

House of Commons London SWIA 0AA Ref IR Appling Winter 09 v.1 Light Rail & Trams, Affordable & Sustainable Transport



# Tuesday 8<sup>th</sup> December 2009, Committee Room 13,

## <u>My Tram is Bigger than Yours!</u> (Or – What my Party will do for Trams)

Meeting Overview

This meeting was intended to take a slightly light-hearted look at the attitudes of the three main political parties about the subject of Light Rail and Tramways. Hence two of the three speakers were former Secretaries of State for Transport and one a Shadow Secretary for Transport.

Mr Paul Rowen MP (Chairman of the Group) opened the meeting, the last for 2009, at 16.04 and welcomed all present, introducing Stephen Norris MP and Norman Baker MP – Tom Harris MP was delayed by domestic matters, but arrived later in the proceedings.

Mr Rowen updated those present concerning the three "select committee" meetings that had taken place over previous weeks, and indicated that the material was going onto the website. A meeting to assess a report on the findings relating to the subject was planned for 23<sup>rd</sup> February 2010, the contents being circulated to all concerned before that date. Once agreed, a summary of the report would later be sent to all prospective Parliamentary candidates for the forthcoming General Election, so that all would have the subject brought to their attention.

Mr Rowen firstly invited Mr **Stephen Norris** (formerly a Conservative MP for Oxford and later for Epping Forest, between 1983 and 1997), a former Secretary of State for Transport, to put the Tory view. Mr Norris promptly outlined his part in previous Tory decision-making with regard to light rail (a hand in various schemes) and said he was not officially representing the Party on this occasion (he was no longer an MP). He is an enthusiastic supporter of light rail and tramways. He felt that the issues were well known to those in the room, but they needed to be broadcast to a wider audience, so he would speak his mind about what he thought the next government (of whatever hue) should be doing. He opined gloomily that future decision-making would follow existing guidelines and practices, which had erected a formidable obstruction to progress with new projects. He would, however, avoid such ideas as either "spend our way out of recession" or "await the end of recession before spending" although he believed that infrastructure expenditure was always beneficial.

Mr Norris opined that, on the important subject of cost-benefit, buses would offer a powerful alternative, with low-emission vehicles requiring low infrastructure costs but giving high flexibility and ease of maintenance, which would become widely available. He proceeded to concentrate on two elements of light rail construction costs which were seen as a grave handicap to light rail and tramway expansion. **Utility Diversions** formed a large proportion of cost – up to 40% in London (£100m). He thought there was a "ransom element", where utility providers expected tramway finance on a total renewal basis, coupled with the inflexible assumption of the absolute need for utility diversion.

He thought tough negotiations with the Utility Regulators was called for, and success in this field would substantially reduce light rail capital expenditure. The second element was the **blinkered approach** - "only we know how to build tramways" syndrome on the part of promoters, leading to the use of expensive one-off vehicles and equipment. *Per contra*, the rest of the world was showing us how to utilise off-the-shelf and proven products, such as rolling stock, which is known already to be serviceable and safe. If both of the above elements were successfully addressed, Mr Norris saw a reduction of up to 50% in costs, giving light rail

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a much more attractive appeal. In this respect, he cited Leeds, whose costs were too high (but who were now pursuing rapid transit by another mode).

Mr Rowen secondly invited Mr **Norman Baker MP** (Liberal Democrat, Eastbourne, and Shadow Secretary of State for Transport) to address the meeting, which he did by broadly supporting Mr Norris's views. He looked to passenger experience as a major factor – with trams it was superior to that of 'heavy-rail'; people (mysteriously?) liked trams and rails, and tramway passenger loadings were increasing, in contrast to that of most bus services. Urban regeneration costs were sometimes (unfairly and unnecessarily) tied in to tramway costs, and utility diversion was also far too expensive. He thought vehicle and track costs were also too high – and (not infrequently) "gold-plated". He supported re-activation of railway lines, welcomed greater modal-shift, infrastructure investment and the creation of "green" jobs. He branded as unfair and false the formula whereby taking people out of cars and putting them into public transport was seen as reducing Treasury income, and this loss then being added to tramway costs.

