

GLASGOW AIRPORT ACCESS PROJECT

Outline Business Case Briefing



GLASGOW
CITY REGION
City Deal

GLASGOW AIRPORT ACCESS PROJECT

OBC BRIEFING

Contents:

- Strategic Business Case - key findings
- Outline Business Case – further work
- Outline Business Case – key findings



GLASGOW AIRPORT ACCESS PROJECT

PURPOSE/ CASE & POLICY

- City Deal : £1.13bn infrastructure fund
 - Airport Access Project is flagship project/ £144.3m budget
- 8th Busiest airport in UK - 5th best in class in Europe
- Key Gateway for Inbound Business and Tourist Traffic
- Major Employer
- 9m passengers (May 2015) - in excess of 10m passengers by 2025
- Heavily dependant on road based access
- Current mode choice trends are unsustainable and contrary to National, Regional and Local policies



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SBC KEY FINDINGS

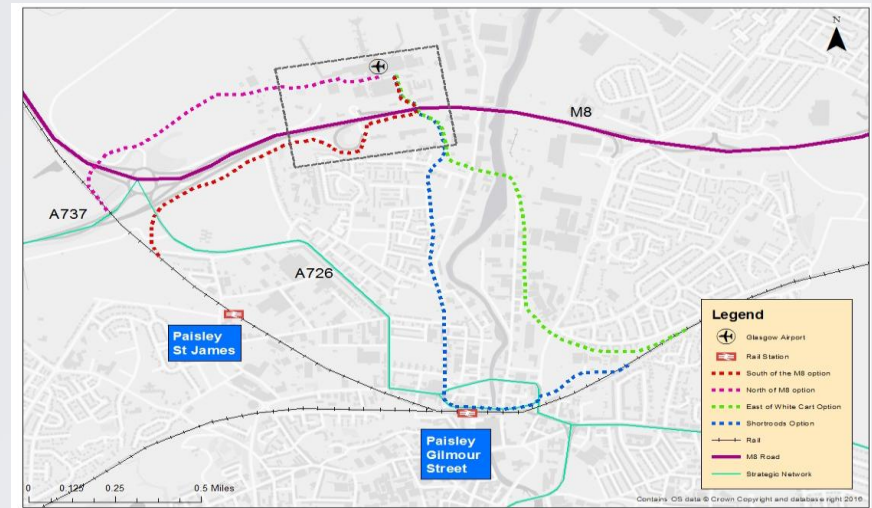
- Preferred Options:
 - Personalised Rapid Transit: existing heavy rail & elevated people carrying system.
 - Tram Train: tram type vehicles running on existing heavy rail network with a new tram spur to the airport.
- Tram Train was best performing option from both a qualitative and quantitative basis BUT
 - further investigation required (costs/ technical - including rail capacity/ economics)
- OBC to further review options and :
- make recommendation on preferred option to be taken to Full Business Case
- Provide sufficient assurance that preferred option is a viable option and provide basis for development of the Full Business Case



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WORK DONE FOR OBC

- Costs
- Economics
- Technical
- Governance



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OBC- KEY FINDINGS

Options Appraisal:

- SMART Transport Planning Objectives
- STAG criteria
- Deliverability Issues
 - Affordability
- Tram train £132.03m (excl contingency)/ PRT - £144.236m (excl contingency)
- PRT would definitely require an ongoing revenue subsidy
- Economic
 - Tram Train: BCR – 2.5 to 3.8
 - PRT: BCR 2 to 2.7

Environment

- PRT would have greater impact on landscape and visual amenity
- **Tram Train is preferred option**



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OBC- KEY FINDINGS

Capacity:

- 2 Tram Train service patterns have been modelled (against December 2015 timetable enhanced to include services **committed** for 2025)
 - 4 per hour all day – modelling suggests can't be accommodated without capacity interventions (or service removals)
 - 4 per hour in off peak & 3No in AM peak/ 2No in PM peak – modelling suggests it can be accommodated without capacity interventions (or service removals); however
 - Performance impacts are to be fully tested; and
 - Transport Scotland/ Network Rail require other service enhancements should be included (new trains/ longer trains).
- Work with Transport Scotland & Network Rail to agree a proposed methodology for modelling rail service changes/ ranking their impact, required capacity interventions (or otherwise) to support them.



