

STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

Report to Cabinet

1 August 2017

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| TITLE: | Reinstatement of heritage railway from Leekbrook to Leek |
| PORTFOLIO HOLDER: | Councillor Sybil Ralphs – Leader |
| CONTACT OFFICER: | Pranali Parikh |
| WARDS INVOLVED: | Leek South & Cheddleton |

Appendices- None

1. Reason for the Report

- 1.1 The purpose of this report is to provide update on the progress on reinstatement of heritage rail link from Leekbrook to Leek (Cornhill) and seek approval for next steps to bring forward the delivery of the project.

2. Recommendation

- 2.1 To note the progress on reinstatement of heritage rail link from Leekbrook to Leek (Cornhill) as described in para 3.1-3.5
- 2.2 To authorise the negotiation of an agreement to lease the track-bed owned by the Council to Churnet Valley Trust (CVR) to enable the construction, operation and management of a rail line.
- 2.3 To prepare a further report to the Cabinet setting out the terms of the legal documentation for consideration.
- 2.4 To note agreed contribution of £22,000 from the Moorlands Partnership Board on 21st June 2017 towards preparation of a full planning application for the reinstatement of rail line and associated costs, and delegated approval to Executive Director or Place to commission reports required for a planning application.
- 2.5 To authorise the submission of a planning application to re-instate the rail line from Leekbrook to Cornhill.

- 2.6 To also note approved grant of £7,500 from Moorlands Partnership towards the cost of reinstating Leekbrook station (estimated to be in region of £25,000) and approved grant of £4,000 towards cost of repairs to Cheddleton Station building (estimated to be in region of £25,000)

3. **Executive Summary**

- 3.1 This report seeks approval for reinstatement of the heritage rail line from Leekbrook to Leek. The key elements of the delivery are:
- 3.1.1 Secure Planning approval for reinstatement of track-bed from Leekbrook to Cornhill (Leek)
 - 3.1.2 Agree lease with Churnet Valley Railway(CVR)
 - 3.1.3 Churnet Valley Railway/North Staffordshire Railways Company to reinstate station at Leekbrook as an exact replica of 19th century building formerly attached to Leekbrook Signal Box, a Grade II listed building with funding contribution from Moorlands Partnership
 - 3.1.4 Churnet Valley Railway/North Staffordshire Railways Company to refurbish Cheddleton Station building which is currently the northern most station on the Leekbrook line with funding contribution from Moorlands Partnership
 - 3.1.5 Churnet Valley Railway to agree construction works with Seven Trent Water and secure funding for rail track.
 - 3.1.6 Churnet Valley Railway to complete construction works of rail track and commence operation
 - 3.1.7 Churnet Valley Railway/North Staffordshire Railway Company to develop detailed proposals for Leek Station (Cornhill) and platform.
 - 3.1.8 Churnet Valley Railway/North Staffordshire Railway Company to secure funding for Leek station and platform works and complete construction.
- 3.2 The Churnet Valley Masterplan was adopted as Supplementary Planning Guidance in 2014. This identified the potential for extension of canal, railway, plus restoration of Leekbrook signal box (and station) as an opportunity to address the employment, tourism and leisure needs of the area (Masterplan 7.3.5). The masterplan specifically included the 're-opening rail line' between Leekbrook and Leek (Cornhill) as a development strategy action.
- 3.3 The Leekbrook to Leek rail line extension is a strategic first step of delivering Corporate Objective Aim 3: to reinstate rail connection to Stoke and mainline rail. While this line will be operated as a heritage line, it has the potential to be adopted and used as a branch line if funding becomes available in the future to establish rail connection between Leek and Stoke on Trent.
- 3.4 Following these discussions, in February 2017, CVR has agreed to lease land in Council ownership which is the former disused track and reinstate the track. This offer is subject to:
- SMDC securing planning permission for extension of railway from existing line at Leekbrook to Cornhill, Leek
 - Legal agreement being agreed between the parties with regard to terms including liabilities and timescale for construction of track-bed.

- 3.5 Approval of the above, would allow CVR to lead on discussions with Severn Trent Water, as leaseholder and other utilities with an interest (if any) and focus on fund raising for construction/ engineering works required.
- 3.6 Subject to the above conditions (3.6) being agreed, CVR would be responsible for raising funds required to reinstate track bed and undertake construction works to be able to extend heritage/tourist journeys into Leek.

4. **How this report links to Corporate Priorities**

- 4.1 The report links Corporate Plan 2015-19; Aim 3: To help create a strong economy by supporting further regeneration of towns and villages; in that it will address delivery of priorities
- “flourishing town centres that support the local economy” by facilitating increasing visitors numbers and spend on historic railway and at locations close to new stations
 - “encourage and develop tourism”
 - “support the development of improved rail links with Stoke”

Aim 4: To protect and improve the environment in that it will “Promote environmentally sustainable policies and practises” through the potential provision of future rail link.

