



Department
for Transport

Closure of Norton Bridge station

Moving Britain Ahead

October 2016



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Foreword

The station at Norton Bridge was taken out of use for train services in May 2004 to allow for the rebuilding of the railway as part of the West Coast Route Modernisation project, and since then services have been provided by rail replacement bus services. Prior to this date the station was served by a local train service between Stafford and Stoke-on-Trent.

The Department for Transport has carried out an assessment in accordance with the Railway Closures Guidance on whether to reinstate train services at the station, or to close it as part of the national rail network. The assessment showed that bringing the station back into use for train services is neither an appropriate nor responsible use of resources and we are therefore proposing to proceed with the closure of the station.

Under section 30(3)(b) of the Railways Act 2005 the Secretary of State, as the relevant national authority, is required to carry out a consultation concerning a proposal to discontinue use of a particular station if, having received or carried out the assessment, he has formed the opinion that the closure should be carried out.

A copy of the Railways Closures Guidance may be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266296/railwaysclosuresguidance.pdf

Interested parties are therefore invited to comment on this proposal.

The consultation period will run from 19 October 2016 to 3 February 2017.

Following the consultation period the Department will review its proposal based on comments received from interested parties and, if it decides that the closure should be carried out, seek ratification of the closure from the Office of Rail and Road.

Executive summary

Norton Bridge station in Staffordshire is served by a replacement bus service which is part-funded by the Department for Transport (The Department) through the West Midlands Rail Franchise (currently operated by London Midland). This temporary situation has existed since 2004 and we are looking to resolve this going forward into the next franchise. A decision is therefore needed on whether to reinstate train services or close the station.

The Department has carried out a formal assessment in accordance with the Railways Closure Guidance for either reinstating train services at the station or closing it.

Based on this assessment the Department has concluded that reinstating train services to Norton Bridge station would:

- require the very expensive construction of a virtually completely new station with an estimated investment cost of £18.0 million which could only be served by a very limited train service;
- only serve a very small local population (circa 600), and therefore be very lightly used;
- generate very few new rail journeys, but would disadvantage existing passengers through increased journey times and higher performance risks;
- have a (negative) Net Present Value of -£19.7 million; and
- not offer value for money for taxpayers.

Rail replacement bus services

Under both options that were assessed (reinstatement and closure) the Department would no longer provide funding towards the provision of a replacement bus service to the station. Without funding being made available through the new West Midlands Franchise Agreement there would be a review of the existing supported bus services in the area by Staffordshire County Council which will lead to a reassessment of bus service provision at Norton Bridge.

Closure of the station would mean the Department would end its annual subsidy for a rail replacement bus service. A saving in subsidy of £40,000 per year would have a (positive) Net Present Value of +£0.9 million over a 60 year appraisal period.

As a result of this assessment, the Department has concluded that it should proceed with the closure of Norton Bridge station and the associated withdrawal of Department for Transport funding for the replacement bus service.

In light of this conclusion, the Department, in accordance with the Railways Act 2005, is carrying out this consultation on the proposed closure of Norton Bridge station, and is seeking views on this closure.

How to respond

The consultation period runs from 19 October 2016 until 3 February 2017. Please ensure that your response reaches us before the closing date. If you would like further copies of this consultation document, it can be found at www.dft.gov.uk/consultations/open or you can contact Andrew Johnson at the address or email below if you need alternative formats (Braille, audio CD, etc.).

Please send consultation responses to

Norton Bridge Consultation
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Or by Email to:

nortonbridge.consultation@dft.gsi.gov.uk

When responding, please state whether you are responding as an individual or representing the views of an organisation. If responding on behalf of an organisation, please make it clear who the organisation represents and, where applicable, how the views of members were assembled.

The following stakeholders have been sent a copy of this consultation document and invited to respond;

Sir William Cash MP,
Jeremy Lefroy MP,
Office of Rail and Road,
Network Rail,
Transport Focus,
Staffordshire County Council,
Stafford Borough Council,
Stoke-on-Trent City Council,
Chebsey Parish Council,
North Staffs Rail Promotion Group,
London & Birmingham Railway Limited,

British Transport Police,
DB Cargo UK,
Freightliner Limited,
GB Railfreight Limited,
Virgin Trains Limited,
Stoke-on-Trent and Staffordshire LEP,
Stafford & District Access Group,
Midlands Connect Partnership,
Rail North Limited,
HS2 Limited

Freedom of Information

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the Freedom of Information Act 2000 (FOIA) or the Environmental Information Regulations 2004.

If you want information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence.

In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data in accordance with the Data Protection Act (DPA) and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

Closure of Norton Bridge station

Purpose of the consultation

Norton Bridge station is served by a replacement bus service which is part-funded by the Department for Transport through the West Midlands Rail Franchise (currently operated by London Midland). The platform is out-of-use, in poor condition and not accessible. This temporary situation has existed since 2004 and we are seeking to resolve it going forward into the next franchise. A decision is therefore needed on whether to reinstate train services to the station or to close it.

The Department has carried out an assessment in accordance with the Railway Closures Guidance on whether the reinstatement of train services at the station represents good value for money compared to the option of closure. We have reviewed the costs and the benefits of reinstating train services and have concluded that this is neither an appropriate nor responsible use of resources. We are therefore proposing to proceed with its formal closure and not maintain funding for a replacement bus service.

Under section 30(3)(b) of the Railways Act 2005 the Secretary of State, as the relevant national authority, is required to carry out a consultation concerning a proposal to discontinue use of a particular station if having received the assessment he has formed the opinion that the closure should be carried out.

A copy of the Railways Closures Guidance may be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266296/railwaysclosuresguidance.pdf

Interested parties are therefore invited to comment on this proposal.

Following the consultation period the Department will review its proposal based on comments received from interested parties and, if it decides that the closure should be carried out, seek ratification of the closure from the Office of Rail and Road.

Background

The station at Norton Bridge was taken out of use for train services in May 2004 to allow for the rebuilding of the railway as part of the West Coast Route Modernisation project, and since then services have been provided by rail replacement bus services. Prior to this date Norton Bridge was served by an irregular local train service between Stafford and Stoke-on-Trent.

The rail replacement bus services which operate between Stone and Stafford via Norton Bridge are included within the rail timetable system and rail journey planners. Rail tickets to and from Norton Bridge are also available within the railway fares system and can be used on the replacement bus services. Norton Bridge is around 3½ miles from Stone and 5½ miles from Stafford.

