

EAST RENFREWSHIRE COUNCIL26 June 2024Report by Director of EnvironmentHRA LAND TRANSFER AND LEASE
FOR CITY DEAL FUNDED BALGRAY STATION**PURPOSE OF REPORT**

1. The purpose of this report is to ensure all necessary permissions from East Renfrewshire Council are in place, in advance of the submission of the Full Business Case for the proposed Railway Station in Barrhead South to Glasgow City Region Programme Management Office, for appraisal, in July 2024. The City Deal and Infrastructure Team is seeking Council approval to:

- transfer ownership of two small pockets of land held in the Housing Revenue Account (HRA) to Network Rail for a nominal fee (the areas shaded in purple in Appendix 1), and
- enter into a 175-year lease with Network Rail, for a peppercorn rent, to transfer a larger area of HRA land to be used as the car park for Balgray Station (the area outlined in pink in Appendix 1).

RECOMMENDATIONS

2. The Council is asked to:

- a) note the progress of the proposed Balgray railway station in Barrhead South;
- b) approve the transfer of HRA land to Network Rail; and
- c) approve the 175-year lease of HRA land adjacent to Balgray Station to Network Rail for use as a station car park, with associated access areas for maintenance.

BACKGROUND

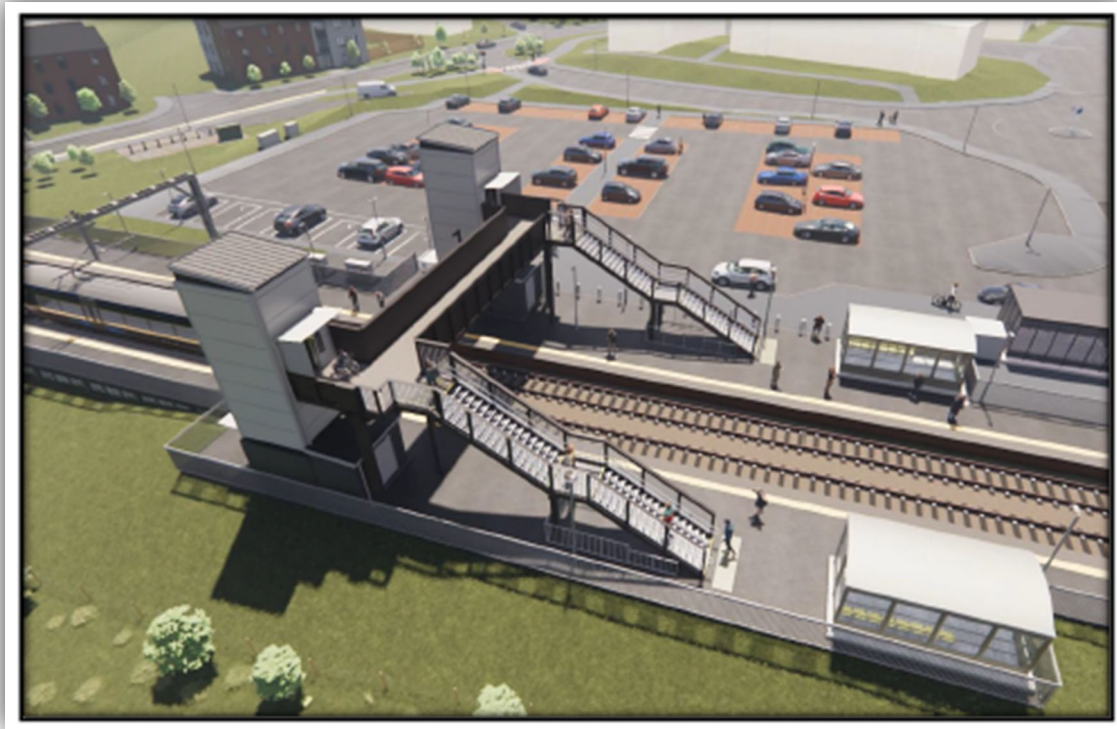
3. East Renfrewshire is benefiting from a £44 million City Deal investment package comprising £38 million investment from the Scottish and UK Governments and co-funded by the Council with a £6 million capital contribution. The programme of projects comprises as follows:

- Lavern Works
- Greenlaw Business Centre (The Greenlaw Works)
- Balgraystone Rd improvements
- New Rail Station at Barrhead South
- Aurs Road Improvements
- Country Park Visitor Facilities.

BALGRAY STATION

4. The design of the station is two platforms on either side of the dual rail track electrified lines, with a linked overhead pedestrian bridge incorporating lifts. These structures are required to be owned by and located on Network Rail (NR) land, in order that the station can be operated under NR regulated asset regulations. The image below shows the proposed design.

Figure 1: Proposed Station Design, Balgray Station



5. The delivery of a new railway station at Barrhead South, on the Glasgow to Neilston line, will support the new community at Barrhead South and enhance sustainable travel options for existing and new residents. The new Balgray railway station improves access to jobs and services and enhances physical links between communities. In addition, the provision of the new railway station will provide improved access to the Dams to Darnley Country Park, from both East Renfrewshire and the wider City Region. The access road and bus-turning circle have already been completed as part of the Balgraystone Road works. The station is intended to facilitate higher visitor numbers to the Country Park. This will promote increased health and wellbeing for residents and visitors. There will be good access to the new station, including active travel options, and this will form part of the Council's plans to transition to the use of more sustainable multi-modal transport and a reduction in the number of car journeys.