Aim 2: Meet Financial Challenges & Provide Value for Money; in that it will provide opportunity for “more effective use of Council assets” by transferring responsibility to partner organisation, subject to lease agreement.

5. **Options and Analysis**

- 5.1 Option 1: Do not transfer the land to CVR and allocate money for station projects
Under this option, the Council will not seek to agree land transfer to CVR. This would mean SMDC will need to raise funding if the project needs to be delivered in line with the corporate priorities. The Council has no experience in commissioning or delivering railway engineering works and could not mobilise railway volunteers to undertake works.
Not recommended.
- 5.2 Option 2: Work in partnership with CVR and NSRC to deliver this project
Under this option, the Council will lead on securing planning approval and, subject to legal terms being agreed, all physical construction of rail track including fundraising for works and consultations with utilities will be the responsibility of the CVR/NSRC. CVR has proven expertise to deliver scheme and providing additional grant funding for restoration of Cheddleton and reinstatement of Leekbrook stations, will allow CVR/NSRC to focus on fundraising for rail track and commissioning of physical works. CVR/NSRC can also draw upon railway volunteers to undertake a proportion of works, which will reduce overall cost compared to any other delivery option. **Recommended**

6. Implications

6.1 Community Safety - (Crime and Disorder Act 1998)

None

6.2 Workforce

Regeneration team lead, working with Assets, Finance, Legal and Development Control.

6.3 Equality and Diversity/Equality Impact Assessment

This report has been prepared in accordance with the Council's Diversity and Equality Policies and an Equality Impact Needs Assessment is not required at this time.

The reinstatement of Leekbrook station will incorporate an accessible toilet, which will enhance facilities for all users.

6.4 Financial Considerations

Approval of £22,000 in funding from Moorlands Partnership Board was agreed on 21st June 2017 and will pay for planning fees, associated studies required and specialist legal advice on the preparation of terms of lease agreement will need to be procured externally to assist with drafting of the agreements to safeguard the Council's position. An additional £11,500 was agreed for capital works for Leekbrook and Cheddleton station.

The Moorlands Partnership budget is classified as 'capital expenditure', however, some of the costs associated with this project are likely to be revenue expenditure rather than capital expenditure. Therefore, expenditure would be charged to the Regeneration revenue budget and funded from a revenue reserve which has been established to fund capital expenditure. There would then be less funding available for the capital programme, but less expenditure against the Moorlands Partnership capital budget to offset this.

The Lease agreement will potentially reduce liability of maintenance and management of land in SMDC, subject to terms of agreement.

6.5 Legal

Local Authority land disposals are subject to statutory provisions in particular, section 123 of the Local Government Act 1972, to obtain the best consideration that can be reasonably obtained for the disposal of land. If there is an under-value it will need to be established that the promotion or improvement of the economic, social or environmental well-being of its area is secured.

Heads of terms will need to be agreed before a valuation is sought

in order that best value issues can be fully considered.

6.6 Sustainability

This project will deliver against Churnet Valley Masterplan Adopted Supplementary Planning Document (2014) which identifies key actions to support sustainability:

- re-opening of rail line to Leek and development of canal gateway
- strengthen sustainable transport links between [leek]town centre and Cornhill and to other visitor attractions in the Churnet Valley
- create / improve non-car routes between town and countryside

This project also acts as an enabling project in line with Stoke & Staffordshire Strategic Economic Priorities (Connected County) as ultimately route could be utilised as part of a branch line spur from Leek to Stoke-on-Trent. This would create a vital 2-way route to link Leek with mainline rail network– and would help reduce the car dependency of the 22,000 people who currently out-commute from the Moorlands as well as providing key sustainable rail route from Stoke & Staffordshire into the Peak District National park.

6.7 Internal and External Consultation

Internal

This report has been developed in consultation with officers from Planning Policy, Economic Development, Development Control & conservation, Assets, Legal, Finance teams.

External

Consultation on the Churnet Valley Masterplan has been extensive and all activities are fully detailed in Churnet Valley Masterplan Consultation Statement Activities included: Leaflet; Advertising and press features; correspondence and meetings with all parish councils; awareness raising events; community conversations & forums; masterplanning workshops; options consultations; and public consultation on draft plan. There were over 270 individual representations to the consultation.

Seven Trent Water have been consulted with regard to reinstatement of rail track and further work will be required with CVR/NSRC on specification for construction as part of delivery stage. Severn Trent Water will also be a statutory consultee on planning application.

Staffordshire County Council and Staffordshire Chambers of Commerce have also been consulted and have supported proposals.

The proposed planning application will be subject to the statutory

consultation procedure.

