

## **East West Rail Consortium Strategic Board 27<sup>th</sup> July 2020**

### **Agenda Item 7: Digital Infrastructure (Western Section)**

**Recommendation: It is recommended that the meeting:**

- a) Support the principle of delivering East West Rail (Western Section) as a digitally enabled corridor**
- b) Support the proposal to commission an Impact Assessment that will enable the costs and benefits of delivering a digitally enabled corridor to be identified**
- c) Consider the output of the Impact Assessment at its meeting on 23<sup>rd</sup> September**

#### **1. Context**

- 1.1. The East West Main Line will create a new infrastructure corridor, one that transforms east-west connectivity.
- 1.2. The project will be delivered with the fibre connectivity that railway operations require. However, in delivering the project the opportunity is also created to take advantage of the opportunity to deliver a 'digital spine', one that can support improved digital connectivity, not only for the benefit of rail users, but also for adjoining communities.
- 1.3. As recent events have highlighted improved digital connectivity is as important as physical connectivity, if not more so in many instances.
- 1.4. At the same time, the work undertaken by England's Economic Heartland (EEH) in respect of the Pathways to Decarbonisation has also highlighted the importance of digital connectivity as part of the solution.
- 1.5. The draft Transport Strategy published by EEH on 14<sup>th</sup> July identifies the need to ensure that where investment is being made in strategic transport infrastructure the opportunity should also be taken to deliver that infrastructure as digitally enabled.

#### **2. Western Section: Digitally Enabled**

- 2.1. Network Rail has identified that the Western Section will be delivered with a 48-core fibre in order to meet railway operational needs.
- 2.2. In discussion with officers it has been identified that there is the opportunity to deliver the project with a 432-core fibre. Moreover it has been identified that the cost of providing this additional capacity, if laid at the time the route is constructed, is one-tenth that of providing such capacity retrospectively once the infrastructure is open to traffic.
- 2.3. The provision of a 432-core fibre as part of EWR (Western Section) would have two principal benefits:
  - a) It would provide additional fibre capacity as part of the overall fibre network, capacity that could be used to provide back-haul services in support of the role of digital connectivity more widely

- b) It would provide the opportunity to create 'break out' points along the route, thereby providing the opportunity to bring improved connectivity to communities, residents and businesses along the route.
- 2.4. Discussions at officer level have concluded that intuitively the opportunity to realise the additional digital connectivity 'feels right', however there is a need to ensure that the proposal is indeed appropriate to make.
- 2.5. Officials from the DfT have indicated their strong support for the proposal to deliver East West Rail (Western Section) as a digitally enabled piece of infrastructure. Indications are that the DfT would wish to see the whole project delivered with this capability.

### **3. The Opportunity**

- 3.1. Based on work undertaken by Network Rail the cost incurred by providing a 432-fibre is approximately £1.14m: this includes the cost of providing up to 10 'break out' points along the corridor.
- 3.2. Despite best endeavours on all sides it has not been possible for the DfT to identify a mechanism by which the additional cost of providing the fibre connectivity can be met by Government.
- 3.3. However, the DfT has indicated that given the investment in digital connectivity would represent a benefit for the localities through which it runs, the cost of making that provision could be counted as 'Work in Kind'.
- 3.4. Members of the Consortium will recall that – for the Western Section – there is a requirement for the partners to make local contributions towards the cost of the project; a total contribution of £45.4m.
- 3.5. Members will also recall that there is an arrangement in place whereby the work of partners in support of delivering the Western Section is captured, monetised and deducted from the total of local contributions required. As at the end of 2019 the total amount of 'Work in Kind' amounted to £3.85m.
- 3.6. By DfT agreeing to count the cost of providing the additional digital connectivity as 'Work in Kind' the total amount of local contributions required would be reduced.
- 3.7. The most appropriate mechanism for taking account of this investment would be to allocate the cost of the investment across the local contributions from those partners that would directly benefit from the provision of the additional digital connectivity.

### **4. The Proposal**

- 4.1. As noted earlier, intuitively ensuring that the Western Section is delivered as a digitally enabled corridor – one that brings benefits to the communities through which it passes – 'feels right'.
- 4.2. However there is a need to ensure that such an investment is indeed appropriate and not being made simply because it is possible.
- 4.3. It is therefore proposed that a short piece of work – an Impact Assessment – is commissioned. The purpose of that commission being three-fold:
- To enable the cost of delivering the 432-fibre digital connectivity to be confirmed
  - To enable the location of the 'break out' points to be agreed with local partners
  - To enable the commercial model proposed by NRT (Network Rail Telecoms) in relation to operation of the capacity to be understood and the benefits that this will bring to local partners (effectively understanding the return to the partners arising from the investment that they would be making)

- 4.4. There is an urgency about the need to commission the Impact Assessment given the advanced stage the Western Section project is at and the impending start of main works. It is therefore proposed that the work is commissioned with immediate effect.
- 4.5. The cost of the Impact Assessment is £25k and DfT has again indicated that it would support the work being recognised as 'Work in Kind'.
- 4.6. The commissioning of the Impact Assessment does not presume that the investment in the 432-fibre will be made: rather it will provide local partners with the information required to make an informed final decision.
- 4.7. The Impact Assessment is expected to take between 7-8 weeks. This would enable the next meeting of the EWR Consortium to consider its output at its next scheduled meeting on 23<sup>rd</sup> September.

**Martin Tugwell**  
**July 2020**