



Political Update – May 2008

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Railways: Bicycles

Tory Mark Lancaster asked Ruth Kelly what steps the DfT was taking to encourage train operating companies to allow greater accommodation for cyclists and their bicycles on trains. Rail Minister Tom Harris replied that the DfT continued to encourage train operators to carry bikes on trains where possible pointing to the Department's Cycling Policy document and the rail strategy White Paper published last year which set out the policy: train operators should facilitate the carriage of cycles on off-peak services and accept the folding cycles at all times. However, he said, during the peak hours, where capacity is under pressure, it can be in the interests of the majority of passengers not to permit non-folding cycles on board. He added that was for individual train operators to determine which services cannot accommodate non-folding bicycles and of course to determine the number of bikes which can be carried at other times.

Additionally Harris said that TOCs should take into account the wider benefits of cycling when considering both investments in cycle facilities and their own rules for carrying cycles. This was particularly important when procuring new rolling stock where space for bicycles must be considered.

Departmental ICT

Lib Dem Sarah Teather asked how many of the missing or stolen laptops, mobile telephones and personal digital assistants have been replaced by the DfT; and at what cost. Jim Fitzpatrick set out the cost for the replacement of the laptop computers, mobile telephones and personal digital assistants as follows:

£79,370 for lost or missing and stolen laptops;

£2,852 for lost or missing and stolen mobile telephones; and

£4,918 for lost or missing and stolen personal digital assistants.

Railways: Postal Services

Norman Baker asked what assessment the DfT had made of the merits of reopening the MailRail postal transport system under central London for mail or other purposes. Tom Harris replied that the Department had not carried out any assessment into the merits of reopening the Post Office Underground Railway system. He added that decisions on the future of the system were a commercial matter for the Royal Mail.

Railways: Watford

Norman Baker asked how many passengers had used the Watford-Gatwick service operated by Southern in each year since the service began and what the Government's plans were for the service. Tom Harris said that a survey carried out during 2007 showed that some 8500 passengers per day use the Watford-Gatwick service, of whom fewer than

30% were making journeys from one side of Clapham Junction to the other while fewer than 3% were making journeys to and from Gatwick airport. He added that that Southern (the train operator) intends to make an announcement about plans for this service shortly.

Trains

Norman Baker asked if Ruth Kelly would take steps to ensure that the electric version of the proposed Inter-City Express will be equipped with an automatic coupler to facilitate the attachment of a diesel locomotive. Tom Harris replied that it was a requirement of the Invitation to Tender, published by the Department for Transport last year, that electric IEP trains can be automatically coupled to diesel powered vehicles.

Norman Baker asked what role the DfT would have in the procurement process for the new Inter-City Express rolling stock to which Tom Harris replied that the Department had been leading the procurement process to-date and would continue so through to completion in 2009.

Norman Baker asked if the DfT would take steps to ensure that rail vehicles intended for use on Thameslink and Crossrail routes would be compatible for use on either line. Tom Harris replied that Thameslink and Crossrail were similar in concept with both aiming to connect together national rail routes with a high frequency metro style service through central London. However, Thameslink uses existing tunnels built in the 19th century, whereas Crossrail will use a new, purpose built tunnel. As a result the constraints on the physical size of the trains are different for the two projects and for that reason it is unlikely that they will be fully compatible.

Tory Robert Key asked how many of the 1,300 extra railway carriages referred to in the high-level output statement published in 2007 have been ordered from manufacturers, delivered and brought into use to which Tom Harris replied that there had been 317 vehicles ordered from manufacturers. The first of these units is due for delivery in October 2008.

West Coast Railway Line

Mark Lancaster asked Ruth Kelly whether she expects the West Coast Main Line timetable due to be implemented in December 2008 to be implemented on time. Tom Harris replied that the current expectation of Network Rail is that the modernisation will be completed in December as scheduled. He added that the Office of Rail Regulation has undertaken a review of the delivery plan of Network Rail and found it to be robust and that some issues remain to be resolved between Network Rail and passenger and freight train operators in relation to the timings and detail of the possessions needed for the works to take place.

Mark Lancaster asked what contingency plans were in place should the implementation of the West Coast Main Line timetable due in December 2008 need to be delayed. Tom Harris said that the Government remains confident that Network Rail can deliver the

December 2008 timetable changes on schedule. He added that in the event that the timetable was to be delayed, existing services would continue. However, he said, the Department for Transport was aware of the changes that would need to be made to franchises and the impact of any delay on the delivery of other projects.

Railways: Franchises

Norman Baker asked if the DfT would set out in tabular form the payments expected to be made to and received from each train operating company for each year of its franchise from 1997 to 2015, giving the total net cost to the public purse of all franchises for each in this period.

