

WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY

DATE: 17 March 2006

AGENDA ITEM NO: 16

SUBJECT: ADDITIONAL ROLLING STOCK

Report of the Passenger Transport Executive

1. MATTER FOR CONSIDERATION

- 1.1. An update on the scheme to provide additional rolling stock on peak rail services in west Yorkshire.

2. INFORMATION

Background

- 2.1. Previous reports to the Authority have referred to the current problems of overcrowding on peak rail services and Metro's proposals to acquire additional rolling stock. This scheme has been successfully developed in partnership with Yorkshire Forward (as a funding partner) and Northern Rail.
- 2.2. Yorkshire Forward has now approved a contribution of £8.7m to the scheme in recognition of the economic benefits it will deliver.

Rolling Stock

- 2.3. The scheme involves leasing an additional 6 x 2-car Class 158 units for the remainder of the Northern franchise. The extra units will be deployed on longer distance express routes (as they are more suitable for this type of journey) including the new Leeds-Sheffield fast service. This will release other units to allow the strengthening of some of the busiest services in West Yorkshire.
- 2.4. The final plan for deployment of the rolling stock is still under development, but routes to benefit will include the Harrogate Line, the Caldervale Line, the Huddersfield and Pontefract Lines.
- 2.5. The first additional units should be available from April 2006 and all units will be fully deployed at the timetable change in December 2006.

Funding

- 2.6. The total cost of the scheme over the franchise period is likely to be in the order of £20m. As previously reported to the Authority, the difference between the Yorkshire Forward funding (£8.7m) and the total cost of the scheme will be made up from additional fares revenue.

- 2.7. The additional revenue will come from a combination of three sources; the additional revenue accruing to Northern as a result of additional passengers travelling (which they have agreed to contribute to the scheme), additional revenue accrued by Northern as a result of the increase in the price of MetroCards in January 2006 (discussions are also taking place with TransPennine Express to capture the benefit accruing to them) and by allowing Northern to increase fares above the regulatory cap for the remainder of the franchise. This is a similar mechanism to that used to fund additional capacity in the previous franchise.
- 2.8. Peak fares in West Yorkshire are currently regulated in line with the national price cap of RPI+1 (i.e one percentage point above the retail price index for the previous year). The business case for the scheme indicates that the price cap would need to be changed by up to two percentage points (i.e moved to RPI+3).
- 2.9. The actual change in a given year will be dependent on actual additional revenue accruing to the project. Mechanisms are being built into the contractual arrangements to ensure that passengers will receive the benefit if revenue is higher than predicted – most likely through a lower level of fares increase.
- 2.10. This proposal is in line with Metro's powers to vary fares contained within the Railways Act 2005. The ongoing review of the Northern franchise means there is a real risk that if Metro doesn't increase fares (to re-invest in passenger benefits), the DfT will do this and not return the funding to West Yorkshire. Recently the DfT has let a new franchise covering Kent and included an RPI+3 fares increases each year for five years from 2007.
- 2.11. Northern's franchise runs until 2013, but includes a 'break point' in 2011. The contractual arrangements will provide for this scenario to ensure that either the rolling stock will continue to be deployed by a new operator or funding for the final two years is returned to Metro/ Yorkshire Forward.

Platform extensions

- 2.12. To facilitate the operation of longer trains, some infrastructure improvements (including longer platforms at a number of stations) will be required on the CalderVale and Harrogate Lines. Metro has therefore commissioned Network Rail to undertake a feasibility study of the work required (funded from existing approved budgets).
- 2.13. It is proposed that funding for the infrastructure works will be sought from the Local Transport Plan (LTP) and provision has been made in the draft 2nd LTP. Metro is also liaising with North Yorkshire County Council and Greater Manchester PTE to recover the cost of work in their areas.

2.14. Approval for the necessary expenditure will be sought at a future meeting of the Authority.

3. FINANCIAL AND EC PROCUREMENT IMPLICATIONS

3.1. There will be no additional cost to the Authority as a result of the scheme. Funding will be from additional fares revenue and Yorkshire Forward.

4. STAFFING IMPLICATIONS

4.1. None as a result of the report.

5. EQUAL OPPORTUNITY IMPLICATIONS

5.1. All rolling stock will meet the relevant accessibility regulations.

6. RECOMMENDATIONS

6.1. That progress on the scheme for additional rolling stock is noted.

6.2. That approval is given to vary the regulatory cap on the fares basket in West Yorkshire as set out in paragraph 2.

Director General
West Yorkshire Passenger Transport Executive

9 March 2006