

# 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	<p>The site is situated off Red Bank &amp; Collyhurst Road approximately 1km east of Manchester City Centre &amp; Manchester Victoria Railway Station.</p> <p>The site extends to approximately 9.2 Hectares (22.6 Acres) and comprises land formerly used for sidings &amp; railway line (now removed), a section of viaduct and commercial premises. The site ("the disposal property") is more particularly delineated on the Site Plan attached to this application.</p> <p>The Site Plan details the disposal property as two areas. "Area 1" comprises Red Bank Former Carriage Sidings together with a commercially let warehouse accessed directly from Dantzie Street. The warehouse was acquired by Network Rail in March 2011 to improve access arrangements to this part of the disposal property thereby assisting with its sale and future commercial development.</p> <p>"Area 2" consists of a section of redundant viaduct running in a westerly direction from Roger Street and which incorporates commercially let railway arches and a warehouse on adjoining land.</p> <p>Network Rail's retained freehold interest is shown coloured green.</p>
Plans attached: (all site plans should be in JPEG format, numbered and should clearly show the sites location approximate to the railway)	<p>The following plans are attached at Appendix 1.</p> <ol style="list-style-type: none"> <li>1. Location Plan</li> <li>2. Site Plan (Plan Number 45486-3C)</li> </ol>
Clearance Ref:	<p>Business Clearance <b>CR/32409</b> dated 23<sup>rd</sup> May 2017 (Certificate number. : 40750)</p> <p>Technical Clearance <b>CR/32409</b> dated 13<sup>th</sup> July 2017 (Certificate number. : 41269)</p>
Project No.	S01941
Ordnance survey coordinates	<p>Easting (X): 384749</p> <p>Northing (Y): 399407</p> <p>Map reference: SJ847994</p> <p>Post Code: M4 4JB</p>

Photographs (as required)	<p>The following photos are available in attached Appendix 2;</p> <ol style="list-style-type: none"> <li>1. Site Photograph - view looking west (towards Manchester City Centre)</li> <li>2. Aerial photograph</li> </ol>
<b>2. Proposal</b>	
Type of disposal	Sale of freehold, or long leasehold interest
Proposed party taking disposal	Far East Consortium (FEC) who are Manchester City Council's regeneration partner for the 'Northern Gateway'.
Proposed use / scheme	<p>The proposal relates to the regeneration of the Lower Irk Valley which necessitates the assembly of a number of derelict and underutilised land interests. Network Rail and Manchester City Council are the predominant land owners.</p> <p>The City Council's aim is to assemble the necessary third party land interests by private treaty where possible so as to avoid the time and expense of promoting a CPO.</p> <p>The City have partnered with FEC to deliver the regeneration of a wider area known as the 'Northern Gateway'; the resulting primary land use will comprise a mix of housing types (totaling circa. 15,000 homes) to appeal to both families and individuals.</p> <p>Development of the assembled land interests will be phased over an estimated period of 10 - 15 years. The aim of the regeneration project is to secure the renewal of the physical landscape of the Lower Irk Valley and the development of new residential neighbourhoods with ancillary commercial, community, retail and leisure uses. The project will also include new infrastructure and environmental measures.</p>
Access arrangements to / from the disposal land	<p>Pedestrian and vehicular access is available from Red Bank and Collyhurst Road.</p> <p>It is envisaged that improved vehicular access arrangements will need to be created via the existing road frontages, or from the adjoining assembled land interests to Area 1.</p> <p>No access over Network Rail retained land will be granted or implied.</p>
Replacement rail facilities (if appropriate)	Not applicable as no rail facilities will be lost by the proposed disposal.

