefits from the investment in the related digital infrastructure.

Option 2: Not to delegate authority to the Corporate Director – Communities but to require the Council or its nominated committee to participate in negotiations and formation of the legal agreement. This is not recommended as it would cause delay, placing at risk the delivery of the East West Rail project. Furthermore, the Council has already committed to supporting the project in principle.

## **7.0 Implications**

### **Financial and Resource Implications**

- 7.1 The Council has made provision for this funding within the Capital Programme. The Council has not made any provision if there are any short term revenue costs and these would have to be managed within the budget of the relevant service.

Comments checked by:

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### **Legal Implications**

- 7.2 The parties will need to ensure that legally binding agreement is in place prior to commencement.

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### **Risk Implications**

- 7.3 There are no significant risks arising from this decision. Most local authority partners are also contributing to the project and the work is already underway. Any risks arising through its implementation are being managed by East West Rail. A local risk register will be maintained as part of the management of the project.

Comments checked by:

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Tel 01295 221652

### **Equalities and Inclusion Implications**

- 7.4 There are no equalities matters arising from this report. The project will ultimately provide benefits to communities along the route.

Comments checked by:

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### **Sustainability Implications**

- 7.5 The East West Rail project – including related digital infrastructure - will provide additional communication options, including an attractive alternative for some car journeys, thereby leading to reduced carbon emissions.

Comments checked by:

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## 8.0 Decision Information

### Key Decision

Financial Threshold Met: No

Community Impact Threshold Met: No

### Wards Affected

N/A

### Links to Corporate Plan and Policy Framework

The provision of East West Rail and associated infrastructure such as digital fibre supports many elements of the Council's Business Plan, including 'supporting environmental sustainability', the delivery of housing and 'promoting an enterprising economy with strong and vibrant local centres.'

### Lead Councillor

Councillor Ian Corkin, Deputy Leader and Portfolio Holder for Regeneration and Economy

### Document Information

#### Appendix number and title

- None

#### Background papers

None

#### Report Author and contact details

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