**Woodleys Farm Crossing – Shared Value – Network Rail Current Position**

This note summarises Network Rail's position regarding the question of the application of its Shared Value Policy in regard to the Woodleys Farm Crossing, and the alternative bridge proposal advocated by Milton Keynes Council and property developers in the area.

The alternative bridge proposal is at a relatively early stage of development and as such the scheme design, planning consent and detailed assessments are not known. With this level of certainty it is not possible to value the scheme and any rights associated with it at this early stage.

MKC has provided confirmation to NR to the effect that it does not believe that the proposals for the regeneration are dependent upon the bridge crossing to be consented and delivered. Based on this information NR does not believe that it currently has a shared value position in respect of the overall scheme. The above having been said, it is possible that the bridge whilst not a requirement for the scheme to be delivered, could nonetheless add some value to the surrounding uses. This value is likely to be of a much lower order and would need to be reasonably capable of being proved. It seems unlikely such value will be of a significant order based on the current scheme we have seen to date and the lack of an absolute need for the bridge as stated by MKC.

As detailed proposals and planning consent information are not available at this stage, NR is not in a position to be definitive about whether such additional value might be created, and if so, at what level of value. NR is happy to agree that all direct benefits to the operational railway funded by the development are factored into any payment that might be due. We are aware of the potential to close one or possibly more level crossings, and the possibility of station improvement works, all of which would fall within the scope of such an assessment. It would only be if an increase in value of the adjacent parts of the development as a result of the availability of the bridge outweighed the benefits to NR that any payment would be appropriate.

NR can confirm that for the avoidance of doubt all reasonable costs would be deducted before any uplift in value (or super-profit) is established. This would include a reasonable developer's profit as well as proper S106 and CIL costs and indeed the costs of the bridge over the railway, to the extent incurred by the property developer.

Where NR is under a pre-existing obligation to construct and pay for an accommodation bridge, the assessment of Shared Value should assume the existence of that bridge as the base position and any Shared Value would be based on the value above that base level for any relocated bridge. NR would not expect to incur any additional costs in relocating the bridge.

NR is happy to commit to the joint appointment of an independent valuer, owing both parties a duty of care to assess firstly whether any uplift in value is reasonably demonstrable and if so whether such value uplift share that might be attributable to NR exceeds the benefit accruing to NR. Only if the value share exceeded the benefits received would any payment be required and only to the extent that the appropriate share exceeded the benefits already received. NR is also happy to consider agreeing a reasonable formula approach to calculation to give all parties reasonable certainty, but enable a detailed assessment when the scheme costs and values are better known and more certain.