<p>Anticipated Rail benefits</p>	<p>There will be no direct rail benefits created by the disposal.</p> <p>Network Rail will however lose the maintenance responsibility associated with the pedestrian footbridge (coloured orange) and also the rail over highway bridges (edged orange) namely, Faber Street and Roger Street. These structures will be transferred as part of the land disposal arrangements and with appropriate legal provision to ensure that Network Rail's liabilities for the structures are removed.</p> <p>The purchaser will also take responsibility for the future liability of the redundant Red Bank viaduct structure (hatched red) and may therefore decide to arrange for its demolition including appropriate works to ensure the continued structural integrity of Network Rail's retained infrastructure. This will rid Network Rail of liabilities relating to the future maintenance and management of the viaduct structure. The appropriate legal arrangements will be put in place to ensure Network Rail's future liabilities are extinguished.</p> <p>Benefits may also result from increased rail passenger journeys as a consequence of the construction activity and growth in the local population.</p>
<p>Anticipated Non-rail benefits</p>	<p>The regeneration will bring about benefits to the local environment, community and economy.</p> <p>Temporary construction jobs will be created during the construction works. These will be followed by permanent jobs within the non residential elements of the regeneration scheme.</p> <p>The main benefits will be the provision of new housing stock in this very deprived area of East Manchester.</p> <p>Environmental improvements will also result from the regeneration. The current overgrown and redundant land will be replaced by architecturally designed buildings incorporating elements of hard and soft landscaping. Such improvements will benefit local neighbourhoods and also the City Centre which is in very close proximity.</p>
<p><b>3. Timescales</b></p>	
<p>Comments on timescales</p>	<p>The land is expected to be drawn down in a number of phases with legal completion of the first by 31<sup>st</sup> March 2019 and the last phase by no later than 31<sup>st</sup> March 2023, although the purchaser may elect to draw all the land down sooner.</p> <p>Regeneration of the Lower Irk Valley will follow detailed masterplanning and the grant of a detailed planning permission, it is envisaged that this will take place on a phased basis over a period of up to 15 years.</p>

#### 4. Railway Related Issues

<p>History of railway related use</p>	<p>Use of the former carriage sidings ceased in 1990 after the opening of the Windsor Link in 1989, this resulted in the switch of many rail services from Manchester Victoria to Manchester Piccadilly. The Manchester loop line for rail services between Manchester Victoria and Rochdale remained in use for a few more years. The through line from Manchester Victoria however no longer exists and the former railway line immediately to the east of the disposal property now comprises part of the Queens Road Metrolink depot. The railway tracks and connections to the operational railway leading into Manchester Victoria Station were removed approximately 20 years ago.</p>
<p>When last used for railway related purposes</p>	<p>It is understood that use of the former carriage sidings ceased in 1990 and that use of the Manchester loop line (passing over Red Bank Arches) came to an end approximately 5 years thereafter.</p>
<p>Any railway proposals affecting the site since that last relative use</p>	<p><b>Depot &amp; Stabling Proposals</b></p> <p>Area 1 was subject to an ORR land disposal consultation during December 2012/ January 2013. This consultation exercise resulted in one objection from train operator Transpennine Express (TPE).</p> <p>At this time, TPE were of the opinion that; <i>“the land should be retained until the point at which the stabling strategy for the programmes has been finalised.”</i> A study was undertaken in consultation with other rail industry stakeholders to investigate the suitability of a number of potential locations, including that of the subject site. The study reached the conclusion that the disposal property would not provide a suitable facility.</p> <p>Area’s 1 &amp; 2 were subject to an ORR land disposal consultation during May/June 2014. This consultation exercise resulted in unresolved objections from train operators TPE and Northern Rail.</p> <p>At this time, TPE and Northern Rail were of the opinion that <i>“the depot &amp; stabling locations plus contingency planning facilities needed to be finalised and assured before there would be sufficient comfort for both Northern Rail &amp; First Group to remove their objections to the disposal of the property. This assumes that adequate deliverable facilities would be identified without the requirement for the subject property”</i>.</p> <p>Area’s 1 &amp; 2 were subject to a further ORR land disposal consultation during December 2016/January 2017. This consultation set out three material events aimed at removing the previous depot &amp; stabling ground as a sustainable reason</p>

for objection, namely;

1. Renewal of the Northern and TPE franchises which came into effect on 1<sup>st</sup> April 2016. The new TOCs, Arriva Rail North Limited and First Trans Pennine Express Ltd did not identify any specific requirements for the subject site within their franchise bids. The site should have been identified if there was considered to be an operational requirement for running either franchise.
2. Secondly, the progress made with the identification and delivery of depot and siding facilities at other locations.
3. Thirdly and most significantly, any operational railway use of the disposal property raises significant issues from a planning perspective. Manchester City Council's ambition for the disposal property is for comprehensive residential regeneration. The Lower Irk Valley Neighbourhood Development Framework for this location was approved by the City Council in February 2016. Any proposal to reintroduce a railway use would be in contradiction to this and would be subject to both legal and planning challenge. It's also worth noting that the operational use was effectively abandoned 20 years ago and residential apartment buildings now neighbour Area 2. The approved Lower Irk Valley Neighbourhood Development Framework can be accessed here  
[http://www.manchester.gov.uk/downloads/download/6498/lower\\_irk\\_valley\\_ndf](http://www.manchester.gov.uk/downloads/download/6498/lower_irk_valley_ndf)

Throughout 2017 TPE and Northern Rail maintained their previous objections although neither TEP nor Northern Rail has put forward any proposals in support of their objections.