The provision of rail replacement bus services at Norton Bridge was intended as a temporary measure in 2004 and there is now a need for a permanent solution to be implemented – either reinstating train services or closure of the station.

The competition that is currently under way for the next West Midlands Franchise has provided the opportunity to review the status of Norton Bridge station within the specification for the franchise.

If, following the public consultation, a decision is taken to reinstate train services to Norton Bridge we would direct the next West Midlands franchisee to reinstate these services. Alternatively, if a decision is taken to proceed with the closure and this is ratified by the ORR prior to the commencement of the next West Midlands Franchise, it is anticipated that closure would occur from the start of the franchise in October 2017 (or shortly thereafter from the December 2017 timetable change date) and no requirements relating to the provision of either bus or rail services to Norton Bridge would be included in the franchise specification.

Separately, the Department will be considering the case for reinstating train services at Barlaston and Wedgwood stations, which have also been served by a rail-replacement bus service since 2004. Bidders for the next West Midlands Franchise have been asked to provide costs for the reinstatement of train services to these stations. A decision on the future of these stations will be made following receipt of bids for the West Midlands franchise and any proposal to close one or both stations will be subject to a separate consultation process.

Current situation at Norton Bridge

There has recently been significant investment to upgrade the rail infrastructure around Norton Bridge as part of the £250 million Stafford Area Improvement Programme, including the provision of a new fly-over to separate services travelling between Stafford and Stoke-on-Trent from those travelling between Stafford and Crewe. This investment provides significant benefits for current and future rail users, and does not preclude the physical reinstatement of the station at Norton Bridge. However the changes to the track layout mean that were the

station to remain in its current location it would be very difficult to provide it with anything more than an extremely limited service.

The arrangement of rail lines in the Norton Bridge area following completion of the upgrade project is shown below in Figure 1.

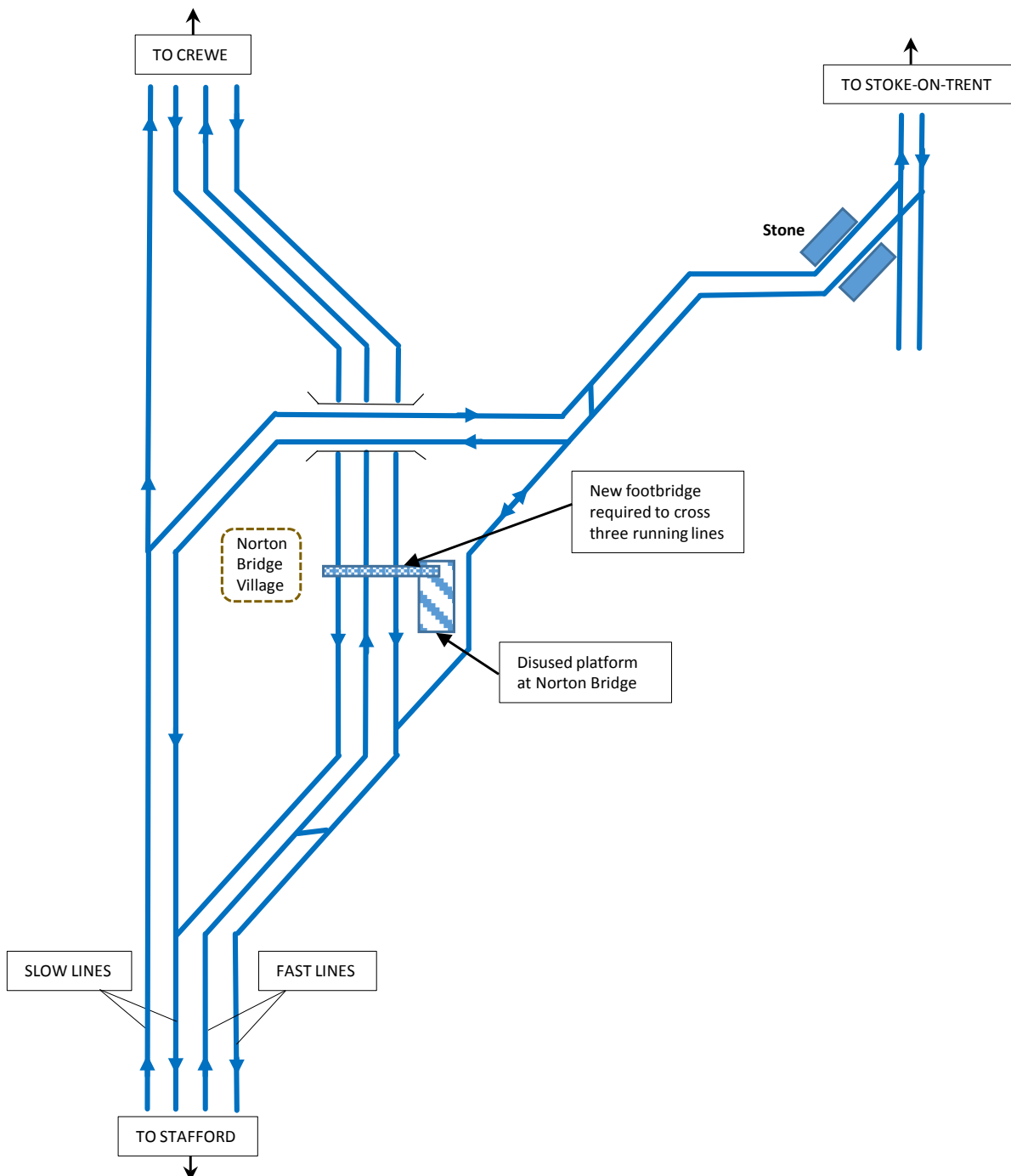


Figure 1 – Diagram showing lines around Norton Bridge

Reinstatement of train services to Norton Bridge station at its current location is also likely to be extremely expensive due to its position between running lines without direct road access. The previous footbridge that existed across the main line tracks has been demolished in order to facilitate upgrade works. The remodelling and upgrading of the track and other infrastructure around the station also means that it would require significant investment to reconstruct the station in a form which complies with industry standards.

Other options for reinstating train services to the station would require moving it to a completely different location some distance away from its current position. As a relocated station it would no longer serve the community at Norton Bridge so this has not been assessed further.