Tom Harris replied that this information is available from a number of sources, including the Strategic Rail Authority's historic annual report and accounts; the Department for Transport's website at www.dft.gsi.gov.uk; and National Rail Trends, the figures for which can be found on the Office of Rail Regulation (ORR) website at:

<http://www.rail-reg.gov.uk/server/show/nav.1528>

He arranged for composite tables to be prepared and placed copies in the Library of the House.

(NB – the Policy and Communications Department is pursuing this)

Lord Bradshaw asked if the Government whether they levy any charge when a railway franchise is taken over by another operator; and, if so, on what legal basis.

Lord Bassam of Brighton replied that it is a condition of franchise agreements that a change of operator can be made only with the consent of the Secretary of State for Transport.

It is open to the Secretary of State to charge a fee in return for granting her consent. The circumstances in which she will expect to do so are set out in the rail franchise change of control policy statement. A copy of the statement is available on the department's website at www.dft.gov.uk/pgr/rail/passenger/franchises/statement.

Railways: Alcoholic Drinks

Tory David Evennett asked if the DfT would assess the merits of amending the national conditions of carriage for train operating companies to ban the drinking from, and carrying of, open containers of alcohol by passengers. Tom Harris replied that train companies could already ban alcohol from trains using their powers under the railway byelaws. He added that the byelaws also permit train companies and the police to remove disorderly passengers from trains and stations as well as prosecute for antisocial behaviour.

Railways: Stansted Airport

Stewart Jackson asked if officials at the DfT would meet representatives of Arriva Trains Cross Country in advance of decisions related to the December 2008 timetable change to discuss the provision of earlier weekday and weekend services between Peterborough and Stansted Airport. Tom Harris said there were currently no plans to meet representatives of Arriva Cross Country Trains Ltd. to discuss the provision of earlier services between Peterborough and Stansted airport. He added that provided Arriva Cross Country met the minimum specification for this route, as set out in its franchise agreement, any decision on operating additional services is one for Arriva to take. He added that such decisions would be made on a commercial basis to meet passenger demand.

Railways: Tickets

Lib Dem Lynne Featherstone asked what recent discussions the DfT had had with train operating companies on the introduction of smartcard ticketing; and if she will make a statement. Tom Harris replied that the DfT, TfL and TOCs were working together on the acceptance of Oyster Pay as You Go on rail services in the London Travelcard Zones and the acceptance of ITSO Smartcards on Oyster equipment. Commercial and contractual negotiations are taking place. He added that the introduction of ITSO smartcards has been mandated in the most recently let franchises—South Western, West Midlands, East Midlands and Intercity East Coast, with the New Cross Country Franchise accepting smartcard tickets issued by other operators and that the costs and benefits of these smartcard schemes have been demonstrated in the confidential bidding process for these franchises.

TRANSPORT

South Central Franchise and Accreditation Process

On May 22nd Tom Harris announced the publication of the consultation document for the South Central franchise which formally launches the accreditation process for bidders. He said:

‘Our overall aim for the new franchise is to ensure that continued improvement is maintained, while renewed emphasis is placed on improving the overall quality of the service offered to passengers.

The new franchise will begin operation on Sunday 20 September 2009 and will cover the operations of Southern and Gatwick Express and the Tonbridge to Redhill route operated by Southeastern. The franchise will last for five years and ten months, with the final year dependent on performance. It will be possible for the franchise to be extended by up to two years, at the Department for Transport’s discretion. The franchise is shorter than we would usually propose reflecting the major changes envisaged around 2015 when the Thameslink programme is complete. This approach gives the Government maximum flexibility when implementing the final Thameslink pattern of services.

Last year's White Paper set out a challenging programme to improve our rail network, by increasing carrying capacity, improving reliability, enhancing stations, simplifying ticketing and improving service quality. This outline franchise specification builds on this. Over the coming weeks the Department will be having extensive discussions with local interested stakeholders.'

Waterloo Station

Lib Dem Ed Davey asked what capital investment the DfT plans to make at Waterloo station in the next 10 years and what further options for investment at Waterloo are under consideration. Tom Harris said the department was planning a large scheme to make the platforms at Waterloo long enough to accommodate 10 and 12 car trains and in addition, to modify the junction layout on the approaches to the station. He said this would allow the use of up to 50% longer trains and increase capacity.

He added that the scheme presented opportunities at Waterloo International to reconfigure the passenger circulation space and the interchange with other transport modes, and to better integrate the station into the surrounding area. The DfT has included an allowance of between £150 million and £200 million in the High Level Output Specification (HLOS) for these and the associated works on the South Western network. The works could be in place from 2012-14.