In December 2017, DfT requested a report from Network Rail's System Operator team to further review and advise on the suitability of the disposal property for stabling/depot use. The findings were reported to DfT in January 2018 which again ruled out the sites suitability for stabling/depot use and supported its release for residential development. A copy of the report is included at Appendix 3 – 'System Operator: Use of Sites in Collyhurst as a Depot'

### **Northern Powerhouse Rail (NPR)**

To align with the geographical position of Leeds and Sheffield a number of sub-surface curve alignments have been considered with varying potential impacts on the disposal property. This is one of a number of options that have been developed and even if selected it is not known whether the alignment would pass under the property and if it did what the tunnel depth would be as this requires further development. It should also be noted that sub-surface alignments in and out of Manchester would be dependent on the station solution being an underground box which is one of a number of station concepts being considered.

Disposing of the property could potentially therefore result in the

	<p>NPR project having to buy back elements and pay compensation in future years which may result in added cost to the project and its promoters, TfN and DfT. The potential risks should be considered by TfN, the DfT, MCC and TfGM through this ORR land disposal consultation. Additionally, should the disposal take place, such parties may wish to make representations in response to house builders future planning applications regarding phasing of development to mitigate potential conflict with any emerging NPR requirements.</p> <p>Given that any such requirement would be many years into the future, the present value of any such additional project cost is likely to be insignificant in comparison with the capital sum that can be realised today from the proposed disposal for investment in Britain's Rail Infrastructure and NR's contribution to the release of public sector land for housing.</p> <p>Reserving tunnelling rights under the subject site has been considered but discounted as not being a viable option as it would prevent the proposed development due to the uncertain alignment, ground conditions and likely depth of foundations. Statutory acquisition is likely to be required in any event for the NPR scheme to ensure that there are no gaps in legal title and also to acquire the neighbouring interests. Statutory compensation payments for deep tunnelling rights are likely to be insignificant in comparison with the land value that could be lost reserving very general tunnelling rights.</p> <p>There are no other known railway proposals affecting the disposal property.</p>
Impact on current railway related proposals	Given the conclusions reached above, there are no known impacts on current railway related proposals.
Potential for future railway related use	<p>Both the North West and Northern RUS have been reviewed and neither has revealed any strategic plans that require use of the disposal property.</p> <p>Other than what's been set out above, there are no other known schemes which would require use of the disposal property; it has also been confirmed that it is not required in connection with the Northern Hub.</p>
Any closure or station change or network change related issues	No. The property is remote from Manchester Victoria Station and there is no physical track connection to the operational railway line.
Whether disposal affects any railway (including train operator) related access needs, and how these are to	The disposal property is remote from the nearest railway station (Manchester Victoria) and the operational railway infrastructure, there are therefore no future railway related access needs to be provided for. There will also be physical separation following the demolition of the Red Bank section of disused viaduct referred

be addressed in future	to in Section 2 above.
Position as regards safety / operational issues on severance of land from railway	<p>1. The disposal will include arrangements under which the purchaser will install and maintain fencing across the former branch line at the boundary with Network Rail's retained infrastructure. This will be replaced by an appropriate parapet wall at the time the redundant section of viaduct is demolished. All works relating to this will be approved by Network Rail and will be undertaken with the appropriate engineering / asset protection measures in place.</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 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>

## 5. Planning History and Land Contamination

Planning permissions / Local Plan allocation (if applicable)	<p>Future development proposals will be in accordance with the approved Lower Irk Valley Neighbourhood Development Framework.  <a href="http://www.manchester.gov.uk/downloads/download/6498/lower_irk_valley_ndf">http://www.manchester.gov.uk/downloads/download/6498/lower_irk_valley_ndf</a></p> <p>FEC are in the process of working with the City Council to produce a Strategic Regeneration Framework (SRF) which will be adopted by the Council to guide future planning applications. This approach will ensure that all planning applications are in keeping with the regeneration aspirations identified in the SRF.</p>
Contamination / Environmental Issues (if applicable)	<p>No specific issues known relevant to this application.</p> <p>A desk top geo-environmental survey has been undertaken for Area 1. Given the past railway use of the site, the report details the need for intrusive site investigation works to identify remediation measures that will need to be put in place. All necessary geotechnical, contamination and buried site surveys will be undertaken by FEC or its contractor/s prior to commencement of any on site construction works.</p>