Funding for the replacement bus service is currently provided by the Department through the West Midlands Franchise Agreement (currently operated by London Midland). The bus service to the station is provided as part of a wider local bus network in the area which is also financially supported by Staffordshire County Council. The cost to the Department of providing the Norton Bridge rail replacement bus service is £40,000 per annum.

Without funding being provided by the Department there will be a reassessment of the bus service provision in the area by Staffordshire County Council. Recent bus passenger data suggest that there are approximately a total of 38 return bus passenger journeys made a week on the bus service to/from Norton Bridge (about one passenger per bus on average).

The majority of bus passengers who travel to and from Norton Bridge are concessionary bus pass holders, and there are very few passengers making journeys on the bus using rail tickets (fewer than 2 journeys per week). Most of the current bus users are therefore using the bus as a normal public bus service, rather than a rail replacement service. Continued access to bus services for Norton Bridge (including for concessionary pass holders whose tickets are not valid on rail services) will be dependent upon future bus service reviews in the area even if a rail service were to be reinstated.

Summary of appraisal

The formal appraisal has looked at the costs and benefits of two “do-something” options relating to Norton Bridge station in order to form a view as to which option has the best business case, balancing the benefits to current and future users of the station against the disbenefits to other rail users and taxpayers.

The appraisal compared the notional “do minimum” base case of continuing the rail replacement bus service to the out-of-use station, with two “do something” options, either reinstating train services or closure of Norton Bridge station. Within the business case for both “do something” options is the assumption that the DfT part-funding ends for the rail replacement bus service to Norton Bridge station as the Department would no longer maintain a specific rail-replacement bus under either scenario (although a normal public bus service may continue to operate).

The formal appraisal, at Annex A, compared these two options against the “do-minimum”. These are defined as follows:

“Do minimum” Case – Norton Bridge station retains its current out-of-use status, and the rail replacement bus service to Norton Bridge continues to operate six times per day. *It should be noted that the do-minimum case was considered for appraisal purposes only – it is not considered a potential option as the current situation was introduced in 2004 as a temporary measure and a permanent way forward is now needed.*

“Do something” Option DS1 Reinstate Train Services at the Station – withdraw part-funding for rail replacement bus services and reinstate a three times per day train service to the station, involving the construction of a new footbridge and two lifts to provide passenger access to a completely rebuilt platform on the site of existing the island platform at Norton Bridge; and

“Do something” Option DS2 Close Station – the closure of Norton Bridge station, and withdrawal of the part-funding of the rail replacement bus services.

Under the DS1 (reinstate train services) option, the future Birmingham to Crewe via Stoke-on-Trent service (which is being introduced from December 2018 as part of the new franchise) would not directly pass the platform at Norton Bridge (see Figure 2). To call these services at the station would depend on what limited capacity might be available for these trains to be occasionally routed via the single-track connecting line between the West Coast Main Line Fast Lines and the route to Stone. This routeing is unlikely to accommodate more than a small number of trains a day and even this will become more difficult to achieve with the expected growth in traffic. There could also be considerable performance impacts arising from services routed this way.

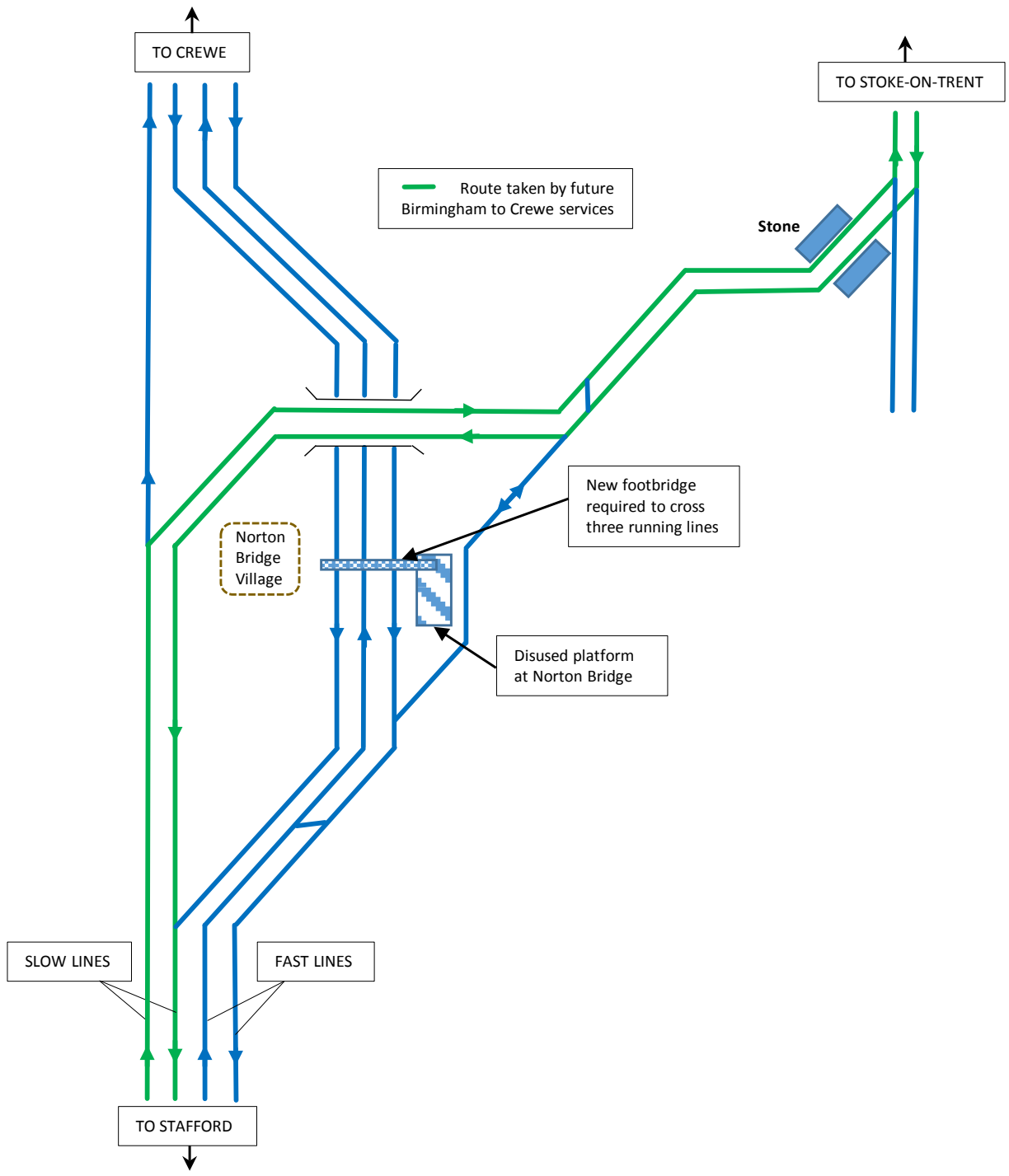


Figure 2 – Diagram showing routing of future Birmingham to Crewe services at Norton Bridge