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OBC- KEY FINDINGS

Tram – Train Capital Costs

Item	Cost
Feasibility Costs	-
Construction Costs	65,127,670
Land Costs	3,000,000
Equipment Cost	40,167,345
Internal Council Design & Management Fees	3,053,945
Land Remediation	-
External Consultants	12,268,345
Other third Party Costs	8,601,237
Other Costs	359,782
Contingency	11,715,675
TOTAL	144,294,000

- Capacity interventions (or cost associated with service removals) not included in costs



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OBC- KEY FINDINGS

- Operation and Maintenance Costs V fare box return.
 - Sensitive to:
 - passenger numbers (growth)
 - Operational model – franchise or concession
- GVA £240m p.a
- Benefit to Cost Ratio : 2.5-3.8 (central/ high growth & full/ interim service)
- 1m passengers per year
- 16.5 min journey time - reliability just as important
- Tram Train Vehicles
 - Market testing with suppliers has proved availability of vehicles within budget
 - Further engagement with other bodies who will be buying tram trains
- Further detailed work required in Full Business Case to develop:
 - Detailed timetable
 - Design and construction of route
 - Vehicle procurement
 - Operation and Maintenance model



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OBC- KEY FINDINGS

Key Risks:

- Rail Capacity
- Scope/ Costs
- Operating & Maintenance Models
- Technical and Regulatory issues
- Statutory Processes
- Procurement of Tram Trains
- Brexit
- Skills Availability

