

## **THE PROPOSED NETWORK RAIL (ESSEX AND OTHERS LEVEL CROSSING REDUCTION) ORDER**

### **“Monetary Benefits”: breakdown**

1. During cross examination of Dr Algaard NR offered to provide a further note providing a breakdown of the cumulative savings outlined in the Monetary Benefits note submitted by NR during the adjournment of the inquiry (NR106).
2. The figures provided in NR106 were based on the 58 level crossings within the Essex Order at the date the Note was drafted. NR has subsequently agreed to remove H03 Slipe Lane (UWC) level crossing from the Order following the recent letter and confirmation from Lee Valley Park to the Department for Transport, where they confirmed the removal of their objection to the Essex Order. This Note also sets out, therefore, the cost savings which need to be removed from the figures set out in NR106 to reflect the removal of H03 from the Order.

### **Maintenance and Inspections cost savings**

3. The overall estimated cost saving associated with asset inspections and general maintenance of the Essex Order would provide a saving of £18,997,920 over a 30 year period and has been calculated as follows:

£3792 (indicative cost of visit to crossing)<sup>1</sup>

X

2 (assumes 2 visits per year)<sup>2</sup>

X

45 (number of passive crossings in the order – including H03 Slipe Lane)

X

30 (30 year period)

Subtotal= £10,238, 400

£3792 (indicative cost of visit to crossing)

X

7 (assumes 7 visits per year)

X

11 (number of active crossings in the order)

X

30 (30 year period)

Subtotal= £8,759,520

4. There are 2 level crossings where there is not any inspection and maintenance savings as the crossings are not being closed. These crossings are E15 Parsonage Lane / Margaretting and H01 Trinity Lane.
5. The costs associated with H03 Slipe Lane as a passive crossing, using the methodology and indicative costs above, are £227,520 over a 30 year period. The

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<sup>1</sup> This figure is provided in para 4.3 of Dan Fisk’s Proof of Evidence (NR/31/1)

<sup>2</sup> This figure is provided in para 4.3 of Dan Fisk’s Proof of Evidence (NR/31/1)

overall estimated cost saving associated with asset inspections and general maintenance of the Essex Order without H03 Slipe would therefore provide a saving of £18,770,400 over a 30 year period.

### Renewals cost saving

6. If a complete renewal of the assets were required, this would represent a renewals cost saving of £11,861,960 over a 30 year period and has been calculated as follows<sup>3</sup>:

£89,100<sup>4</sup> x 39 level crossings which equates to subtotal of £3,474,900 for the renewal of footpath / bridleway passive crossings

£20,625<sup>5</sup> x 1 level crossing for E02 Camps for the renewal of the footpath part of a level crossing

£119,100<sup>6</sup> x 1 level crossing for E41 Paget for the renewal of the footpath and SAWD (covtec)

£370,000<sup>7</sup> x 3 level crossings which equates to subtotal of £740,000 for E07 Ugley Lane, H03 Slipe Lane, and H09 Fowlers for the renewal of a UWCT, where no public footpaths are affected

£389,100<sup>8</sup> x 4 level crossings which equates to a subtotal of £1,556,400 for E01 Old Lane, E18 Noakes, T04 Jefferies and H08 Johnson's for the renewal and provision of an OMSL

£390,625<sup>9</sup> x 1 level crossing for E28 Whipps Farmers for the renewal of the footpath element and the renewal of UWCT

£452,000<sup>10</sup> x 6 level crossings which equates to subtotal of £2,712,000 for E04 Parndon Mill, E05 Fullers End, E06 Elsenham Emergency Hut, E09 Elephant, E30 Ferry and E56 Abbots for the provision of an integrated MSL

£1,044,605.07<sup>11</sup> x 1 level crossing for E15 Parsonage Lane for the difference between the renewal of an AHB crossing vs the cost of renewal associated with a downgraded private road and a public bridleway / footpath

£1,433,705.07<sup>12</sup> x 1 level crossing for H02 Cadmore Lane for the renewal of an AHB

7. H01 Trinity Lane will be downgraded to public bridleway, which will have no impact on the future renewal of the assets required at the level crossing.
8. H03 Slipe Lane as a UWCT would have provided a renewal cost saving of £370,000. The overall estimated renewals cost saving associated with the Essex

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<sup>3</sup> The renewal unit rates are all based on the figures contained in Appendix D to NR26

<sup>4</sup> Appendix D, Page 206, 1<sup>st</sup> line in table

<sup>5</sup> Appendix D, Page 207, 2<sup>nd</sup> line in table

<sup>6</sup> Appendix D, Page 205 12<sup>th</sup> line in table + Page 206 1<sup>st</sup> line in table

<sup>7</sup> Appendix D, Page 206, 9<sup>th</sup> line in table

<sup>8</sup> Appendix D, Page 205, 3<sup>rd</sup> line in table + Page 206, 1<sup>st</sup> line in table

<sup>9</sup> Appendix D, Page 206, 9<sup>th</sup> line in table + Page 207, 2<sup>nd</sup> line in table

<sup>10</sup> Appendix D, Page 205, 2<sup>nd</sup> line in table

<sup>11</sup> Appendix D, Page 205, 14<sup>th</sup> line in table – sum of Page 205, 3<sup>rd</sup> line in table + Page 206, 1<sup>st</sup> line in table

<sup>12</sup> Appendix D, Page 205, 14<sup>th</sup> line in table

Order without H03 Slipe would therefore represent a renewals cost saving of £11,491,960 over a 30 year period.

### **Implementation of 'Transforming Level Crossings 2015-2040' / elimination of passive crossings**

9. In NR106, it was set out that the implementation of the Transforming Level Crossings strategy (NR17), with the elimination of passive level crossings, would result in a minimum capital saving of £25,706,760 over a 30 year period. This was calculated as follows:

£20,625 x 1 level crossing for E02 Camps for the footpath replacement only

£389,100 x 32 level crossings which equates to subtotal of £12,451,200 for the renewal of pedestrian rights and provision of OMSLs at the permissive footpath level crossings

£452,000 x 18 level crossings which equates to subtotal of £8,136,000 for the provision of an integrated MSL

£650,000 x 3 level crossings which equates to subtotal of £1,950,000 for E07 Ugley Lane, H03 Slipe Lane and H09 Fowlers for the renewal of UWC and provision of OMSLs

£670,625 x 1 level crossing for E28 Whipps Farm for the renewal of the UWC with provision of OMSLs, in addition to the renewal of public footpath elements

£1,044,605.07 x 1 level crossing for E15 Parsonage Lane / Margaretting for the difference between the renewal of an AHB crossing vs the cost of renewal associated with a downgraded private road and a public bridleway / footpath

£1,433,705.07 x 1 level crossing for H02 Cadmore Lane for the installation of AHBs

10. H01 Trinity Lane will be downgraded to a public bridleway, which will have no impact on the future implementation of the strategy.
11. H03 Slipe Lane UWCT would need to be upgraded to have OMSLs, equating to a cost of £650,000. The costs savings of implementing 'Transforming Level Crossings' associated with the Essex Order, without H03, would therefore be £25,056,760.