The appraisal found that the “do something” option DS1 to reinstate train services at Norton Bridge station and end the part-funding of the rail replacement bus service did not offer value for money with a (negative) net present value¹ (NPV) of -£19.7 million in 2010 market prices compared to the “do-minimum” over a 60 year appraisal period. The NPV figure reflects that there are disbenefits to existing rail passengers travelling between Stafford and Stone because of the time required for extra stops at Norton Bridge (even taking into account the current extended dwell times at Stafford or Stoke-on-Trent which can be reduced). These disbenefits would exceed the benefits to new rail passengers using Norton Bridge station. The NPV takes into account any savings through not having to provide the replacement bus service.

In the “do something” option DS2 to close Norton Bridge station there was a (positive) NPV of £0.9 million in 2010 market prices over a 60 year appraisal period.

In both options impacts under the appraisal objectives of environment and social that are not assessed by the NPV measure are very slight, if not neutral.

Impact on users

The Department has developed a draft Equalities Impact Assessment to accompany the Economic Assessment.

This shows low levels of impact on current and potential rail users and the wider community from closing the station. The exact level of impact on users of the current rail replacement bus service does, however, depend on what level of residual bus service is provided by private bus operators and Staffordshire County Council in the future.

A final assessment of the potential impacts of closing the station on users will be undertaken following receipt of responses to this consultation.

Our conclusions

Based on this appraisal the Department has concluded that reinstating train services to Norton Bridge station would:

- require the very expensive construction of a virtually completely new station with an estimated investment cost of £18.0 million which could only be served by a very limited train service
- only serve a very small local population (circa 600) and would therefore be very lightly used;

¹ Railways Closure Guidance suggests the use of benefit cost ratio methodology to assess investment proposals. Net present value is a related method which provides a more helpful metric in cases such as this where there are net disbenefits or net cost savings.

- generate very few new rail journeys, but would impose disbenefits on existing passengers through increased journey times and higher performance risks;
- have a (negative) Net Present Value of -£19.7 million; and
- not offer value for money for taxpayers.

Closure of the station would mean the Department would end its funding towards a rail replacement bus service. A saving of £40,000 per year would have a (positive) Net Present Value of +£0.9 million over a 60 year appraisal period.

The closure of the station and the associated withdrawal of funding for the replacement bus service has therefore been assessed as the option which offers best value for money. Given this value for money assessment, and the low impact on users, the Department has concluded that it should proceed with the closure of Norton Bridge station.

In light of this assessment and our conclusions, the Department, in accordance with Railways Act 2005, is carrying out this consultation on the proposed closure of Norton Bridge station, and is seeking views from interested parties on this closure.

We recognise, however, that the withdrawal of the DfT funding for the replacement bus service (as proposed under both scenarios) will potentially lead to some changes to the level of bus services provided in the area. Staffordshire County Council would need to review any potential subsidy impacts for the affected routes against its wider criteria for supporting socially necessary bus services alongside any commercial provision by private bus companies. It is not therefore possible to indicate what level of bus service would remain in place after closure has occurred, although Staffordshire County Council may wish to consider any responses made to this consultation when undertaking its review.

What will happen next?

Following the consultation period, we will review the responses to the closure proposal and undertake such further analysis as might be necessary. We will then review the proposed decision to close the station in the light of responses received and produce a summary of the outcome of the consultation, along with our final proposed decision and publish this on the DfT website.

Should the outcome of the consultation process be to support the Department's assessment and conclusions regarding the closure of Norton Bridge station, the Office of Rail and Road will then be required to ratify the proposal to ensure it satisfies the guidance.

If you have questions about this consultation please contact:

Andrew Johnson
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

Telephone 0300 330 3000
Website <http://www.dft.gov.uk>

Annex A: Formal appraisal

Scheme objective

The principle objective is to either reinstate train services to the currently out-of-use station at Norton Bridge, or close it. This station has been served by a subsidised rail replacement bus service since 2004.

Base case and scheme options

The Base Case – “do minimum”, is for Norton Bridge station to remain out-of-use and the rail replacement bus service to continue on its current route and frequency and at the current level of subsidy. Note the “do minimum” option is not considered a deliverable option as this temporary situation has existed since 2004 and now needs to be resolved. Savings in DfT’s part funding (subsidy) of the rail replacement bus are included in both “do something” options: reinstate train services or station closure.

In addition to savings in bus subsidy, the reinstate train services “do something” option DS1 would include the construction of a new footbridge and lifts to provide passenger access to a rebuilt platform on the site of the existing island platform at Norton Bridge. We estimate this would have an investment cost of £18.0 million which includes disruption costs of access to a mainline route during construction.

We have assumed timetables for the new Birmingham – Stoke-on-Trent – Crewe service can be adjusted to accommodate occasional stopping services at Norton Bridge and to reduce current dwell times at Stafford or Stoke-on-Trent by 2 minutes. This assumption reflects the situation at Norton Bridge where the nature of the track layout combined with predicted growth in traffic on the West Coast Main Line would mean that only a very limited service could be provided in practice, maybe as little as two or three services a day.

In the closure “do something” option DS2, we have assumed the subsidy ends for the rail replacement bus service. In addition, passenger rail timetables could be adjusted to reduce current dwell times at Stafford or Stoke-on-Trent by 2 minutes in order to reflect that the current provision of extra time in the timetable for the potential reinstatement of services at the station would no longer be necessary.

Economic model description

An economic model has been constructed to quantify the main costs and benefits of the options. Results are reported in Transport Economic Efficiency (TEE) tables for a central scenario at the mid-point of the high and low cost and benefit scenarios that have been constructed to reflect the uncertainty in the forecasts. Value for money is assessed using the metrics of benefit to cost ratio (BCR) and net present value (NPV) of quantified impacts over construction followed by 60 years of operation, and an appraisal summary table (AST).