He said the DfT is working closely with Network Rail and Stagecoach South Western Trains (SSWT) to finalise the design and costs of the partial conversion of Waterloo International to accommodate some domestic services and that therefore some services could use platform 20 of Waterloo International from December 2008. This scheme is likely to cost in the region of £5 million.

For the longer term, the DfT and Network Rail are looking at the much larger, comprehensive redevelopment of the Waterloo complex to meet the demands and capacity requirements at the station over the coming decades. Such a major re-design of the station could be linked to a large scale commercial development at the site.

Postal Services: Underground Railways

Norman Baker asked the Department for Business, Enterprise and Regulatory Reform (BERR) what assessment it had made of the merits of reopening the postal transport system under Central London for Royal Mail purposes.

Mr. McFadden replied BERR had not made any assessment of the merits of reopening Mail Rail. Consideration of the use of Mail Rail is an operational matter for Royal Mail.

Transport: London Underground

Viscount Montgomery of Alamein asked whether TfL has adequate continuity of funding to complete the modernisation programme of the London Underground system.

Lord Bassam of Brighton (Transport Spokesman in the Lords) replied that the Comprehensive Spending Review 2007 settlement sets out the expected levels of TfL grant and borrowing to 2017-18 and makes provision for the continued modernisation of the Underground. It is now for TfL to manage its costs and priorities within its overall financial settlement.

Viscount Montgomery responded by saying that is an extremely encouraging response, but given that the new and very able chief executive of London Underground has laid out such a comprehensive plan over these years, will he be able to transmit to the new mayor his new enthusiasm and that of the Government for the whole scheme?

Lord Bassam said he was sure that the newly elected mayor will be very well aware of his responsibility for ensuring that the money that we have set aside for the next 10 years is well spent and spent on the continuation of the refurbishment programme. I pay particular tribute to the Transport Commissioner for London, Peter Hendy. He has done a fantastic job, as has Tim O'Toole. They are to be congratulated on ensuring that the refurbishment programme is very much on track.

Lord Hanningfield intervened by referring to the financial disaster of the Metronet experiment with the Tube and said Rosie Winterton announced recently that there would be a working party to try to rectify some of that. He urged the Minister to immediately commence discussions with the new mayor to improve both the safety and the quality of our Tube.

Lord Bassam said that the Government had a record and reputation for working well with directly elected mayors and was sure that Mayor Boris will fit neatly within that. He called for success on these projects, because obviously all share as a common objective the safety, security and continued improvement of London Underground and transport generally in London.

Lord Bradshaw asked for a reassurance that the Government would not force Transport for London or the mayor down the expensive and complicated PFI route that was behind the collapse of Metronet, that they will cease to force fixed-price contracts on people, and that they will encourage partnership and the target contracts that are used by Docklands Light Railway and the London Overground where the contractors and the people buying enter into a partnership which in the end has delivered on time and on budget and has left a surplus to be shared by the two investors?

Lord Bassam of Brighton took the view that Tube Lines had worked extremely well suggesting that most people would argue that it has delivered satisfactorily and that it demonstrates that PPPs work. He said he understand that the new mayor is a fan of PPPs, so that will obviously inform his approach quoting Tim O'Toole who said: "This is more about Metronet's structure" - the failure, that is - "than it is about the PPP".

Lord Bridges said that as a member of the All-Party Parliamentary Group on Crossrail, it would intrigue him very much to know whether the financial future of Crossrail is now in

place. He explained that the impression hitherto received from the Government was that they give moral exhortation but no money. He added that it was a vital improvement to the London transport system.

Lord Bassam said the DfT made an announcement towards the end of last year during which the Prime Minister made it very clear that the government are not only committed to Crossrail but that it had committed the money for Crossrail. He said the government had agreed a package with the London mayor and the City that we will deliver Crossrail further stating that Crossrail was an extremely exciting and important project. He added that he would not want to see anyone get in the way of ensuring that that project works properly.

Lord Berkeley said the new mayor's only policy statement on transport was to get rid of the bendy bus and to replace it with a new Routemaster at so far unspecified cost and wondered how the Government could ensure that the money allocated to the Tube will stay there and not be moved by the new mayor to a new type of bus?

Lord Bassam said that the new mayor's views on bendy buses were well known although he happened to take a completely different view, but that is as it is. Last week, people voted for Boris Johnson to be the mayor and we have to respect that. He said that buses in London on every weekday carry some 6 million passengers on more than 700 routes and that taking away the bendy bus would require two buses to replace the capacity that the bendy bus has in order to deliver on the major arterial routes.

Baroness Valentine said that given the unfortunate collapse of Metronet and the funding required for Crossrail, does there remain sufficient funding to deliver the Tube modernisation programme at the rate originally envisaged for phase 2 of the PPP?

