

# Proposed Property Disposal

Application by Network Rail Infrastructure Limited to dispose of land in accordance with the Land Disposal Condition of the Network Licence

1. Site	
Site location and description	Lichfield, Staffordshire – Former site of Ministry of Agriculture, Fisheries and Food depot (MAFF depot) located off Burton Road, Streethay totalling circa 2.5 hectares comprising 2 warehouses totalling 4750 square metres (51,000 square feet) as shown coloured blue and coloured blue hatched black on the Sale Plan No.5597971 Rev A and also, for identification purposes only, shown edged red on the Site Location Plan No. 79570.
Plans attached: (all site plans should be in JPEG format, numbered and should clearly show the sites location approximate to the railway)	Sale Plan No. 5597971 Rev A  Site Location Plan No. 79570  Indicative development drawing No. SK002 Rev C
Clearance Ref:	CR/30895
Project No.	S08430
Ordnance survey coordinates	413468E, 310155N
Photographs (as required)	Image 7795 - viewed from bridge looking north
2. Proposal	
Type of disposal (i.e. lease / freehold sale)	Freehold disposal of part or whole.
Proposed party taking disposal	Unknown - Purchaser to be selected following marketing of the sale/development opportunity or via direct disposal to a special purchaser.
Proposed use / scheme	Part residential and part additional station parking as shown on the indicative development drawing, which may be varied for planning reasons or to suit the Purchasers particular development scheme.

Access arrangements to / from the disposal land	A 24/7 vehicular right of way will be reserved for Network Rail and High Speed 2 from the public highway (Burton Road) and through the Property to the adjoining railway line for articulated vehicles up to 22.5m in length as indicated on the indicative development drawing or along such other route as is deemed acceptable to NR for operational purposes.
Replacement rail facilities (if appropriate)	Network Rail's existing vehicular access through the Property will be diverted to allow the Property to be comprehensively re-developed for housing and a new car park.
Anticipated Rail benefits	Provision of a new car park with a minimum of 78 car parking spaces to provide additional parking capacity for customers using Lichfield Trent Valley railway station.
Anticipated Non-rail benefits	Disposal of surplus railway land for additional housing to provide circa 49 residential units adhering to government policy to release under-utilised public sector land for housing Delivery of a capital receipt for Network Rail. Demolition of redundant former MAFF warehouses and development of a vacant site to remove a liability for Network Rail. The Property was illegally occupied by itinerants in 2016 and contains asbestos materials in the warehouses.
<b>3. Timescales</b>	
Comments on timescales	A disposal of the Property is expected to be completed in 2018/19, subject to the grant of planning consent with an obligation on the buyer of the residential part to build the new car park to Network Rail's specification and satisfaction within an agreed deadline.
<b>4. Railway Related Issues</b>	
History of railway related use	The freehold of the Property was acquired by Network Rail in 2004 as it was required at the time for the West Coast Modernisation project for use as site offices, materials handling and storage. WCRM vacated the Property in 2009. The Property was subsequently occupied by Network Rail (NDS and NSC) for the storage of rail infrastructure but they vacated in Aug 2013. There was a short term occupation of part of the Property in 2014 by contractors in connection with construction of the station building at Lichfield Trent Valley station. The Property has remained vacant since but is subject to 24/7 vehicular access for Network Rail to the adjacent railway for maintenance purposes and to access the siding to the north of the Property.
When last used for railway	The Property was last used for railway related purposes in 2013/14 as indicated above but is subject to current 24/7

related purposes	vehicular access through the Property by Network Rail to the railway/siding.
Any railway proposals affecting the site since that last relative use	Initial interest was shown by Network Rail Works Delivery in the potential future use of the Property in 2016 for accommodation/storage but the premises were not suitable and were ruled out as part of their consolidation plans in March 2016.
Impact on current railway related proposals	None, the existing access through the Property will be varied to allow unrestricted 24/7 vehicular access to the railway to continue together with parking for Network Rail Maintenance and the ability to turn and exit plus retention of land for storage.
Potential for future railway related use	No specific mention of the Property in the RUS but it is accepted that part of the Property would be beneficial and required for the provision of additional station parking, which forms part of the sale/development proposals. It is accepted that the Property is vacant and needs to be developed in a practical way that generates benefit for the wider community but with due consideration for reserving sufficient car parking to meet growth expectations. This takes into account the ownership/control of land and the expected continued use of the existing parking at the station and proposed new parking on third party owned land adjacent to the Property and potential for future use of third party land immediately adjacent to the Station.
Any closure or station change or network change related issues	Should the proposed new car park be included in the station lease then station change will be necessary to formally include this additional area within the station lease demise. There are no network change related issues as the Property is not connected to the railway network.
Whether disposal affects any railway (including train operator) related access needs, and how these are to be addressed in future	The disposal is subject to the provision of a varied 24/7 Network Rail vehicular access route through the Property, along a route which is acceptable to Network Rail and allows comprehensive re-development of the Property for residential and car parking use. The varied access will include the ability for Network Rail vehicles (up to 22.5m length) to turn and exit Network Rail's retained land. The disposal also retains sufficient land for storage and the parking of Network Rail maintenance and other railway associated vehicles.
Position as regards safety / operational issues on severance of land from railway	<p>The disposal includes arrangements under which either Network Rail or the other party will install new boundary fencing along parts of the railway boundary.</p> <p>The disposal is on a basis under which Network Rail has had due regard (where applicable) to impact of the disposal on lineside works, including railway troughing, signalling and their</p>