## 6. Local Authorities

Names & Email Addresses:	<p>Policy and Strategy Manager            Manchester City Council            Chief Executives Dept            Town Hall            Manchester            M2 5DB  <a href="mailto:">@manchester.gov.uk</a></p> <p>Tel:</p>
Local Transport Authorities:	<p>Transport for Greater Manchester –  <a href="mailto:">@tfgm.com</a></p> <p>Tel:</p>
Other Relevant Local Authorities:	None

## 7. Internal Approval to consult

Recommendation:	Based on the above, I recommend that Network Rail consults on the terms of disposal	
Declaration:	I have read and understood Network Rail's code of Business Ethics and Policy on Interests in Transactions	
Proposer's name:	Proposer's job title: Development Surveyor	
Signed	Date 16 <sup>th</sup> March 2018	
Authorised by (name):	Authoriser's job title: Principal Development Manager	
Signed	Date 16 <sup>th</sup> March 2018	



## 8. Consultations

<p>Internal consultation</p>	<p>Network Rail internal land clearance (Business &amp; Technical) has been secured (reference numbers detailed in Section 1 of this consultation above).</p> <p>Investigations have revealed nothing in the relevant long-term planning process strategies including LNW network Specification, LNW Route Specification, Freight Network Study, Freight Market study, Long Distance Market study, Long Term Planning Process and the Regional Urban Market study which would affect the proposed development scheme.</p> <p>As noted in Section 4 above, two specific studies have now been undertaken in consultation with other rail industry stakeholders to investigate the suitability of a number of potential locations, including the subject site, for stabling rolling stock. The study concluded that the disposal property would not provide a suitable facility.</p>
<p>Summary of position as regards external consultations</p>	<p>The four parties identified below submitted objections in response to the consultation;</p> <ul style="list-style-type: none"> <li>• Transpennine Express (TPE)</li> <li>• Northern</li> <li>• West Coast Railways (WCR)</li> <li>• Transport for Greater Manchester (TfGM)</li> </ul> <p>Full details of the objections are contained within the consultation report – see numbers 6 (TPE), 11 (Northern), 22 (WCR) and 31 (TfGM).</p> <p>No responses were received to the consultation from;</p> <ul style="list-style-type: none"> <li>• GB Railfreight Ltd despite 5 email &amp; telephone reminders</li> <li>• Grand Central despite 5 email &amp; telephone reminders</li> <li>• RCL despite 5 email reminders</li> </ul> <p>Despite having no comments from GBRF, Grand Central and RCL Network Rail is content that it is appropriate to proceed with the disposal. It's also worth noting that these parties raised no objections at the time of the previous consultations in 2012, 2014 and 2016.</p> <p>Transport for the North advised that they would leave DfT to deal with this consultation.</p>
<p>Analysis of any Network Rail resolved objections together with recommendation by Network Rail as regards a way forward</p>	<p>DfT convened a workshop at NR's Manchester offices on 12 June 2018 to consider alternative, better, options in the Manchester area for the development of additional depot and stabling facilities (the requirement for additional depot and stabling facilities being the principal basis of TPE's and Northern's objections).</p> <p>The workshop reached the conclusion that opportunity exists to</p>

create a suitable stabling / depot facility on land at an alternative location (Manchester Ardwick) and the rail industry partners, plus Manchester City Council (land owner of part), should work together to deliver this. Consequently DfT are satisfied that the reasonably foreseeable future requirements of the railway can adequately be met without retention and use of the disposal site for stabling thereby facilitating its release to deliver significant residential led regeneration as part of the Northern Gateway. The DfT's position statement is included at no. 27 of the consultation report.