The economic model consists of the following elements:

- impacts on existing rail users;
- new rail demand at Norton Bridge station;
- cost modelling;
- an appraisal spreadsheet; and
- quality assurance.

The methods, sources and results for each element are discussed in turn below.

Impacts on existing rail users

For the purposes of this analysis we have assumed that it would be possible to operate an occasional train service to Norton Bridge in off peak periods were it to be reinstated.

The model assumes that an extra stop at Norton Bridge would increase in vehicle rail journey times between Stafford and Stone by about 2.5 minutes. This comprises of about one minute to decelerate, 30 seconds dwell, and one minute's acceleration at the extra stop. The journey time and revenue impacts of extra journey times were modelled for rail passengers on three southbound and northbound services per day, Monday – Saturday, in the May 2016 timetable based rail passenger demand model (MOIRA). These are currently Crewe – London services, although future planned revisions to the timetable mean that these would be replaced by Birmingham – Stoke-on-Trent services on this section of route. Increasing overall journey times without any other timetable adjustments would impose delay disbenefits on existing rail passengers and drive some passengers away from rail leading to a loss of revenue.

Although there is a disbenefit to existing passengers caused by the small extension of about 2.5 minutes to journey times between Stafford and Stone caused by calling at Norton Bridge, it has been assumed that calls at Norton Bridge could be accommodated in existing schedules as many northbound and southbound trains currently have a 4 – 7 minutes dwell time at Stafford, and both have additional time inserted in the schedules approaching Stoke-on-Trent and Norton Bridge respectively for pathing and performance reasons. The current Timetable Planning Rules do not show any requirement for performance time at these locations, however, the performance impacts on West Coast Intercity and freight of additional

service stops by London Midland services could be substantial and would require formal assessment. If we were to include this impact in the quantified appraisal we estimate it would add an operational disbenefit of several million pounds.

Our MOIRA analysis for reinstating services at Norton Bridge therefore assumes that reducing the station dwell times at Stafford and/or Stoke-on-Trent and of reducing or eliminating extra journey time allowances could allow stops to be included at Norton Bridge without extending overall journey times on services beyond Stafford and Stoke-on-Trent. If this assumption were not to be the case in practice then there would be additional disbenefits as a result of extended journey times to current users which would weaken the business case further.

New rail demand for reinstated passenger services at Norton Bridge

Forecasting rail passenger demand if rail services were to be reinstated at Norton Bridge station is uncertain and depends on factors including local housing, employment, the nature of rail services and competition from other modes. Therefore, we estimate new demand at Norton Bridge station by use of a central trip rate forecast assumption constructed with consideration of a low to high demand forecasting range to reflect this uncertainty. Outturn demand would be expected to lie within this low – high forecasting range. However, the population of Norton Bridge is very low (circa 600 people in Parish of Chebsey) and even a high trip rate would generate low levels of demand.

The low rail demand scenario is based on current demand on the subsidised local bus routes with an estimated 3,800 total single passenger trips per year currently boarding and/or alighting at the Norton Bridge fare stage. If train services resumed the in-vehicle time by rail between the stations at Norton Bridge, Stafford and Stone would be about one third of that by bus making mode switch attractive for some bus passengers depending on the other characteristics of their journeys. For example, the majority of bus passengers using the current Norton Bridge services benefit from free concessionary bus travel, which would not be available on rail, and who would be unlikely to use a reinstated train service. We generate a low rail demand for Norton Bridge that is equivalent to about 3.2 rail trips per person per year.

Note that both “do something” options assume there is a reduction in the subsidy for a rail replacement bus service at Norton Bridge station. This is currently provided by supported local bus services with about 6 return services per day, Monday – Saturday. These supported local bus services also serve a number of other intermediate locations between Stone and Stafford that are not served by other local bus routes: these include Cotes Heath and Seighford as well as Norton Bridge. The loss of the rail element of the bus subsidy from the DfT of £40,000 per year in current prices, is assumed to result in a reduction of bus company operating costs by an equal amount. However, until a review of bus services is undertaken any potential changes are not known and therefore no assumptions regarding specific bus routes and frequencies have been made in the analysis.

The high rail demand scenario is based on a trip model determined from local population catchment and Office of Rail and Road (ORR) estimates of station use (Table 1). Population and ORR data suggest the rail trip rate in 2014-15 at Stone was 6.7 rail trips per person per year. We assumed this would be a representative high trip rate for Norton Bridge.

	Station entries & exits 2014-15	Population, 2011	Trips 2014-15/person 2011	Trains/day 2015
Stone	106,474	16,000	6.7	28
Stafford	2,119,250	131,000	16.2	204
Stoke-On-Trent	2,685,300	249,000	10.8	220
Alsager	96,292	11,800	8.2	58
Kidsgrove	195,832	24,000	8.2	91
Penkridge	201,540	8,500	23.7	57

Table 1: Station use, local population, trip rates, rail service frequency

Sources: ORR, Census, MOIRA

We considered other current evidence on trip rates. The National Travel Survey estimate of the average trip for surface rail in the West Midlands region as a whole is about 14 trips per person per year which is probably representative of larger urban areas with more rail services. Penkridge station is used by just over 200,000 passengers per year, drawing passengers from a wide catchment area, with dedicated station car parks, long distance rail services, and twice the frequency of rail service than at Stone station.

Our main appraisal results are based on the central rail demand scenario that uses a trip rate forecast assumption of 4.9 rail trips per person per year, that is the mid-point of our low to high demand forecasting range.

Cost modelling

A desk based bottom up cost model has been constructed for returning Norton Bridge station to passenger use. The scope of works involved has drawn on information regarding the current condition on the station, sources included Network Rail's website and social media reports. A high to low capital cost range was estimated for each cost item, based on DfT's judgement and experience of recent schemes.

Norton Bridge station is located on the West Coast Main Line at the Crewe/Stoke-on-Trent Y-shaped junction to the north of Stafford. From the 1960s the station served only the Stoke-on-Trent branch line from an island platform without any platform access to services on the

² Stakeholders are organisations or individuals representing wider groups of people such as MPs and Councillors. Individual respondents are those representing their own personal views.

Crewe mainline. The station has been out-of-use since 2004, the long footbridge to the branch line island platform was removed and there has been little or no maintenance.