	<p>maintenance. The disposal is without prejudice to Network Rail's safety obligations, with which Network Rail will continue to comply. Network Rail's network licence requires compliance with Railway Group Standards. These set out requirements for – amongst other things – fencing, access and signal sighting. In addition, the Railways and Other Guided Transport Systems (Safety) Regulations 2006 require Network Rail to have a safety management system and safety authorisation in respect of its mainline railway system and its railway infrastructure. These, in turn, require Network Rail to comply with Railway Group Standards as well as its own internal standards; and also continually to monitor changes to the risks arising from its operations and to introduce new control measures as appropriate.</p>
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## 5. Planning History and Land Contamination

<p>Planning permissions / Local Plan allocation (if applicable)</p>	<p>The previous owner obtained planning consent in December 2003 for 75 residential units on the Property but this expired in December 2010.</p> <p>The Property is effectively allocated for residential use through one of the saved policies of the old Local Plan which is under review as part of the forthcoming Local Plan Allocations process. Network Rail continues to promote it for residential use.</p> <p>The land lying immediately to the east of the Property is currently being developed by Miller Homes who have obtained planning consent (Dec 14) for the development of a mixed use urban extension comprising 750 new homes and a car park of up to 75 spaces as shown on the Location Plan. Miller Homes has reserved matters consent (June 15) for their 1<sup>st</sup> phase of 352 units which includes the 75 space car park. The development is under-construction.</p> <p>Network Rail has recently instigated pre-application discussions with Lichfield District Council over the development proposals for the Property.</p>
<p>Contamination / Environmental Issues (if applicable)</p>	<p>The Property was subject to surveys in 2003 prior to it being acquired by Network Rail, which indicated asbestos within the two warehouses. No current surveys have been undertaken but will be provided to support a future planning application by Network Rail/developer.</p>

## 6. Consultations

<p>Railway (internal – Network Rail)</p>	<p>Pell Frischmann were appointed by Network Rail to produce a Parking Demand Study which concluded that additional parking of 78 spaces should be provided on the Property to support</p>
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	<p>future passenger growth at Lichfield Trent Valley railway station. Network Rail (Strategic Planning), London Midland and DfT support this conclusion.</p> <p>No objections to the proposed disposal subject to the following key conditions:</p> <p>The construction of the car park by a third party or their contractor is to be built to Network Rail's specification and standard under an appropriate Asset Protection Agreement. The buyer will be required to erect appropriate secure fencing to separate development from the railway existing access.</p>
Summary of position as regards external consultations	<p>As part of the disposal/regulatory process, Network Rail appointed Pell Frischmann to provide a Parking Demand Study Report to demonstrate &amp; establish the number of additional station parking spaces required on the Property to meet latent and future demand as part of any development of the Property for housing. The Study concluded in March 2016 that 78 car parking spaces were required on the Property, taking into account existing occupancy/numbers, new development in the locality, the Miller Homes proposed car park and predicted growth. London Midland concurred with the conclusion of the Parking Demand Study, that 78 spaces would be an acceptable number as part of a development scheme. DfT confirmed that they wish to see the Property used for the provision of 78 additional car parking spaces on part, rather than a wholly residential scheme. The provision of additional station car parking on part of the Property is considered necessary by NR, TOC and DfT to ensure sufficient future car parking capacity at the station.</p> <p>HS2 approval "in principle" has been obtained to diverting the existing access, as HS2 has rights under HS2 Hybrid Bill.</p>
Analysis of any unresolved objections together with recommendation by Network Rail as regards a way forward	<p>London Midland initially indicated in May 2017 that they generally supported any scheme to increase parking at railway stations, especially at Lichfield Trent Valley station where there is already high demand. However, they had a number of questions which Network Rail responded to by return. In June 2017 London Midland advised that they would be happy to support the proposal on the condition that the railway car park remained in Network Rail freehold ownership and that the new car park would be incorporated into the SFO's existing station lease. Network Rail refuted the imposition of the proposed condition on the basis that it was unreasonable and the LC7 consultation process was not a vehicle to allow stakeholders to seek to impose their own commercial requirements, thus limiting Network Rail's ability to rent/sell their assets in a prudent commercial manner. Network Rail advised that the car park element of the scheme would be available for additional station parking use to ensure sufficient capacity was available at the station for customers. Network Rail sought confirmation from London Midland as to whether they were prepared to withdraw their proposed condition and if they</p>