### **Status of objections post workshop;**

#### Resolved objections

- Transport for Greater Manchester (TfGM) have agreed to remove their objection on the understanding that part of the site be transferred to them to facilitate expansion of their adjacent depot. The principle of this is agreed. (See Consultation Report - no. 31)

#### Unresolved objections

- First Transpennine Express (FTPE) have declined to remove their objection and have suggested that the disposal property be held as a 'land swap' site. This is considered inappropriate as such a representation is not a proper use of the ORR land disposal process and sites cannot simply be swapped for other unconnected sites. (See Consultation Report - no. 6)
- Northern have declined to remove their objection unless it is agreed that the proceeds from the disposal of the site be ringfenced to assist with the delivery of a future facility at Ardwick. DfT advised Northern that HMT's funding settlement with Network Rail does not allow for funding to be ringfenced in this way. Northern's request is considered inappropriate as such a representation is not a proper use of the ORR land disposal process. (See Consultation Report - no. 11)
- West Coast Railways (WCR) have declined to remove their objection even though they do not have an identified foreseeable transport related use requirement for the site. The objection is based on 'general opinion' and therefore considered to be too remote and vague to be worthy of material consideration. (See Consultation Report - no. 22)

**It is Network Rail's opinion that land disposal consent should be granted as the above objections do not demonstrate 'reasonably foreseeable railway use' for the property.**

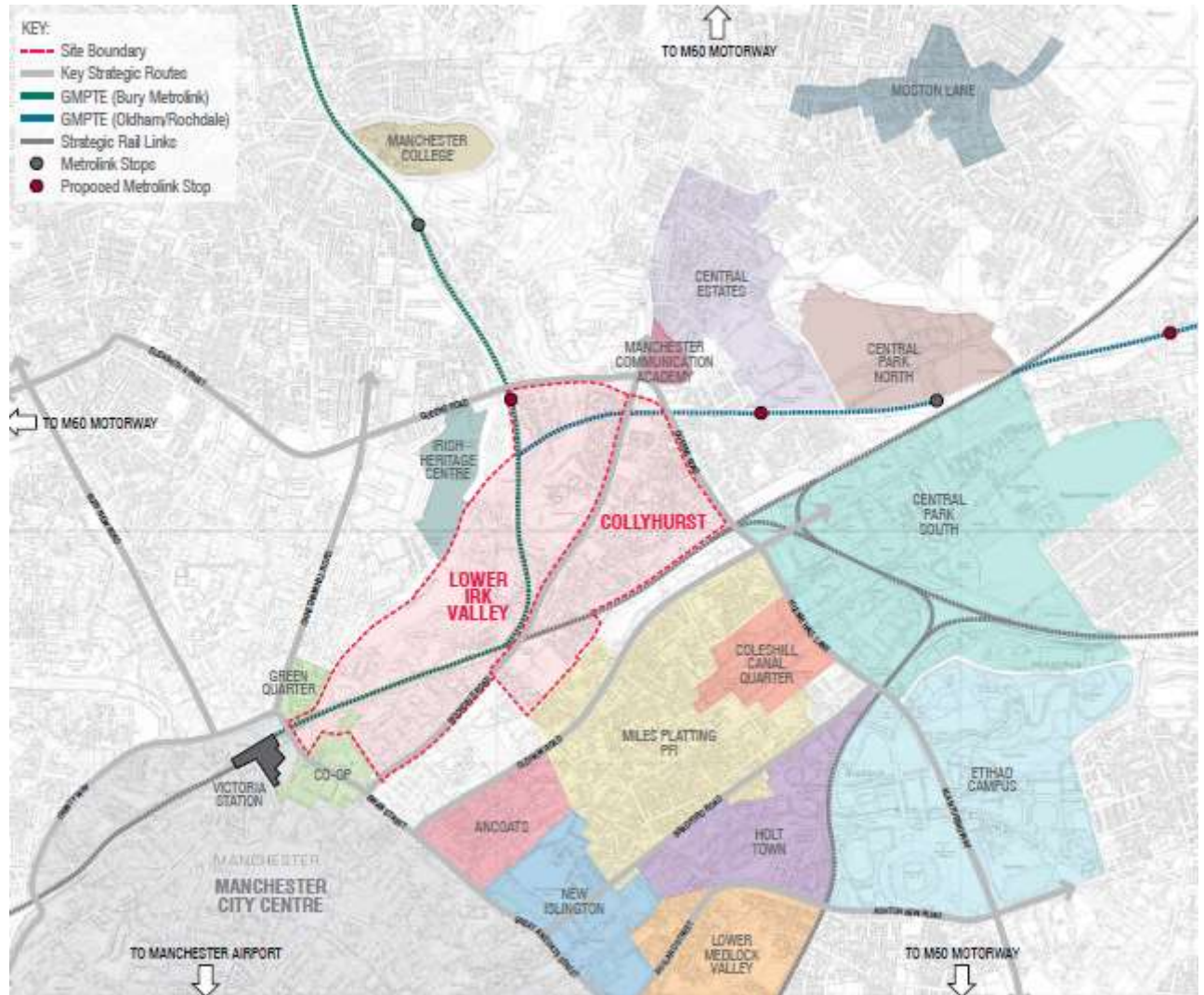
Additionally, as noted in the comments at no. 27 of the consultation report, DfT have confirmed that they support this approach given the basis of the objections and the conclusions reached at the workshop.

