



"The past we inherit, the future we build ourselves"

# All Party Parliamentary Light Rail Group

## Meeting at the House of Commons, Tuesday, 28th November 2017

Chairman: Iain Stewart MP

## <u>Speakers</u>

Jesse Norman MP (Hereford and South Herefordshire) Parliamentary Under-Secretary (Department for Transport)

> Elaine Greenwood Stadler Group, UK Representative Light Rail

## The Chairman, Iain Stewart MP

Made an introductory address, stressing his belief in the ability of trams and light rail to help address the problems of air quality and mobility in urban areas. He referred to his involvement the current "super inquiry" by four Parliamentary select committees into air pollution at which he was stressing the role of light rail as a partial solution to the problem.

He then invited Elaine Greenwood of the Stadler Group to address the meeting.

### **Elaine Greenwood**

**S**poke with the assistance of a PowerPoint presentation, which can be found at <a href="http://www.applrguk.co.uk/Latest-news">http://www.applrguk.co.uk/Latest-news</a>. She began by introducing the Stadler Group, a Swiss organisation but with, at the moment, 160 employees in the UK, predominantly based in Liverpool. Stadler were often asked about opening a factory in the UK and the answer, for now, is no. This is predominantly because the last few orders have been so diverse and until there is a consistent production line it would be unfair to do that.

We are, however, very keen to have as many UK suppliers as possible and we are interested to hear from any potential suppliers.

There is a great diversity in the products available from Stadler Rail but the most important is LRV. For the UK we have produced trams for London Tramlink and the TramTrains for Sheffield. We will be building the new trains for the Glasgow subway, for Liverpool and for East Anglia.







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The vehicles for the TramTrain project in Sheffield began running on the tramway on 14 September. Network Rail has been given a deadline for completion of the link to the line through to Rotherham of April 2018.

There are still tests to be carried out on the vehicles for running on heavy rail but full passenger service to Rotherham should start in September 2018.

As for the future of light rail in the UK, currently the complex processes involved make it difficult and expensive for new systems. Once a system is running, extensions are far easier. A number of the existing systems are looking TramTrain options, so it is essential that what has been learned in Sheffield helps other projects go ahead.

There are future opportunities with DLR and Nexus who will be looking to place orders for new vehicles.

#### **lain Stewart**

Thanked Elaine Greenwood and then introduced Jesse Norman, MP for Hereford and South Herefordshire and Parliamentary Under-Secretary of State for Transport.

#### Jesse Norman

Thanked the Chairman and the audience. He said that the Government is very keen to support the light rail sector, which has been a great success, with many benefits from the schemes so far implemented.

The Prime Minister only last week announced £1.7 billion for the Transforming Cities Fund, because we know that investment in local transport is very important and we want light rail to be part of that vision.

It is a fund that is designed to drive productivity and growth, to connect communities and to encourage people to get around more effectively and efficiently.

We have already seen the impact of better integrated transport including light rail in cities like Nottingham, Birmingham and Manchester. I would like to see a TramTrain running to Pontrilas in Herefordshire from Hereford. The fund is designed to enable more cities to reap the benefit and is there to be bid for by cities with schemes and ambitions and ideas, working with the sub-national transport bodies like the Northern Powerhouse and the Midlands Engine.

We know that a well-run light rail system can support all aspects of a city's life, reducing congestion, improving the environment and improving the quality of life. We also see wider benefits and, I do not need to tell you in a sector which has seen more passengers and more passenger miles than ever before, there are economic benefits through stimulating employment growth and attracting inward investment and boosting local economies.







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There are also intangibles, attracting tourists, giving a sense of place. When UKTram did their report in 2014, it looked at the economic benefits and argued that land and property values could increase owing to the introduction of light rail. We in the Department have seen that companies wanting to invest have often cited the transport system as a key element in their decision making and we would like to think that light rail would be a part of that.

In America there are plenty of examples of where good transport including light rail has been a key aspect of local development and the decision of companies to locate their facilities. Light rail is also extremely popular with its users, customer satisfaction rising from 92% to 93%.