were supportive of the proposed disposal on the basis that the car park was available for use by station customers regardless of ownership or management of the proposed facility. In July London Midland indicated concerns regarding management and use of the proposed new car park and advised that they felt it reasonable to expect the proposed new car park to be incorporated into the station lease so that they could ensure that the facility benefitted railway passengers. Network Rail advised London Midland that they had already agreed that the facility would benefit railway passengers in that the car parking element of the scheme would be available for station parking use but that their proposed condition was considered unreasonable. Network Rail indicated that another party could manage the new car park and that until such time as Network Rail had obtained planning consent and certainty that the development would occur, it was premature for Network Rail to identify a specific party to manage the new car park facility. It remained an option for Network Rail to include the car park within the station lease but alternative options needed to remain open to Network Rail at this early stage. Network Rail also indicated that they would expect appropriate management of the car park facility to ensure that sufficient car parking was made available for station customers. In August 2017 London Midland confirmed that they were not prepared to concede and believed that a vague assurance that there would be a car park for rail passengers without any clear explanation of how it would be achieved was not guaranteeing the best interests of the rail industry as a whole or of the fare paying public. London Midland re-asserted their position that the new station car park should remain in Network Rail's freehold ownership and be incorporated into the station lease. Network Rail advised London Midland that they had explained their position and did not consider it reasonable to be commercially constrained by a condition agreeing to transfer the car park into the SFO's lease demise. Indeed the initial consultation form stated under "Anticipated rail benefits" - "Provision of a new car park with a minimum of 78 car parking spaces to provide additional parking capacity for customers using Lichfield Trent Valley railway station. Further Network Rail advised that they will seek to protect the "rail user" on any freehold disposal of the car park by including a restriction on use that it has to be used as a car park.

Unfortunately a suitable resolution was not found and the parties reached an impasse on this particular matter Therefore a submission is made to ORR for approval of the proposed land disposal by ORR on the following basis:

Network Rail does not consider it reasonable to be commercially constrained by a condition agreeing to transfer the car park into the SFO's lease demise. Network Rail can ensure that the car park benefits rail passengers by including a restriction in any freehold sale (or lease) such that the land must be used as a car park. The option still remains for Network Rail to include the new car park in the station lease but Network Rail cannot be constrained in making this commitment. Given the location of the

	<p>proposed car park Network Rail considers that the proposed new car park would likely be occupied in the main by station users as it is a short walk to the station along Burton Road and over the pedestrian crossing to Station Approach. It should also be noted that Miller Homes have also now constructed a car park on land immediately adjacent to the Property so this will contribute to the improved car park capacity in the area.</p> <p>In view of London Midland's objection, Network Rail would welcome consent that was conditional upon provision of a new car park with a minimum of 78 car parking spaces to ensure additional parking capacity for customers using Lichfield Trent Valley railway station. The provision of a car park facility on the Property would be subject to planning consent.</p>	
<b>7. Local Authorities</b>		
Names & Email Addresses:	Staffordshire County Council – Community Infrastructure Liaison Manager (Place) Tel	
Local Transport Authorities:	Staffordshire County Council	
Other Relevant Local Authorities:	Lichfield District Council, Fradley & Streethay Parish Council	
<b>8. Internal Approval</b>		
<b>Recommendation:</b>	Based on the above, I recommend / authorise that Network Rail proceeds with the disposal.	
<b>Declaration:</b>	I have read and understood Network Rail's Code of Business Ethics and Policy on Interests in Transactions.	
Surveyor Name:	Development Surveyor	
Approved by Property Development Manager	Name:	Date Approved by PDM: 7 <sup>th</sup> April 2017