## 9. Internal approval to dispose

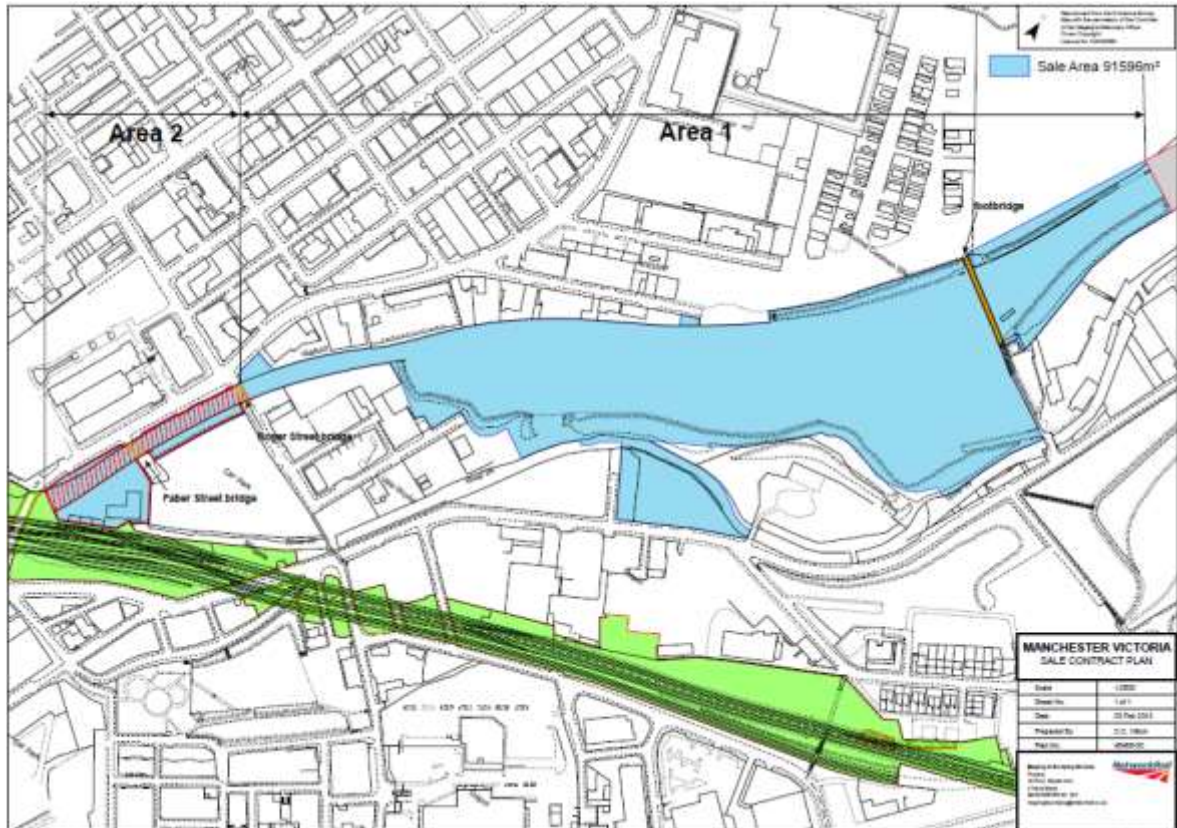
Recommendation:	Based on the above, I recommend that Network Rail proceeds with the disposal
Declaration:	I have read and understood Network Rail's code of Business Ethics and Policy on Interests in Transactions
Proposer's name:	Proposer's job title: Development Surveyor
Signed	Date 27 <sup>th</sup> July 2018
Authorised by (name):	Authoriser's job title: Principal Development Manager
Signed	Date 1 <sup>st</sup> August 2018

