

INFORMED SOURCES e-Preview December 2015

Back in the day, there used to be time to devise a Christmas quiz for the January column. Nowadays, with so much going on, the light relief is limited to slipping in song references to try and make serious analysis a bit less daunting.

However, as you may have noticed, Modern Railways nowadays has a 'Welcome' page inside the front cover. This month I have commandeered it for a 'Sentimental Journey' which 'compares and contrasts' my recent trip to Doncaster by East Coast with business journeys on the ECML when I worked for English Electric in the 1960s. No prizes for guessing the choice of illustration.

And, if that is not enough, if it's the January Modern Railways it must be my annual rolling stock reliability review. This lists the reliability of every train fleet on the network plus full coverage of the Golden Spanners Awards. Ideal reading for Boxing Day afternoon after you've watched the opening scene of 'Get Carter' with its Deltic cab shots of a pristine early 1970s ECML trackside.

Stagecoach-Virgin take Intercity East Coast
Cameron and Osborne complicate Pacer politics
Eurostar's Velaro raises the bar on quality
DfT in pitiful cover up.

Which segues smoothly into my analysis of the new Intercity East Coast franchise which will replace the current state-run East Coast next March. Before the announcement of the new franchisee on 27 November, the national media were expecting the Keolis-Eurostar bid to have won. But the day before Informed Sources were sure it was Stagecoach-Virgin.

So that evening, when BBC Radio asked if I would go on next morning to support the award of the franchise to the French I declined. And when the news broke at 07.00 you could hear the crashing of mental gears as transport correspondents, all primed for a shock-horror French invasion report, struggled to get their brains round an entirely different story.

Even by the time that DfT briefed the City pages later in the day, the financial hacks still spent an inordinate amount of time pursuing 'why are foreigners allowed to bid', rather than trying to flesh out DfT's basic award announcement. And there is some interesting detail in the bid, particularly on traction and rolling stock, as you will see when you read the column.

Within Inter City Railways (ICR), Stagecoach owns 90% of the company, with Virgin the minority shareholder. Thus the trains will retain the Virgin brand but the franchise will, essentially, be a Stagecoach operation.

However, when I suggested to an informed source close to the bidding that Virgin were only there for the brand value I was swiftly corrected. While Stagecoach had done the boiler plate operational stuff, Virgin had put 'a lot of work into the bid where you would have expected them to'.

As I have highlighted in other recent replacement franchise awards, Rail Executive - Passenger Services (REPS) Managing Director Peter Wilkinson, is deadly serious about rewarding quality in bids. In the case of ICEC, we are promised a transformation which will create a railway nothing like today's East Coast.

Obviously the new IEP fleet will play a big part in this transformation. Where Virgin came in was the focus on 'personalised travel', described by ICR as journeys built around individual customers, for example, ordering at-seat food, both in advance or during the journey, using a new smartphone app. Much is made of 'new technology, but it's pretty standard IT stuff, some long overdue. This includes portable technology for staff, which will need to be running Realtimetrains if it is to be considered innovative.

Running to 31 March 2023, with the option of a year's extension franchise is essentially in three acts. The first three years will be about upgrading the existing service, then comes the two years while IEP is introduced. Finally the, introduction of the new timetable in May 2019 brings it all together and the service has been transformed.

Note that May 2019 timetable change. The last of the nine car electric IEPs, which will replace IC225, won't be delivered until February 2020. Must check that out.

Caution

A word of caution when you read about all the additional services and new destinations promised for the new franchise. DfT prudently refers to these extra services as 'plans' or 'proposals'. As in 'ICR will shortly begin talks with Network Rail and the Office of Rail Regulation to agree its plans to run new direct services from London to Sunderland, Middlesbrough and Huddersfield and will also seek approval to run more trains to Edinburgh, Leeds, Lincoln, Shipleigh, Stirling, Harrogate and Bradford'.

It is ORR that decides on path allocation and with existing open access operators seeking to run more trains too, ICR may not get all its wants. Cue another DfT snit about Open Access operators taking revenue (aka premium payments) from the franchised operators. This month's column went to press while the award was still in the 'standstill' period and so the premium profile could not be released. All will be revealed in the February column.

Politicians in a twist over Pacers

In 19 weeks' time, in case you hadn't noticed, there is to be a General Election. As a result, the issue of Pacer replacement has come to ahead.