The Stafford Area Improvements Programme is a £250 million package of works to improve capacity and performance on the West Coast Main Line around Stafford. It has consisted of three key rail projects: line speed improvements between Crewe and Stafford; resignalling of Stafford Station and the surrounding area; and six miles of new railway and fly-over at Norton Bridge. On completion, passengers will benefit from more capacity and a faster, more reliable railway. Services between Stafford and Stoke-on-Trent now use the faster new flyover route which bypasses Norton Bridge station. Track realignment works mean the existing island platform at Norton Bridge now adjoins the up fast Crewe mainline on the west side of the island platform and the bi-directional Norton Bridge East Chord on the east side.

The exact condition of the island platform is unclear as it is inaccessible following the removal of the footbridge: our appraisal assumes that returning it to use would incur significant additional cost. Track realignment, possible damage during track works, decay because of limited maintenance since 2004 and changes in standards such as for stepping distances would probably present considerable challenges to restore use of the existing island platform. In addition, construction would be complicated by the proximity to a high speed line and the distance from the nearest road. We have worked on the basis that the most practical way to reinstate the station to an acceptable condition would be to demolish the current platform and replace with a wholly new structure.

Restoring passenger services would require the construction of a new footbridge and probably two lifts to provide passenger access to the island platform. Station works would disrupt running of the Crewe – London mainline because of proximity to the junction. In addition, the economic model includes an estimate for additional ongoing costs and renewal of the lifts after 30 years of use. We assume all works could be accommodated within the existing railway estate so land purchase would not be required and make no provision for a dedicated station car park.

Our cost modelling has generated a low to high range for investment costs of between £13.2 million and £22.8 million present value at 2010 market prices, including optimism bias. Our main appraisal results are based on the central scenario investment cost of £18.0 million.

The operating costs of the DS1 option would include a station access charge, additional energy costs for the train operator, and additional renewal costs. We are working on the assumption that Norton Bridge station would not be staffed.

Appraisal spreadsheet

The socio-economic appraisal was carried out in accordance with the Department for Transport's appraisal guidance, in particular the web-based transport analysis guidance or WebTAG, available at www.gov.uk/dft. Some simplifications of the appraisal that we judged proportionate given the inherent uncertainty of the central forecast are noted below.

Standard DfT/HM Treasury Green Book discounting factors have been applied, at 3.5% per annum for 30 years from scheme opening and 3% thereafter; all values and prices are expressed in 2010 market prices.

The appraisal period covers construction followed by 60 years of operation the first year of which for appraisal purposes is assumed to be 2017/18. A long appraisal period is appropriate for a long lived asset such as a new platform and footbridge.

Rail demand is assumed to grow by 2% per annum, this is in line with recent national growth. For appraisal purposes, rail demand growth is assumed to be capped after 2036/37.

The catchment population of Norton Bridge station used for trip rate analysis is based on the Parish of Chebsey, Staffordshire, Census 2011.

User benefits are reported for an average rail user, with a value of time of £8.42 per hour, 2010 market prices, based on an all week average journey purpose split of 8% work trips, 52% commuting, 40% other purposes.

Time saving benefits (or disbenefits) are counted in full for existing rail users, but for new rail users (including those who switch from bus) have been subject to the rule of half.

Impacts on bus users who do not switch mode have not been quantified: some change in the routing, frequency and timing of bus services will occur in response to competition from rail and the reduction in the level of subsidy.

Newly generated journeys resulting from station opening are assumed to occur in full in the opening year. This is a simplification compared to rail modelling guidance to build up to their full predicted level over a 3-year period (70% of their full value after one year, 90% after two years, the remainder over the subsequent year).

Capital and operating cost information was estimated by DfT. Capital costs were increased to include optimism bias of 66% as per standard WebTAG guidance for a project at this stage of development. Operating costs include optimism bias of 41% of its present value.

Disruption costs during construction and the delay disbenefits to rail passengers and highway users during construction are estimated from Network Rail's default parameters, as follows. The loss of passenger revenue during construction (Schedule 4 cost), is assumed to be 10% of the point estimate. Rail user disbenefits during construction are assumed to be equal to 100% of revenue loss. Non-rail user disbenefits during construction are assumed to be equal to 25% of revenue loss.

The impact on indirect tax revenues has been estimated for the change in rail revenue. Any changes in highway use would also impact on indirect tax revenue but these have not been quantified.

Rail fares are assumed to grow at RPI+0 per year to 2020 and then at RPI+1 to 2036.

Quality assurance

The economic model's process, inputs and results have been subject to a continuous assurance process. We conclude the model is proportionate, robust, and consistent with WebTAG. The analysis has confirmed that the cost of reinstating train services to the station and the capacity of the line to accommodate a train service at Norton Bridge are key issues. Bespoke engineering and travel diary surveys would improve the reliability of individual cost and demand assumptions but would not be proportionate and would not lead to different value for money conclusions.

Results of economic appraisal

The results of the economic appraisal for the “do something” reinstate services and closure options are shown in the following tables and discussed below.

“Do something” option DS1: reinstate passenger services at Norton Bridge Station

	ALL MODES	ROAD	BUS	RAIL	OTHER
User benefits (all journey purposes)	TOTAL £m				
Travel time				-0.282	
Vehicle operating costs					
User charges					
During Construction & Maintenance		-0.239		-0.957	
Subtotal	-1.478 (1a+1b+2)	-0.239		-1.239	
Provider impacts					
Revenue				-0.192	
Operating costs			0.890	-1.035	
Investment costs				-17.960	
Grants/subsidy			-0.890	19.187	
Subtotal	0.000 (3)		0.000	0.000	
TOTAL					
Present Value of Transport Economic Efficiency Benefits (TEE)	-1.478	(6) = (1a+1b+2) + (3)			

Notes: Benefits appear as positive numbers, while costs appear as negative numbers
All entries are discounted present values, in 2010 prices and values

Table 2: Economic Efficiency of the Transport System (TEE)

	ALL MODES	ROAD	BUS	RAIL	OTHER
Local Government Funding	TOTAL £m				
Revenue					
Operating Costs					
Investment Costs					
Development and Other Contributions					
Grant/subsidy Payments					
NET IMPACT	(7)				
Local Government Funding	TOTAL £m				
Revenue					
Operating Costs					
Investment Costs					
Development and Other Contributions					
Grant/subsidy Payments			-0.890	19.187	
NET IMPACT	18.297 (8)		-0.890	19.187	
Central Government Funding: Non-Transport					
Indirect Tax Revenues	-0.034 (9)			-0.034	
TOTALS					
Broad Transport Budget	18.297 (10) = (7) + (8)				
Wider Public Finances	-0.034 (11) = (9)				

Notes: Costs appear as positive numbers, while revenues and 'Developer and Other Contributions' appear as negative numbers.
All entries are discounted present values in 2010 prices and values.