# APPENDIX 1

## 1. Location Plan



## 2. Site Plan (Plan Number 45486-3C)



**PLAN ATTACHED AS SEPARATE PDF ALSO FOR ADDED CLARITY**

### Key

- Shaded blue, shaded blue hatched red, shaded blue edged red, shaded blue edged orange = disposal Area
- Shaded blue edged orange = Faber Street & Roger Street (rail over road) bridge structures
- Shaded blue hatched red = Red Bank Arches
- Shaded blue edged red = land adjoining Red Bank Arches
- Shaded orange = Pedestrian footbridge over disposal property
- Shaded green = Network Rail retained land & infrastructure

Area 1 – Red Bank former Carriage Sidings

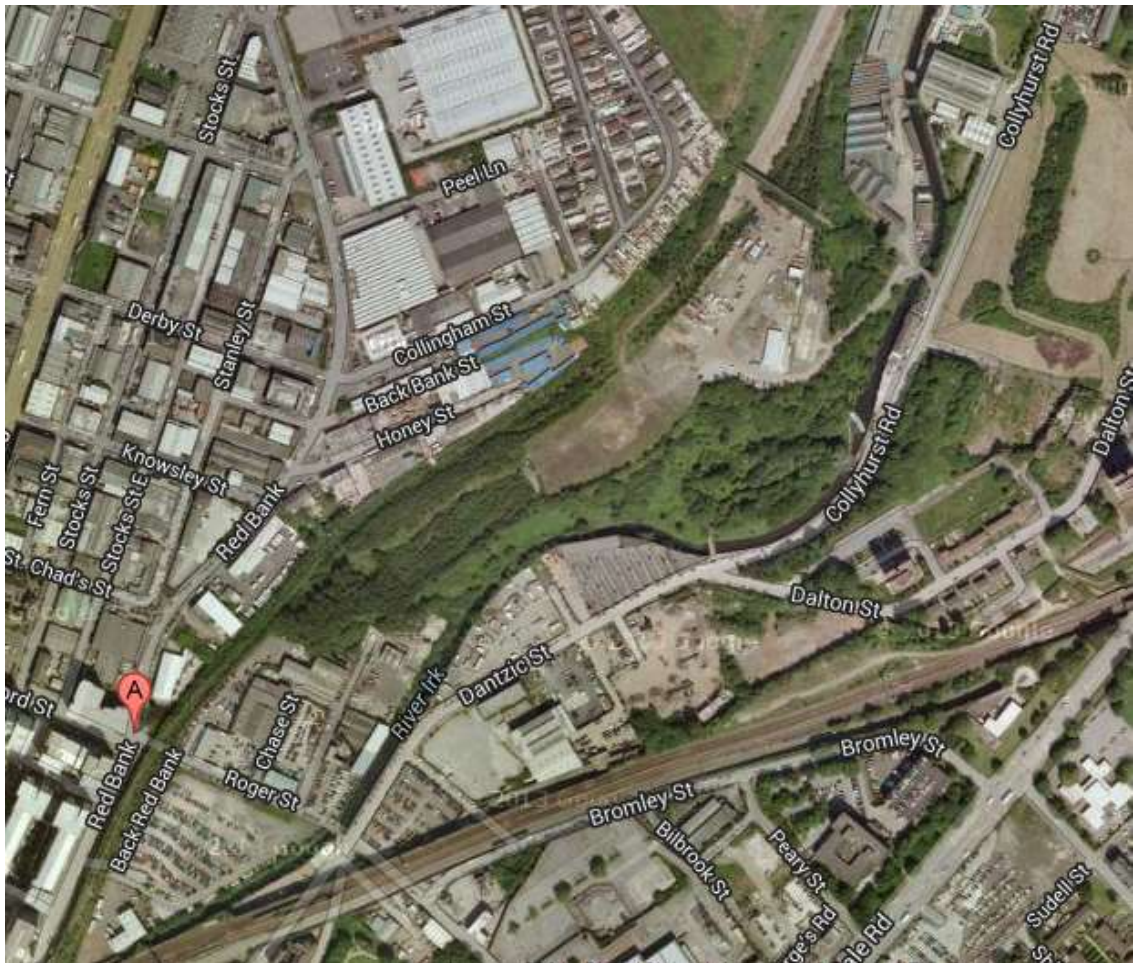
Area 2 – Red Bank Land & Arches

## APPENDIX 2

### 1. Site photograph - view looking west (towards Manchester City Centre)



### 2. Aerial photograph



**Appendix 3 - 'System Operator: Use of Sites in Collyhurst as a Depot'**

**See attached report**