Transport Ministers had been faithfully sticking to DfT's official line that the Department has nothing to do with rolling stock - which is down to the Train Operators and the Rolling Stock Companies. But if you are a Prime Minister or a Chancellor of the Exchequer out on the stump promoting the Northern Powerhouse, 'nothing to do with us, guv' doesn't sound very statesmanlike to the voter in the street, or rather Pacer.

So, having stuck to the 'line to take' on Pacers in a speech David Cameron then invoked the fury of DfT when he added 'those trains are going'.

Similarly with the Chancellor's Autumn Statement. The printed statement was suitably ambiguous saying that the new Northern Franchise would 'encourage bidders to replace the outdated pacer trains with modern, better quality trains'.

But in his speech the red mist came over the Chancellor and he blurted out 'I can today confirm that we will tender for new franchises for Northern Rail and the TransPennine Express, replacing the ancient and unpopular Pacer carriages with new and modern trains'. With these promises the Prime Minister and Chancellor waded into a crocodile filled swamp. Back when Lord Adonis launched the new rolling electrification programme, the assumed timescale was such that there would be, if not a glut, an elegant sufficiency of DMUs available for cascade. One result was that in 2009 DfT abandoned a proposal to acquire 200 DMU vehicles. But as the North Trans Pennine electrification slips back to 2020-21, so does the DMU cascade. Cutting a long story short, DfT needs to acquire some new DMUs urgently, both to increase capacity on already overcrowded Northern services and replace the oldest Pacers. According to Informed Sources, around 200 two car units would do the trick. So it's time to issue an OJEU Notice, then? But can you imagine a Minister telling voters in the North that 'electrification's off for a bit but we're going to buy some nice new DMUs if we can find someone to build and fund them'?

Given the unambiguous statements by Cameron and Osborne I expect that the shortlisted bidders for the Northern franchise will be urged to issue OJEU's for DMUs for both capacity and Pacer replacement. Then, as with ScotRail, when the winning bidder is announced a contract to supply new trains would be ready for signature and, hopefully, delivery by 2017 - although this would be going it some.

Of course, the lease rentals would be much higher than the existing fleets which means that with even greater austerity to come, and Northern expected to more with less cash, DfT would have to underwrite the additional cost.

Meanwhile here's the latest on Pacergate from Transport Minister Claire Perry; 'The Government is clear that Pacer units will be replaced in the new Northern franchise. The details of how this will be implemented are being considered as part of the specification for the future franchise. We expect that the rolling stock used for the Pacer replacement will be a matter for bidders for the future Northern franchise to address in their bids. So, still nothing to do with us Guv.

Eurostar's Velaro in close up

With three editorial deadlines a month chaining me to the desk, my colleague Keith Fender got the 11 hour flight to see the first IEP rolled out in Japan. But as a consolation prize I made the 20 mile journey to Kings Cross St Pancras to inspect Eurostar's new Siemens e-320 Velaro.

Since the e320 is a standard Euro high speed train, I thought I would focus on the interior in the column. And when it comes to the quality of interior panelling and construction Siemens currently reign supreme.

Take the side panels, a one piece moulding from luggage rack to floor. These are carefully sculpted to add stiffness and give a satisfying 'thud' when I unleash the fist of quality.

Bombardier come close with the latest Electrostars, but Siemens definitely have the edge. It will be interesting to see how the production Hitachi Super Express Trains for IEP compare later in 2015.

As the article is essentially an illustrated walk through the train, there is little to say here without the accompanying photos. The interior is by Italian styling house Pininfarina. Apparently Eurostar Chief Executive Nicolas Petrovic took a close interest in the interior and the detailing is impressive.

Buffet

As anyone who has travelled for more than a couple of hours on TGV knows, the French don't have the first idea about on-train catering. From the start Eurostar's buffet has been a particularly egregious example of this national trait.

While reserving judgement until I try it in everyday service, the e-320 buffet at least has refrigerated display shelves and I was told that there will be a new cash system, another of my pet peeves.

So for the passenger, the e-320 is a train which reeks of quality, with some thoughtful design feature. But it has one major flaw. No attempt appears to have been made to align seats with window.