PROGRESS

6. In February 2024, Network Rail, with appointed contractor Story, provided an outline design for the station layout. This has informed a revised Stage 2 Detailed Strategic Transport Appraisal (STAG2) which was submitted to Transport Scotland in May 2024. This STAG2 is due to be endorsed by Scottish Ministers at an Investment Decision Making Board (IDM) in early August 2024. Network Rail will submit a Prior Notification to East Renfrewshire Council

in July 2024. The new station falls under permitted development powers held by Network Rail and there is a process that must be followed, whereby the Council determines the request under delegated powers. Detailed design will commence once the Final Business Case is approved. The project timescale is set out in Figure 1.

7. Ekos, a specialist consultancy has been appointed to prepare the Full Business Case for Balgray Station. This will be submitted to the Glasgow City Region Programme Management Office (GCR PMO) for appraisal in July 2024. It is anticipated the Glasgow City Region Chief Executives' Group will approve the Balgray Station Full Business Case (FBC) on 5 September 2024 and release the remaining funding, bringing the total approved budget to £18.3 million. The spend profile is shown in Figure 2. Construction is estimated to start in Spring 2025 with an approximate 12 month build programme.

Figure 1: Project Timescale

Forthcoming Milestones	
26 June 2024	ERC approval of HRA land transfer and long term lease
1 July 2024	Network Rail Submit Prior Notification to ERC Planning
25 July 2024	ERC submits FBC to GCR PMO for appraisal
7 August 2024	Transport Scotland IDM Board endorses STAG2
5 September 2024	GCR PMO report to CEG recommending approval of the FBC
Spring 2026	Projected completion

Figure 2: Project Funding

Project Funding	
Total Budget:	£18.3M
Source(s) of Funding:	GCR City Deal £15.73M ERC £2.56M
Expenditure to Date:	£1.26M

LAND TRANSFER AND LONG-TERM LEASE OF LAND

8. In February 2015, ERC submitted an application to the Scottish Government under Section 12 (7) of the Housing (Scotland) Act 1987, for consent in principle to dispose of land in the HRA, required for the station to the east of Balgraystone Road, Barrhead. The application sought the transfer of c 2.1 hectares of land on a long lease basis to Network Rail, subject to further design and engineering studies, after which a formal valuation would be undertaken. The application stated that the area identified for transfer is adjacent to the Barrhead South Strategic Development Opportunity for development of housing for sale. The area is the subject of Supplementary Planning Guidance (SPG), setting out the principles for the development. The SPG was approved by full Council on 17th December 2014. The application was approved, subject to a valuation by the District Valuer (DV).

9. Subsequent design and engineering studies have identified two additional small pockets of HRA land, shaded purple in the plan in Appendix 1, that are also required to allow construction and operation of the station. The valuation undertaken by the DV also supports the permanent transfer of the feuhold of the two purple-shaded areas shown in Appendix 1 to Network Rail, to comply with the statutory requirements of the rail sector. This land will be transferred for a nominal sum.

10. The carpark and associated access areas for maintenance purposes of c. 2.1 hectares are outlined pink in Appendix 1. This area will be the subject of a 175 year lease to Network Rail. The annual rent for this area is a 'peppercorn' rent of £1. The lease will incorporate a clause where the Council receives a share, to be negotiated, of any future income from any electric vehicle charging spaces and any future introduction of car-parking charges within the facility. Network Rail will also have a right, at the end of the 175 year lease, to purchase the land for a value to be determined at that time by a Chartered Surveyor.

11. The parties have agreed that if the station were to close for any reason, or any part of the car park were deemed surplus to requirements, the land will be transferred back to the HRA.

12. It is proposed the land shown outlined in pink in Appendix 1 be transferred to Network Rail for 175-year ground lease at a rental of £1 p.a., if asked, and the feuhold of the land shown shaded purple be transferred permanently, also for a nominal fee.

FINANCE AND EFFICIENCY

13. East Renfrewshire is benefiting from a £44 million investment package comprising £38 million investment from the Scottish and UK Governments and co-funded by the Council through a £6 million capital contribution.

14. No additional funding is requested. Revenue costs associated with the station are to be borne by the train operator.

CONSULTATION

15. Since inception in 2015, the Council has undertaken several consultations at various stages of project development involving a wide range of stakeholders. In December 2023, Network Rail held a community event in the Auchenback Resource Centre and mailed residents living opposite the station site to inform them of progress on the station proposal.

PARTNERSHIP WORKING

16. East Renfrewshire has worked with Network Rail, using Development Service Agreements covering the scope of the proposed rail station, ground investigations and outline design. This partnership working will continue via an Implementation Agreement for detailed design, construction of the station and pedestrian bridge, and ancillary infrastructure such as the car park.

IMPLICATIONS OF THE PROPOSALS

17. An equalities impact assessment in accordance with the Equality Act 2010 has been undertaken for this project, to supplement the Equalities and Human Rights Impact Assessment (E&HRIA) that was prepared alongside the East Renfrewshire Proposed Local Development Plan. The E&HRIA sets out what positive and negative impacts for the plan or its policies might have. Individual City Deal funded projects are assessed individually at the appropriate time, within the preparation of each business case and in conjunction with relevant Council colleagues.

18. Climate Change Impact Assessments (CCIA) Stages 1 and 2 have been completed. These will be reviewed and updated during the preparation of the Full Business Case for the proposed New Rail Station in Barrhead South in due course.

CONCLUSIONS

19. All legal agreements need to be in place prior to the submission of the Full Business Case in July 2024, therefore, Council approval is sought to:

- transfer ownership of two small pockets of land held in the Housing Revenue Account (HRA) to Network Rail for a nominal fee (the areas shaded purple in Appendix 1), and
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RECOMMENDATIONS

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Director of Environment

Further information can be obtained from: Michaela Sullivan, Head of Environment (Chief Planning Officer), michaela.sullivan@eastrenfrewshire.gov.uk

APPENDIX 1: HRA Land Transfer and Lease

