

Philip Hammond M.P., Secretary of State for Transport, has issued a statement today concerning the IEP. The full statement can be found on -

<http://www.dft.gov.uk/press/speechesstatements/statements/hammond20100706>

Selected extracts:

"I am today announcing that a decision on the future of the Intercity Express Programme (IEP) will be made at the same time as the spending review announcement in October. ... IEP is a complex programme which has interdependencies with several other major rail projects, and as expenditure on rail projects will be re-assessed in the context of the spending review, it would be irresponsible to make a decision on IEP in isolation at this time.

"Sir Andrew suggests that the Intercity Express proposition is "positive and attractive" in a number of ways... Sir Andrew does express some doubts over the technical feasibility of the new bi-mode trains, but I see this as a lesser issue.

"Whilst Sir Andrew's report acknowledges that the Programme has exceeded the Department's value for money thresholds, the value for money has declined over time, and Sir Andrew suggests that he is not convinced that all of the viable alternatives to the programme have been assessed alongside it on an equal footing. Therefore the Government will use the period up until the spending review is completed to give further consideration to the alternatives to IEP."

Additionally, the Foster Report and its Annex [our highlighting] are to be found on:

<http://www.dft.gov.uk/pgr/rail/pi/iep/fosterreview/>

*The detailed extracts which follow are from the **Annex**.*

"In seeking to assess value for money of IEP, I have sought to compare the proposition with credible alternatives and, in the short time available, broadly assess the value for money of these options. My review team's considerations of the credible alternatives to IEP are set out in some detail. My conclusions in the main report are drawn in part from this analysis.

"The **electric** IEP has received broad support from stakeholders as a technically acceptable train The specification of the train has driven features within the design that have been questioned and may well be unnecessary (e.g. the requirement to have a small diesel generator to power the train in the event of a loss of electricity). It should be noted that without these features, there are similar broadly acceptable products available in the market from other manufacturers.

"The **general** train design of IEP is not novel with its electrical architecture being based on the Javelin class 395 train ...

"... an **alternative**, well established practice for similar long-distance services across Europe is to use a high powered electric locomotive ... and conventional coaching stock which allows variable length trains to operate. A significant factor for the UK is the limited lengths of platforms, particularly at London termini such as **Kings Cross** ... where lengthening would incur significant station remodelling that is likely to be uneconomic.

"For **commuter** services, redeployment of **existing** trains (for instance from Thameslink where new trains are to be procured) is credible. These and the existing class 365 trains could be re-engineered with new traction equipment, to improve acceleration and reliability, as well as the enhancement of passenger facilities by the installation of air conditioning equipment for instance. Other enhancements to make the trains compliant with the legislation for persons with reduced mobility can also be applied. If additional capacity is needed in the medium term, then **existing designs** for **high performing** high capacity commuter trains are both credible and technically acceptable.

"The IEP project team within DfT has evaluated certain alternatives to IEP as part of their internal project reviews and, in particular, in response to the changing economic forecasts in the first half of 2009. A summary of the alternatives that were reviewed was presented to Sir Andrew Foster, and this summary is reproduced in the table below. **Proposal number 4 ... was the one selected by the DfT as best value for money** and has been the proposition under scrutiny.

"4. Summary: Bring in some cherry-picked elements of ECML to optimise benefits-costs-ratio. Save fewer costs than the options above but try to reduce the risks to the current procurement process. Deploy long [distance] trains in 9-car sets and commit to some cherry-picked non-HST elements of East Coast now (**Cambridge line** and cl180 replacement). Delay a decision on the rest of East Coast until later.

Likely programme: As 3., but a commitment to do some non-HST elements of East Coast now (**Cambridge line** and cl180 replacement).

Benefits: Minor capacity • As 3. above, plus • Reasonable journey time improvements on ECML. • enhancements on ECML. *Approx order size:* c. 790 diagrammed vehicles.

"...It was therefore decided to review what credible options might exist for each of the types of passenger services that IEP is currently proposed to provide. The analysis of this is shown in the tables below [extract from table follows].

[Currently] "Commuter Class 365 to **Cambridge / Kings Lynn** ... ['Credible alternatives' to this are]

- **Displaced rolling stock from Thameslink: class 377 is a modern high performing electric train**

- Cheaper than IEP, flexible as they can be operated in 4, 8 or 12 vehicle formations with higher seating capacity

- Restricts line capacity due to lower top speed

- **Displaced rolling stock from Thameslink: class 319 can be re-engineered to provide greater acceleration, higher reliability and improved passenger facilities such as air conditioning**

- Significantly cheaper than IEP, flexible as they can be operated in 4, 8 or 12 vehicle formations with higher seating capacity

- Restricts line capacity due to lower top speed

- **Class 365 can be re-engineered to provide greater acceleration, higher reliability and improved passenger facilities such as air conditioning**

- Cheaper than IEP, flexible as they can be operated in 4, 8 or 12 vehicle formations with higher seating capacity

- Restricts line capacity due to lower top speed

- **New commuter electric train with high acceleration and possibly a top speed greater than 100mph**

- Would permit greater use of line capacity

- Only slightly cheaper than IEP

"There are many combinations of the alternatives to IEP that are credible and could be implemented. It seems apparent that a **"pick and mix"** approach, selecting the most affordable and best-fit solution for each group [i.e. commuter, long distance, interurban] of passenger services, could deliver the best value solution to improve the services for the passenger and increase the number of seats to allow for growth in passenger numbers.

"It has not been possible to identify the optimum "pick and mix" solution in the short time of this review, but **one set of circumstances that is possible** is shown in the table below. It must be stressed that this is only a view formed during the review from assessment of the evidence offered to the team, but enough work has been carried out to demonstrate clearly that the optimum solution would be found if a detailed assessment of the options previously outlined is completed as recommended.

"Route • KX-Cambridge/KL

Service type • Commuter

Rolling stock 2011 • Class 365

Proposed IEP • 5 vehicle electric

Rolling stock 2016 • 377 or Re-engineered 365

Rolling stock 2021 • 377 or Re-engineered 365

Rolling stock 2026 • 377 or New commuter EMU

"It must be stressed that this table {extract above} depicts one possible "pick and mix" solution that emerged during the review; it is by no means the definitive solution and a detailed assessment of the available options must be carried out."

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