6.8 Risk Assessment

1. Failure to agree terms with CVR/NSRC
Mitigation: Seen as low risk. The Director of Place in discussion with Director of Finance to sign off all agreements with CVR subject to legal advice.
2. Reliance on CVR/NSRC for delivery
Mitigation: Delivery of the Leekbrook/track bed and future leek station works is dependant on CVR/NSRC to procure works and volunteers to undertake works. NSRC, with support from the regeneration team has already been invited to full application from Peak LEADER grant funding for balance of costs for Leekbrook Station works and is working with regeneration team to identify and secure funding for track bed construction.
3. Delay in delivery and lack of funding
The delivery of the trackbed, platform & station at Leek is dependant on CVR/NSRC raising sufficient funds and undertaking works and no timescale has been agreed in advance.
Mitigation: Legal agreement to lease land will include delivery time limit with clause that option to lease will be redacted if CVR/NSRC are unable to deliver.

Dai Lerner
Executive Director of Place

Web Links and Background Papers

Churnet valley masterplan consultation statement

Location

https://www.staffsmoorlands.gov.uk/media/526/Consultation-statement/pdf/Consultation_Statement_with_cover_and_appendices.pdf

Contact details

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CVR operational route

<https://www.churnet-valley-railway.co.uk/line-guide>

Archive picture of Leekbrook station (attached to Signal box)

<https://www.churnet-valley-railway.co.uk/leekbrook>

7. Background and Detail

Churnet Valley Railway/ North Staffordshire Railways Charity

- 7.1 The Churnet Valley Railway (CVR), as the commercial (social enterprise) arm of North Staffordshire Railways Company (NSRC), a registered charity no 514172. It currently operates an 11-mile return heritage railway between Froghall and Leekbrook. There is an additional 4.5 mile Cauldon branch line, which extends the journey south east from Leekbrook to Ipstones, although passengers are not currently able to alight on this route.
- 7.2 Since the adoption of the masterplan, in August 2015, the Council approved an outline planning application for land at Sunnyhills Road (SMD/2014/0750) which included an allocation for a railway station with associated heritage railway activities building and car parking.
- 7.3 In 2016, the Council commissioned a masterplan of the adjacent site at Cornhill East, in line with the development strategy of the adopted SPD to deliver new housing and commercial units. The proposals for Cornhill East and rail line reinstatement will achieve local plan delivery outcomes and will mutually complement each other by contributing towards a comprehensive and attractive gateway development to Leek.
- 7.4 The North Staffordshire Railways Charity (NSRC), accessed funding under the Churnet Valley Living Landscape Partnership, to refurbish the signal box, a Grade II listed building, and the former platform at Leekbrook Junction. At the moment, there is no public access to Leekbrook Junction and passengers are only allowed to alight from trains on selected running days when the restored signal box is open.
- 7.5 NSRC are keen to reinstate the historic station building at Leekbrook which was attached to the existing signal box and was demolished in the 1940s.. The building, which would be a replica of the original 19th century station, would incorporate an accessible toilet, storage facility for machinery and a covered waiting area for passengers. The proposed new station would allow passengers to alight closer to Leek and the Peak District National Park and link into the existing network of footpaths (prior to the construction of the rail extension to Leek itself). After the rail extension is complete, the station building would serve as a historic station stop.
- 7.6 Council officers have supported NSRC with an application for Peak LEADER funding for £14,500 to cover 70% of costs of above works, North Staffordshire Railways Company's annual raffle will contribute £3,000 and Moorlands Partnership Board has agreed a £7,500 contribution.
- 7.7 In addition to the reinstatement of the historic station building at Leekbrook, NSRC also need to undertake refurbishment of Cheddleton Station which is currently the northernmost station for the heritage rail line. NSRC are in the process of purchasing the station from Staffordshire County Council.
- 7.8 Key timescales for delivery are:

- Commissioning of relevant studies required - August 2017
- Submission of planning application for track bed – October 2017
- Legal agreement with CVR/NSTC- March 2018
- Leekbrook station completion - May 2018

No timescale for construction of track-bed, Leek platform or station buildings has been determined as this will be subject to funding. However legal agreement to lease land will include a delivery time limit clause that option to lease will be rescinded if CVR/NSRC are unable to deliver.

Economic impact of Leekbrook-Cornhill Rail line

7.9 There are currently 70,000 visitors to Churnet Valley Railway per annum, and this is expected to increase to 90,000 to 100,000 per annum if the extension to Leek is established. The additional spend of these visitors and better linkages to town centre shops and accommodation will support the wider economy.

7.10 In 2013, Leisure Consultancy Limited and Mott MacDonald undertook an assessment of economic impact of this extension and establishing a rail terminus and station at Leek (Cornhill). This concluded that the scheme, would add

- £577,600 net additional expenditure per annum injected into the local economy
- 13.5 FTE jobs supported (three directly employed and 10.5 generated through multiplier spend)