Table 3: Public Accounts (PA) Table

Noise		(12)
Local Air Quality		(13)
Greenhouse Gases		(14)
Journey Quality		(15)
Physical Activity		(16)
Accidents		(17)
Economic Efficiency Users	-1.478	(1a+1b+2) + (3)
Wider Public Finances (Indirect Taxation Revenues)	0.034	(11) – sign changed from PA table, as PA table represents costs, not benefits
Present Value of Benefits (see notes) (PVB)	-1.444	(PVB) = (12) + (13) + (15) + (16) + (17) + (1a+1b+2) + (3) - (11)
Broad Transport Budget	18.297	(10)
Present Value of Costs (see notes) (PVC)	18.297	(PVC) = (10)
OVERALL IMPACTS		
Net Present Value (NPV)	-19.742	NPV = PVB-PVC
Benefit to Cost Ratio (BCR)	-0.1	BCR = PVB/PVC

Note: This table includes costs and benefits which are regularly or occasionally presented in monetised form in transport, together with some where monetisation is in prospect. There may also be other significant costs and benefits, some of which cannot be presented in monetised form. Where this is the case, the analysis presented above does NOT provide a good measure of value for money and should not be used as the sole basis for decisions.

Table 4: Analysis of Monetised Costs and Benefits

“Do something” option DS2: close Norton Bridge station

	ALL MODES TOTAL £m	ROAD	BUS	RAIL	OTHER
User benefits (all journey purposes)					
Travel time				0.000	
Vehicle operating costs					
User charges					
During Construction & Maintenance					
Subtotal	0.000 (1a+1b+2)			0.000	
Provider impacts					
Revenue				0.000	
Operating costs			0.890	0.000	
Investment costs				0.000	
Grants/subsidy			-0.890	0.000	
Subtotal	0.000 (3)		0.000	0.000	
TOTAL					
Present Value of Transport Economic Efficiency Benefits (TEE)	-1.478 (6) = (1a+1b+2) + (3)				

Notes: Benefits appear as positive numbers, while costs appear as negative numbers
All entries are discounted present values, in 2010 prices and values

Table 5: Economic Efficiency of the Transport System (TEE)

	ALL MODES TOTAL £m	ROAD	BUS	RAIL	OTHER
Local Government Funding					
Revenue					
Operating Costs					
Investment Costs					
Development and Other Contributions					
Grant/subsidy Payments					
NET IMPACT	(7)				
Local Government Funding					
Revenue					
Operating Costs					
Investment Costs					
Development and Other Contributions					
Grant/subsidy Payments			-0.890		
NET IMPACT	-0.890 (8)		-0.890	0.000	
Central Government Funding: Non-Transport					
Indirect Tax Revenues	0.000 (9)			0.000	
TOTALS					
Broad Transport Budget	-0.890 (10) = (7) + (8)				
Wider Public Finances	0.000 (11) = (9)				

Notes: Costs appear as positive numbers, while revenues and 'Developer and Other Contributions' appear as negative numbers.
All entries are discounted present values in 2010 prices and values.

Table 6: Public Accounts (PA) Table

Noise		(12)
Local Air Quality		(13)
Greenhouse Gases		(14)
Journey Quality		(15)
Physical Activity		(16)
Accidents		(17)
Economic Efficiency Users	0.000	(1a+1b+2) + (3)
Wider Public Finances (Indirect Taxation Revenues)	0.000	(11) – sign changed from PA table, as PA table represents costs, not benefits
Present Value of Benefits (see notes) (PVB)	0.000	(PVB) = (12) + (13) + (15) + (16) + (17) + (1a+1b+2) + (3) - (11)
Broad Transport Budget	-0.890	(10)
Present Value of Costs (see notes) (PVC)	-0.890	(PVC) = (10)
OVERALL IMPACTS		
Net Present Value (NPV)	0.890	NPV = PVB-PVC
Benefit to Cost Ratio (BCR)	0.0	BCR = PVB/PVC

Note: This table includes costs and benefits which are regularly or occasionally presented in monetised form in transport, together with some where monetisation is in prospect. There may also be other significant costs and benefits, some of which cannot be presented in monetised form. Where this is the case, the analysis presented above does NOT provide a good measure of value for money and should not be used as the sole basis for decisions.

Table 7: Analysis of Monetised Costs and Benefits

The Railways Closures Guidance states that if the BCR of retaining the station is less than 1.5 then there is a requirement to take fully into account the non-monetised benefits of not proposing closure. The latest version of WebTAG sets out four key objectives which need to be addressed by the appraisal³. The conclusions are summarised in the appraisal summary table (AST), Table 8, for the “do-something” options, relative to the “do minimum”.

Objective	Option DS1 Rebuild station, reinstate train services, & end bus subsidy	Option DS2 Close station, & end bus subsidy
Environmental	Slight adverse: dependent on net impact of changes in bus and car traffic, and rail emissions	Slight adverse: dependent on net impact of changes in bus and car traffic, and rail emissions
Economy	Slight adverse: journey time disbenefits for existing business rail users are not offset by journey benefits to new business rail users	Neutral: potential for reduced dwell time penalty for existing business rail users
Social	Slight adverse: journey time disbenefits for existing commuters and other rail users are not offset by journey benefits to new commute and other rail users the new rail service would improve access but this could be offset to some extent following changes to local bus services in the absence of subsidy. Changes to bus services would have an adverse impact on passengers benefiting from concessionary fares no severance impacts	Slight adverse: following changes to local bus services in the absence of subsidy. Changes to bus services might have greatest impact on passengers benefiting from concessionary fares. potential for reduced dwell time penalty for existing commute and other rail users
Public Accounts	Adverse: significant investment costs	Neutral: Possible saving in net level of public sector bus subsidy

Table 8: Appraisal Summary Table, Norton Bridge station

³ Railways Closure Guidance dates from 2006 and refers to WebTAG’s then use of five key objectives of Environmental, Safety, Economy, Accessibility and Integration. Any significant safety, accessibility or integration impacts are now reported under the Social objective.