Lord Bassam agreed, saying that the settlement was in place for a 10-year period and that the £1.7 billion that the government has guaranteed with regard to Metronet was money that Metronet had borrowed from the banks, which the Government would have had to pay over time in any event. He said that it should not affect the programme for funding the continued improvements of the Tube network or Crossrail.

Rail Network

On 21st May Lib Dem MP John Pugh instigated a debate on the above subject. The following is a summary of the debate which took place

Pugh proposed a scheme which involved uniting two stations that are in the same town and separated by about a quarter of a mile. Southport, he said, was growing and becoming more prosperous, and it is an important part of both the Merseyside and Preston commuter belts. He envisaged a scheme joining the Lancashire and Merseyside rail systems and said that putting the curves in would have the real benefit not just of establishing better communication between two stations in one town but of joining two networks that are otherwise severed. He said there would be a link from one of the

stations in Burscough to Southport, joining up the disparate spokes of the Merseyside electrical system, which is quite distinctive, being a third-rail system.

He added that it was not my finding but that of Network Rail in its rail utilisation strategy that the scheme would dramatically increase the utility and use of the Preston-Ormskirk line, which is not overused. His constituency interest was that it would support access to Southport, because transport links are crucial to the prosperity of the Southport economy and that it would reduce commuter flow to Liverpool by car and resolve the demonstrably poor linkage between the Preston and Liverpool city regions. He was of the view that everyone agreed that there are a lot of good things about it.

In its rail utilisation strategy, he said, Network Rail identified a clear gap in provision from Southport to Preston and to Ormskirk while in the local transport plan, Merseytravel identified the need to link Liverpool, particularly its northern suburbs, with Preston and the central Lancashire city region. He explained that the Lancashire local transport plan identified the need for a direct link from Preston to Southport, and in a recent consultation Sefton council identified those links as critical to the future of Southport as a retail, tourist and service centre. Pugh contended that the scheme would cost £12 million at most.

Tom Harris said that the majority of Pugh's comments focused on the lack of reopening of new lines, and he pointed to the "Towards a sustainable railway" white paper which did not anticipate the opening of new lines in any kind of planned way at all. He explained that on one level, the opening of a line, of itself, created no extra capacity unless there were train carriages to operate on it and that the priority of the high level output specification that formed part of the White Paper was a massive step change in capacity on our railways; namely, the 1,300 new carriages that the government were committed to procuring through the franchise process between 2009 and 2014. In essence, those carriages are already spoken for.

Harris said it was far too simplistic to say that growing the railway network in the suggested way would result in any major benefit in terms of capacity to hard-pressed—literally, in many cases—commuters. He drew attention to the fact that no authority or investor had taken up the challenge which he suggested was less down to the lack of process and more down to the fact that no private company in partnership with the local sponsoring authority had yet been able to come up with a business case robust enough to justify the fairly significant levels of investment that would be required for such schemes.

The hon. Gentleman said that several schemes have had a robust business case attached to them, but it is not enough for there to be a robust business case attached to the construction of a new piece of track. That alone is not enough to justify the investment. What also has to be considered is which train operating company will provide services on the new piece of track, and whether those services will require extra public subsidy. The public subsidy that is almost always required in such circumstances must be taken into account in drawing up a cost-benefit ratio for any particular scheme.

Harris mentioned meeting a group of people he met who were campaigning for the reopening of the Lewes-Uckfield line in the south of England near Brighton which proposed a public-private partnership deal that would mean, in essence, that the Department for Transport would not have to put its hand in its pocket for the capital costs or for revenue costs following resumption of services on the line. He said to them that if they could make the figures stack up, if they were willing to put in the investment, and if they could produce a business case that justified their optimism, he would consider that a step forward that he would certainly not stand in the way of such a scheme. At this stage, he said he had not seen evidence that sufficient progress has been made on that line, although I understand that more work is being done.

He added that the Government and the DfT have no vested interest in standing in the way of such schemes and that it was only right and just that the Department point out that if public money is to be called on to sustain new services on a new line, it has the right and duty to say that it can be spent only if it will actually produce value for money.

Harris said that aside from the fact that Northern Rail receives £1 million of subsidy every day of the year and therefore is the recipient of the largest amount of subsidy of any of the rail franchises, it is also due to receive 182 new carriages from the high level output specification commitment. He said he would be interested to know how he divined the information that there was an intention to offer new carriages to Northern Rail but that subsequently a decision was made to revoke the offer, because his understanding was that Northern Rail actually does particularly well in terms of the number of carriages going to it. As far as he could remember Northern Rail does better than the majority of the franchises, as it is one of the largest in terms of train movements.

**ASLEF Policy and Communications
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