In Standard there are six or seven seats where, throughout your trip, you will be able to admire the quality of Siemens' panel mouldings rather than the changing European countryside. Even in Premier there are two or three of these blank rows.

Does it matter? Well, I think so: readers' views on the lack of a view will be welcomed.

I waited until the media scrum had departed, so that I could have the cab to myself. It is the railway equivalent of the airliner's 'glass cockpit' and I have some photos of the displays.

All in all an impressive train which also augurs well for the Thameslink train interiors which come from the same Siemens team.

Thameslink train cost - DfT still obfuscating

Twice in 2014 Lord Berkeley put a written question to the Department for Transport asking for the annual charge under the Thameslink total train service provision deal. Twice, the coalition Government's Transport Minister Baroness Kramer ignored the question in her reply.

Subsequently, Lord B followed up my concerns with a letter to DfT. Then, out of the blue, came a reply from Transport Minister Claire Perry.

Claire not only speaks human, but you can have a sensible conversation with her on railway and wider transport matters. That marks her out from most of the transport ministers I have met in the last 39 years.

In the case of IEP costs, Claire, apologised 'if it appears I have been trying to obfuscate (and) can assure you that this is not the case'. As a result of Lord B's letter she requested her officials to carry out 'an additional special one-off model run to provide the annual payment in 2014 prices'.

I'll come back to these new IEP figures in a future column.

But on Thameslink there was no change, on the grounds that 'information on the Thameslink lease costs is a commercially sensitive matter

between the rolling stock owner Cross London Trains Ltd and the Thameslink Operator Govia Thameslink Railway Ltd'.

Ungrateful cad though it makes me seem, in the column I give this 'the dog ate my homework', excuse the full Informed Sources treatment it deserves. Of course, officials write these letters for Ministers to sign and what puzzles me is what on earth DfT can be trying to conceal behind these spurious excuses? When I reverse engineered the present costs quoted for the Siemens deal, it seemed not bad value and much, much better than IEP where DfT has released annual costs.

So thanks to Claire Perry for trying, and I'm sorry for being such an ingrate. While I have been following 'claire4devizes on twitter for some months, she has only just started following @captain_deltic. Will she unfollow me when this column is published?

Roger's blog

Over 300 people attended another successful Golden Spanners awards at the end of November. The awards are linked with a Fourth Friday Club meeting and the guest speaker was Steve White, who as Siemens' service supremo collected a few spanners himself and is now Ops Director for LU's Sub Surface Railway.

Steve wrapped a light hearted presentation with some cracking jokes round some hard facts about the Underground's achievements and expansion plans. It was a relief that all I had to do was announce the winners and not try to follow his speech.

This year not only did I manage to get to the Rail Freight Group Christmas lunch, but even got there early and filled a few pages of the notebook catching up with Informed Sources. Guest of honour was Network Rail Chief Executive Mark Carne. Mark's speech got the tone just right for the audience, including reference to a recent footplate which brought home to him the importance of getting from the East Coast ports to the West Coast Main Line without going through London.

Last week it was Modern Railways staff Christmas lunch - sampling First Great Western's Wales Pullman service on a trip to Cardiff. Talk about esprit de corps - the staff were friendly and enthusiastic, the service polished and as for the Welsh-lamb cutlets.

So good food, good company and all in a Mk 3 dining car. On the return journey the Mk 3 still passed the £1 coin ride test. Another challenge for IEP.

Next day it was the Railway Carol Service at St Mary's church in Eversholt Street where I read the lesson about the arrival of the wise men. The London Railway Choir was in fine voice and there was time for a mince pie afterwards.

On that cheery note it is time to wish readers everywhere a joyous Christmas and a prosperous New Year and to thank you for sticking with this column through the occasional heavy financial stuff. Special thanks, too, for all the feedback throughout the year.

'Sources' in the title is plural because from the start the column has benefited from the most knowledgeable readership in the railway press sharing information. Rather like the pieces of a jigsaw puzzle, feedback helps me to create the big picture. And the need for an accurate big picture has never been greater.

Finally, good wishes and thanks go to the men and women working on the main line railway, the Underground and metros, who once again have transported me swiftly, safely and reliably on business and pleasure during 2014. As I always say, to run any railway is pretty clever; to run one as good as ours, despite all its structural complications, is a minor miracle every day.

Roger