



**CONTROL PERIOD 5:
SCOTTISH STATIONS FUND PROCESS**

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1. Earlier this year, the Scottish Stations Fund (SSF) was announced by the Transport Minister, Keith Brown. The fund will be operational from 2014 and will aim to lever in third party investment to provide improved and new stations and associated facilities.
2. The Scottish Ministers have specified the stations fund and a number of other ring-fenced funds in the High Level Output Specification¹ (HLOS) which was published in June 2012.
3. The HLOS sets out what the Scottish Ministers require the rail industry to deliver in Scotland for the five year period beginning 1 April 2014 and the public finances which support these output requirements. This is part of the Periodic Review process which will establish the funding available to Network Rail and the outputs they are required to deliver during the next Control Period (April 2014 - March 2019). Network Rail's Strategic Business Plan, due for publication in January 2013, will set out their response to the Scottish Ministers' HLOS. Full details of this process are available from the Office of Rail Regulation².
4. In advance of 2014, Transport Scotland has agreed a process with the rail industry which should be followed by promoters wishing to take forward proposals for new stations and improvements to station infrastructure and facilities.

New Stations

5. The responsibility to demonstrate the need for a new station will continue to lie with the relevant promoter (Local Authorities, Regional Transport Partnerships, developers and others).
6. In the first instance, a promoter should approach the appropriate Regional Transport Partnership³ who can give advice on each proposal's fit with local/regional transport priorities. The promoter will be required to demonstrate evidence of a need for improved transport connectivity in the area and through appraisal that the proposed station is the most appropriate solution. The promoter should therefore:
 - Prepare a transport appraisal in accordance with the Scottish Government's Scottish Transport Appraisal Guidance⁴ (STAG) that is aligned with the local, regional and national development plans and policies of Local Authorities, Regional Transport Partnerships and Transport Scotland respectively.

¹ <http://www.transportscotland.gov.uk/strategy-and-research/publications-and-consultations/high-level-output-specification-statement-of-funds>

² <http://www.rail-reg.gov.uk/pr13/about/key-dates.php>

³ <http://www.transportscotland.gov.uk/strategy-and-research/Regional-Transport-Partnerships>

⁴ <http://www.transportscotland.gov.uk/reports/stag/j9760-00.htm>

7. If the proposal is aligned with STAG, and provides evidence to support the consideration of a new station on the Scottish network, promoters should also:
 - Ensure the proposal takes account of Network Rail's guidance, Investment in Stations: A Guide for Promoters and Developers⁵.
 - Discuss with Transport Scotland the possibility of incorporating stops at the station into existing or additional franchised services.
8. The promoter will then be required to submit the proposal to Network Rail in accordance with this process, detailing the investment case and including (not limited to):
 - Benefit to Cost Ratio (BCR) and Net Present Value (NPV)
 - Wider benefits (not captured by BCR)
 - Third party funding
 - Further development funding
 - Impact on the rail network and current services
 - Impact on revenue/franchise subsidy
 - Alignment with local, regional and national priorities
 - Station access assessment
 - Assurance of land availability.
9. The fund will not be available until 2014. However, proposals may be considered in advance, particularly where promoters can secure third-party funding.

Station Improvements

10. The responsibility to demonstrate the need for station improvements will continue to lie with the relevant promoter (Local Authorities, Regional Transport Partnerships, developers and others). The promoter will be required to prepare a proposal which demonstrates:
 - Anticipated benefits, including impacts on passenger satisfaction survey results and likely changes in patronage levels and cost
 - Third party funding
11. The promoter must discuss with Transport Scotland, Network Rail and the franchisee, the impact of implementing the enhancement on:
 - the operation of rail passenger services
 - customer service
 - the fit with branding
 - the requirements of SQUIRE⁶.

⁵<http://www.networkrail.co.uk/browse%20documents/rus%20documents/route%20utilisation%20strategies/network/working%20group%202%20-%20stations/investmentinstations.pdf>

⁶ <http://www.transportscotland.gov.uk/rail/rail-franchise/performance>

12. If applicable, the promoter should provide:

- A proportionate STAG appraisal
- An assessment of the impact on the rail network and current services
- Assurance of land availability
- Evidence of alignment with local, regional and national priorities
- A station access assessment.

13. The fund will not facilitate station improvements that ScotRail are required to implement under the franchise agreement. In addition, promoters must be able to demonstrate that alternative funding sources for the proposed improvements have been exhausted.

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