CITY DEAL INFRASTRUCTURE PROJECT RISK REGISTER																		
Project Title:		AIRPORT ACCESS																
Member Authority:		RENFREWSHIRE COUNCIL/GLASGOW CITY COUNCIL																
Project Location:		Renfrewshire/Glasgow (Glasgow Airport to Glasgow Central via PGS)																
Project Sponsor:		Stephen McFadden / Carol Connolly																
Project Manager:		George Vincent																
Date:		03 September 2015																
		* Last reporting period was to:																
Date Raised	Risk Ref	Status	Main Risk Category	Risk Description		Inherent Impact	Inherent Probability	Inherent Risk Score	Rank	Owner	Controls Action	Residual Risk Score This Reporting Period					Date Checked	Movement since last report
				Challenge	Impact							Residual Impact	Residual Probability	Residual Risk Score	Residual Rank	Rank by #		
Mar-2015	RA001	Open	Financial	Delays in agreeing project scope	Leads to delay & extra cost. Potential of project not being delivered	4	3	12	High	C Connolly / S McFadden	Governance arrangements put in place to agree scope. Collaborate working with key stakeholders Transport Scotland, NWR, Glasgow Airport on scope and issues affecting line	4	3	12	High	03/09/15	↑	
Mar-2015	RA002	Open	Financial	Project costs exceed available City Deal funding allocation.	Financial pressure on Council's funding. Risk to delivery of project	4	3	12	High	C Connolly / S McFadden	Robust project management and cost control/cost management at all stages of development/delivery. Robust scrutiny of initial cost estimates; preparation of robust cost estimates and ongoing review at all stages.	4	2	8	High	03/09/15	↔	
Mar-2015	RA012	Open	Physical	Competition for capacity on existing rail lines on approaches to Glasgow Central to accommodate new service	Desired solution cannot be delivered.	5	4	20	High	G Vincent / S McFadden	Early and continued engagement with NWR and TS to address capacity issues and development of solution/way forward. Including Engagement with Network Rail on Scotland Rail Study. Consideration to be given to 'alternative' solution while awaiting resolution of issues.	5	3	15	High	03/09/15	↔	
Mar-2015	RA013	Open	Physical	Competition for capacity on existing rail lines on approaches to Glasgow Central to accommodate new service	Desired solution cannot be delivered.	5	4	20	High	G Vincent / S McFadden	Early and continued engagement with NWR and TS to address capacity issues and development of solution/way forward. Including Engagement with Network Rail on Scotland Rail Study. Consideration to be given to 'alternative' solution while awaiting resolution of issues.	5	3	15	High	03/09/15	↔	
Mar-2015	RA020	Open	Contractual	Statutory Processes cause delay, amended design or construction process.	Delays delivery programme	5	4	20	High	G Vincent / B Walker	Early consideration of appropriate statutory process route (e.g. Planning powers, TWAS, Track Access agreements, etc.) and development of strategy, with legal input, to take forward process. Regular reviews of strategy with appropriate legal input.	4	3	12	High	03/09/15	↔	
Mar-2015	RA024	Open	Contractual	Delays in procurement of rail units' affects implementation of operational service	Delay in implementation of operational service. Potential increase in cost for procurement.	4	4	16	High	G Vincent / B Walker	Early resolution of 'technical issues' to inform requirements for units. Early engagement with potential suppliers over design & availability of units. Timely development of procurement strategy.	4	3	12	High	03/09/15	↔	
Mar-2015	RA004	Open	Financial	Failure to adequately define project benefits (GVA) and put in place benefits realisation strategy effect progression through Gateways.	Delays delivery programme. Potential risk to grant funding income for development stages.	4	3	12	High	C Connolly / S McFadden	Obtain clear understanding of initial Region wide benefits outputs. Review assumptions and revise for business cases. Put in place appropriate benefits realisation strategy.	2	2	4	Medium	03/09/15	↓	
Mar-2015	RA007	Open	Contractual	Appointments of all necessary Professional services to accord with project programme	Disruption and Delay	4	3	12	High	G Vincent / B Walker	Robust project management and reporting controls. Appropriate procurement strategy to be developed and implemented. Early engagement of consultants where possible. Early and ongoing engagement with Rotherham on skills requirements, procurement etc.	3	2	6	Medium	03/09/15	↔	
Mar-2015	RA009	Open	Regulatory/legal	Resolution of 'ownership' model affects implementation of service	Delay in implementation of operational service. Potential impact on revenue income could affect financial model.	4	3	12	High	G Vincent / S McFadden	Early engagement with stakeholder/potential stakeholders (e.g. NWR, TS, Franchise operator) to inform potential models. Timely development of necessary legal agreements.	3	3	9	Medium	03/09/15	↑	
Mar-2015	RA014	Open	Physical	Technical and regulatory issues relating to design (e.g. Power supply, wheel/rail profile, high floor/low floor, signalling, crash protection, etc.) affect deliverability of project	Delays programme and leads to extra cost	4	3	12	High	G Vincent / S McFadden	Close liaison with Sheffield Rotherham Tram Trial team over emerging solutions for issues. Early engagement with relevant stakeholders (e.g. NWR, TS, ORR) on issues and solutions.	3	2	6	Medium	03/09/15	↓	

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OBC - KEY FINDINGS

Programme Milestones:

• Outline Business Case Cabinet Approval*	13 December 2016
• Transport Scotland's HLOS (2019-2024)	June 2017
• Update to Cabinet**	Summer 2017
• Annual Update to Cabinet	Summer 2018/ 2019/ 2020
• Operational & Maintenance Model completed	Spring 2021
• Infrastructure Tenders returned	Autumn 2021
• Rolling Stock Tenders returned	Autumn 2021
• Full Business Case Cabinet Approval	Autumn 2021
• Construction Completion	Summer 2024
• System testing	Summer-Late 2024
• System Operational	Early 2025

*seeking release of funding to progress FBC (up to £14m)

** Report to Cabinet on progress on project being included in HLOS (obtaining agreement with Transport Scotland to include it in their future rail planning proposals)

•Potential for Programme Acceleration (1-1.5 years)

–requires assistance from Transport Scotland and Network Rail to reduce timescales for Statutory Processes and programming/ fast tracking access to heavy rail network for construction and service testing.



The background is a white canvas with several large, overlapping, semi-transparent geometric shapes in various colors: yellow, orange, red, pink, purple, blue, teal, and green. These shapes are arranged in a way that they appear to be layered, creating a dynamic and modern aesthetic.