He would like to see use of tramways for freight transport (e.g. by supermarkets), and the use of local taxation, which gives local people a greater say over how the funding is used, rather then being at the dictat of the remote Dept. for Transport. Mr Baker summed up by saying he wanted trams to be seen as an integral part of local transport, (including TramTrains, which gave greater utilisation of existing tracks as well as town-centre penetration and street-running). He also advocated one-stop mapping and ticketing.

Mr Rowen next invited the third and final speaker, Mr **Tom Harris MP** (Labour, Glasgow South, and a former Secretary of State for Transport) to speak on the topic. He agreed that we did not have the number of tramways in the UK that we seemed to want, but felt that the comparison of x trams per head of UK population and of European population was a somewhat false premise (the same applied to high-speed rail networks) – circumstances and geographic city layouts were very different and less favourable here. His view of the Leeds tramway scheme was that it was too expensive, but asserted that the present Minister genuinely believed in public transport - and had actually wanted the job. The Minister, said Mr Harris, would support any tram scheme that could demonstrate true cost/benefits.

The problems he saw in the UK were partly based on Health & Safety – a risk-averse attitude that was increasingly difficult to overcome – European cities tended to handle such issues, as well as planning, in much more practical ways. He felt that UK promoters should be able to buy off-the-shelf tramways, and re-iterated his concerns about the planning procedures – too time-consuming, too many public enquiries and reports and delays (21 years was mentioned as the lead-time for Nottingham). He emphasised the importance of modal shift, but saw the bus industry being concerned about modal shift from buses to tramways – bus operators operate a huge system and industry, but are sensitive to loss of traffic.

It was now 16.41 hours, and Mr Rowen thanked the speakers for their input, and opened the remainder of the meeting to questions and comments by all those attending.

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The first contribution came from **Elaine Greenwood** of Bombardier, the vehicle constructor. She asserted that trams were cheaper in Europe, partly through standardisation, and partly through the financing framework. In contrast, UK promoters tended to be naïve, acting only once, and in isolation, and rarely consulting with each other. Mr Norris added that we tended to over-engineer, over-design and over-specify, not trusting the Europeans to do things seriously and practically. Ms Greenwood continued by suggesting that promoters tell the manufacturer what they wanted, to see how this could be effectively but economically achieved in discussion, rather than present them with a complex and costly individual specification (usually for a small build-run). Mr Norris agreed, suggesting that consultants were both expensive and of limited experience – they could be by-passed. Mr Baker interjected that we should not over-specify, and he felt very "sniffy" about consultants – he thought that they might sometimes be appointed because the promoter really didn't want to make a decision – if you designed your own specification, it would be what you wanted, but would it work? – there might be directly attributable faults and shortcomings. Ms Greenwood was later to re-emphasise her point, that promoters should talk to vehicle manufacturers early on in order to obtain the best and most satisfactory deal, utilising rolling stock that was already proved in use elsewhere, and which could be modified to some extent to suit local conditions without a crippling cost implication; this course would also make available the cost benefits of tapping into existing long production runs.

Councillor **Whitmore** of Greater Manchester Passenger Transport Authority picked up on the health & safety theme, but thought that a serious problem was posed by all the hoops that had to be gone through during the initial processes – they were a minefield. His colleague, Cllr **Griffin**, added that the purchase of small quantities of trams was expensive – Ms Greenwood cited Manchester's purchase of only eight new trams, followed by an order for thirty two more – the unit costs of the initial order were obviously much greater than those of the second. "If you put up a big enough target, industry will respond positively" – and this could eliminate both consultants and lawyers, was Cllr Griffin's claim. Mr Norris agreed, citing the bus industry as an example of standardisation and resulting economies.