We in the Department want to work with the sector, with APPLRG, with UKTram to being forward schemes which are as cost-effective as possible, as well-designed, as suitable, as collaborative. It has been very helpful to have UKTram as the voice of light rail and I hope it has helped you to improve efficiencies and economies of scale within the sector.

I should just touch on Croydon, although I will not answer any questions since there is a RAIB investigation ongoing, which will no doubt result in recommendations. How far those recommendations will fairly be representative of conditions in the sector as a whole remains to be seen.

To sum up, properly structured, we think that light rail has a great future in this country. You can approach transport in two ways: from what you have at the moment or back from the future and if you work back from a future of integrated, multimodal transport systems, then that will include some form of light rail.

The Minister thanked the Chairman and audience again and agreed to answer questions.

### Questions

**John Parry** (Parry People Movers) compared the thriving auto parts industry in the West Midlands with the large foreign-built light rail vehicles operating in the UK and asked how we could encourage the development of smaller British-built vehicles for local tram systems.

**Jesse Norman** said that the Department was very interested in new schemes and suggestions. A number of foreign manufacturers have very successfully set up production facilities in this country. The idea of shorter trams with a different operating model and a different financial and economic model is of great interest. There is no reason why this sort of thing could not develop given the necessary local leadership.







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#### Elaine Greenwood

Said that one of the problems was the process that cities have to go through to get a new network. The process is over-complicated and can waste a lot of money. Can something be done at a higher level to simplify the process?

**Jesse Norman** said the Department was open to intelligent modifications. Procurement of transport is complex. There are two developments which may help, the newly enfranchised city leadership, having a clear transport remit and keen to make their areas distinctive, could look at a rethinking of procurement, and the sub-national transport bodies, which are becoming increasingly important.

## Tom Gifford (West Yorkshire Combined Authority)

Stressed the complexity of making the business case for transport schemes and suggested a simplification of the appraisal system. He also asked when the Department was expecting bids for the

Transforming Cities Fund money.

#### Jesse Norman

**S**aid that the Department would be publishing a document in the New Year on applying for Transforming Cities Fund money. He said that anyone with specific concerns about procurement relating to national policy or official guidance should send them to the Department which would look at the problem.

It is better to do this in the context of an actual scheme rather than in the abstract. There is a reason for the complexity in that any scheme has to balance many different interests in a way that is robust and is less likely to be challenged later on.

### Jim Harkins (Light Rail (UK), LRTA)

pointed out that, although the major light rail systems carried more passengers than the smaller train operating companies, the Department had a far greater number staff to deal with the latter but less than one person for light rail. The light rail systems also cover their operating costs, while the smaller TOCs have to be subsidised. More staff will be needed at DfT if all cities with potential for tram systems come forward with proposals.

### Jesse Norman

Said that if there were to be a demand for the creation of a new generation of smaller tram schemes underpinned by local city demand in a way that could be unlocked by a central government intervention then we will discuss it.







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### Nicholas Falk (URBED)

Asked about historic cities where population density and large numbers of tourists make trams a desirable solution but there was no mechanism to deliver them.

#### Jesse Norman

Disagreed that there was no mechanism available and that these city authorities can begin a process to bring a scheme into being. A local vision is needed. There are also likely to be many competing schemes. Government is going to respond to clear local vision

### **Nicholas Falk**

Said that the plethora of different authorities in many areas made the process more complex.

### Jesse Norman

Replied that trams tended to be city based and that outlying authorities might be less involved. He stressed the energy and direction that is beginning to come in larger cities from the metro-mayors and that, while this type of arrangement would not be available to smaller cities, perhaps they could come together to develop a new small tram system platform that could be deployed across several cities. But it needs leadership and energy.

## Daniel Giblin (LRTA)

Mentioned a forthcoming meeting under APPLRG and TramForward auspices to bring potential investors together to look at tram schemes in Oxford, Cambridge and Milton Keynes. The two bodies were lobbying for trams as a means to reduce traffic pollution, particularly from particulates from road and tyre wear.

**Jesse Norman** welcomed this initiative and trusted that involvement with DfT would follow when appropriate.

lain Stewart thanked the Minister and closed the discussion.