VIDEO



ANY QUESTIONS?

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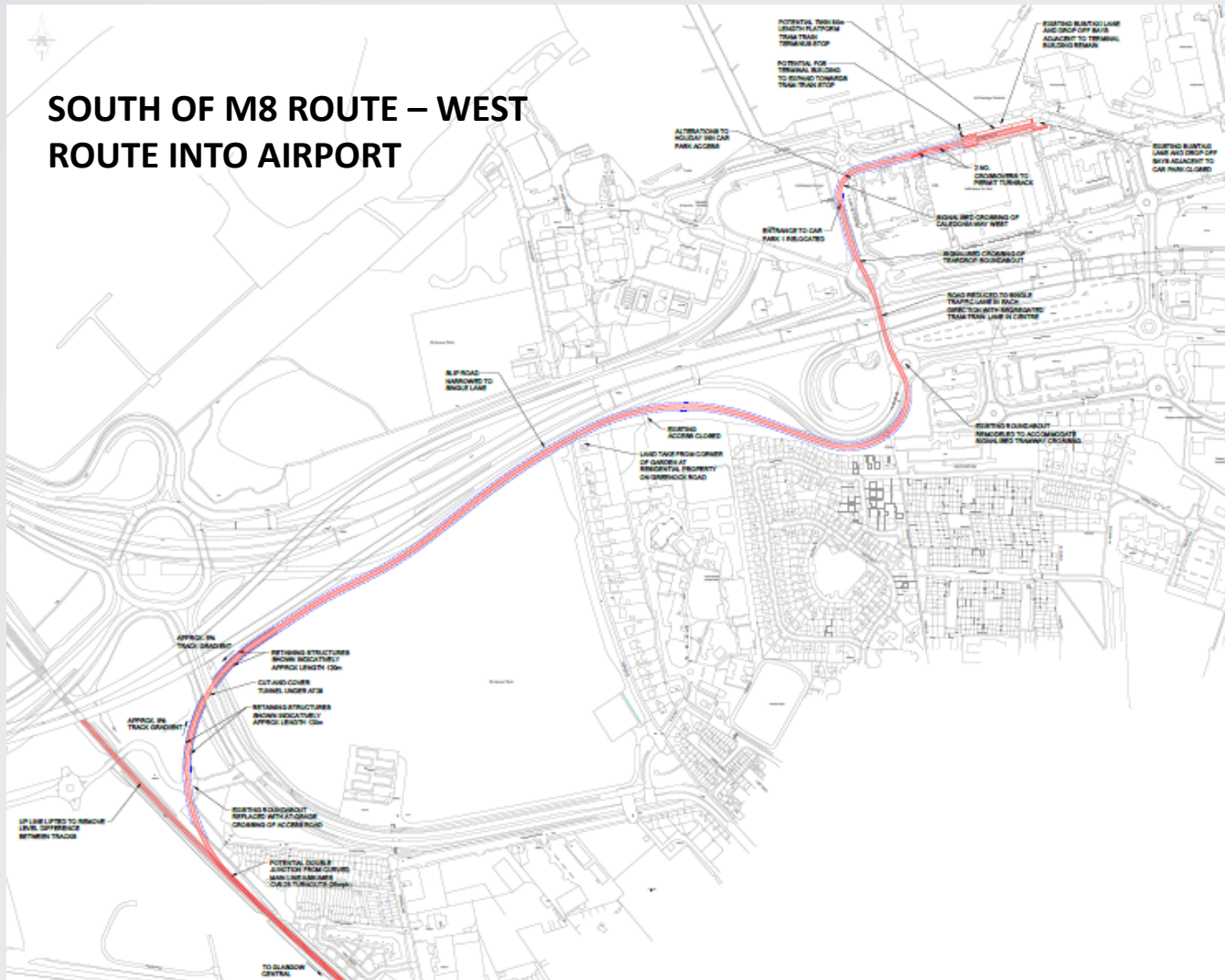
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SOUTH OF M8 ROUTE – WEST ROUTE INTO AIRPORT



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Onward connectivity

Benefitting business travellers, holiday makers
and airport workers