Mr **Ian McDonald**, the Vice Chairman of the same authority, raised the subject of TramTrains and asked about the abandonment of the initial trial site [Penistone-Sheffield]. Mr Harris himself had doubts about the running of pioneer trials, although he accepted that the system had to be tried to ascertain whether it worked and what were the practical implications and problems.

Mr **Norris** returned to the fray, claiming that the Treasury were not a neutral body, but, like a pack of hyenas chasing wildebeest, were determined to kill off anything and everything – they saw anything that delayed or deferred expenditure to be a good thing and thus to be encouraged; this was a trend that would continue whatever the political hue of the government. He thought that the benefits brought by tramways to non-users were great, but rarely taken into consideration in the UK, on the basis that the UK outlook was always right (and Europe was always wrong). He believed that UK cost projections had always been exceeded, but that traffic/revenue expectations had also been exceeded.

Mr **Steve Barber** (local Councillor, Nottingham area) spoke of local frustrations – the biggest problem being that of the time taken to get anything done. Behind this lay the problems of policy changes midstream, political swings (with the Tories casting doubts) and funding (especially where tied to workplace parking charges and road pricing). He agreed that one should never rely solely on fare-box income to cover operational costs, but believed that the bigger and more widespread a network of tramways, the more valuable it was and the more it contributed locally.

On the subject of TramTrain, Mr **Harris** suggested we be more open-minded and innovative with light rail, including such items as Ultra Light Rail. Mr **Peter Fox** (of Sheffield) suggested that the TramTrain experiment was taking too long because the original choice of route for trial was impracticable – he felt the Sheffield-Rotherham project was rather more suitable and realistic, and was viewed locally as likely to last longer than the two-year trial period.

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A discussion then ensued about the ability of localities to influence what went on in their own area: Mr **Norris** asserted that decision-making was too centralised, that central decisions often had too many strings and conditions attached – he thought that fewer centralised, targeted and ring-fenced funding allocations would be a good idea, and that localities should be allowed to try out various experiments to see if they worked – and be locally responsible. Mr **Harris** tended to agree, and saw Crossrail funding as a good precedent for local authorities in the provision of local revenue streams.

Mr **Jim Harkins** raised the subject of the importance of climate change, and supported the contention that utility diversion was over-expensive and pointed out that trams run in some geographically challenging city were buses don't run, Lisbon etc., Mr **Norris** felt it was dangerous to put  $CO_2$  emissions too high on the agenda, and believed that improvements in motor vehicle engineering would lead to a reduction of 40% in this source of emission over the next 8-10 years. *Per contra*, one of the advantages enjoyed by tramways was their high level of ridership, enhanced as other benefits gradually cut in and cascaded in the locality. He reckoned, in another direction, that utility access was not looked abroad upon as being as important or significant as it is in this country. On emissions, Mr **Baker** said that Lib/Dem policy did not regard an expanding economy as resulting in increasing carbon emissions – and experience would gradually prove this belief.

Mr **Tony Young** (a respected transport consultant and resident of Rochdale, Lancs) commented that it was taking 21 years to get the Metrolink extension into the town, and compared this unfavourably with the five or so years the French took to do the same thing. The Leeds plans should have come out at  $\pounds$ 20m per kilometre – those at Nottingham and Manchester were at  $\pounds$ 30m, so Leeds should have been approved. He pointed out that the costs of the Cambridge Guided Bus corridor were escalating at a greater rate than those of Leeds or South Hants, which had been cancelled by the government on grounds of increasing costs. [We leave the implications for the reader to work out]. Mr **Andy Cooper** (Councillor, Nottingham) was lobbying for Nottingham phase 3, indicating that it would utilise mainly old railway formations, and thus have reduced infrastructure and compulsory purchase costs.

Mr **Norris** summed it all up -"We ought to be more wedded to light rail than we are". We needed to take on board the experience of those who had already built and were operating light rail, and the knowledge of those who manufacture and sell the thing around the world, rather than of consultants.

"And re-organise the utility problem" was his parting shot.

Mr Rowen then closed the meeting at 17.55 hours, thanking all those who had attended.

James Harkins Secretariat APPLRG

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