Conclusions

The results of the economic analysis for the “do something” option DS1 to reinstate services at Norton Bridge station suggest there would be large investment costs despite savings in bus subsidy and overall disbenefits to passengers despite reduction in dwell times at Stafford or Stoke-on-Trent.

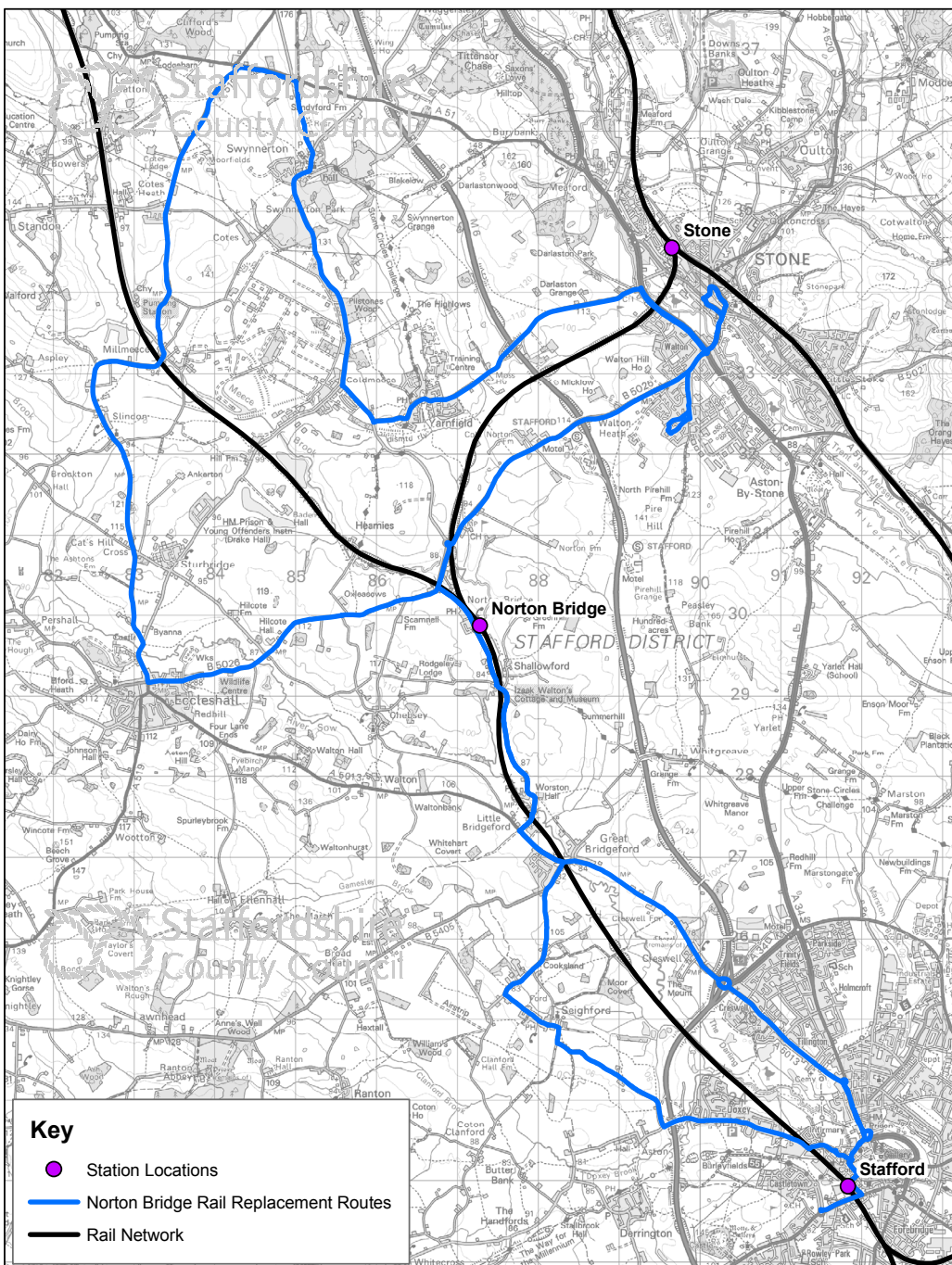
- Benefits are negative (i.e., disbenefits to existing rail users exceed the gain to new rail users), -£1.5m present value.
- Total costs of £18.3m are large relative to the benefits.
- The NPV is negative at -£19.7m.
- The benefit cost ratio is -0.1 reflecting the net disbenefits of the option.
- As the AST shows, the impacts under the objectives of; environment, and social are slight, if not neutral and would not change the conclusion that re-opening does not represent value for money.
- The value for money conclusions are robust to different cost and demand assumptions. For example, if the platform did not have to be rebuilt and the trip rate at Norton Bridge were to be twice that tested, then the NPV is negative at -£4.2m.

The results of the economic analysis for the “do something” Norton Bridge station closure option (DS2) quantify the savings in bus subsidy and show:

- There are no quantified benefits: the impacts of reducing dwell times at Stafford or Stoke-on-Trent could not be reliably estimated in MOIRA because of the very small number of services affected at Norton Bridge.
- Total costs are a saving of bus subsidy is £0.9m present value (i.e., a negative cost).
- The NPV is positive at £0.9m.
- The benefit cost ratio is 0.0 reflecting absence of quantified benefit.
- As the AST shows, the impacts under the criteria of; environment and social are slight, if not neutral and would not change the conclusion that closure and a saving in bus subsidy would represent value for money.
- The value for money conclusions are robust to different assumptions. For example, if the saving in bus subsidy were half that tested then the NPV is £0.4m.

Annex B: Map of Norton Bridge station and replacement bus services

Norton Bridge Station - Replacement Bus Service Routes



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Annex C: Consultation principles

The consultation is being conducted in line with the Government's key consultation principles which are listed below. Further information is available on the Better Regulation Executive website at <https://www.gov.uk/government/publications/consultation-principles-guidance>

If you have any comments about the consultation process please contact:

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Department for Transport
Zone 1/29 Great Minster House
London SW1P 4DR

Email consultation@dft.gsi.gov.uk

Please do not send consultation responses to this address.