



West Coast Route Modernisation

**NETLIPSE Business Cases Seminar
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General Statistics

- Connects many key UK centres
- The key passenger trunk route in Britain
- Mix commuter, long distance and regional
- 40% UK Rail Freight uses the route
- 2671 kilometres of track
- One of the busiest trunk routes in Europe, a live and busy 24 hour railway
- NOT a new line



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West Coast Background (1)

- PUG 2 Contract
Virgin/Railtrack
- SRA then DfT took
sponsorship from 2002
- Resolution of delivery
and outputs
- Consultation started
immediately
- Original Strategy
published in June 2003



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West Coast Background (2)

- Major timetable changes in September 2004 and December 2008
- Progress Reports published in 2004 and 2006
- Strong dialogue with many bodies
- SRA, DfT, Network Rail and operators all involved in consulting and informing
- National Audit Office scrutinised the Project and found that DfT & N Rail intervention had been appropriate 'turned it round'



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Works Summary

- Made good the backlog of infrastructure work
- Some new infrastructure enhancements
- Total £8.9bn infrastructure investment
- New trains
- New timetable



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Then



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Now



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Benefits

- **Journey Times**

- Manchester to London
- Was 2 hours 41 minutes
- Now 1 hour 59 minutes

London to Glasgow
Was 5 hours 6 minutes
Now 4 hours 12 minutes

- **Train Seats**

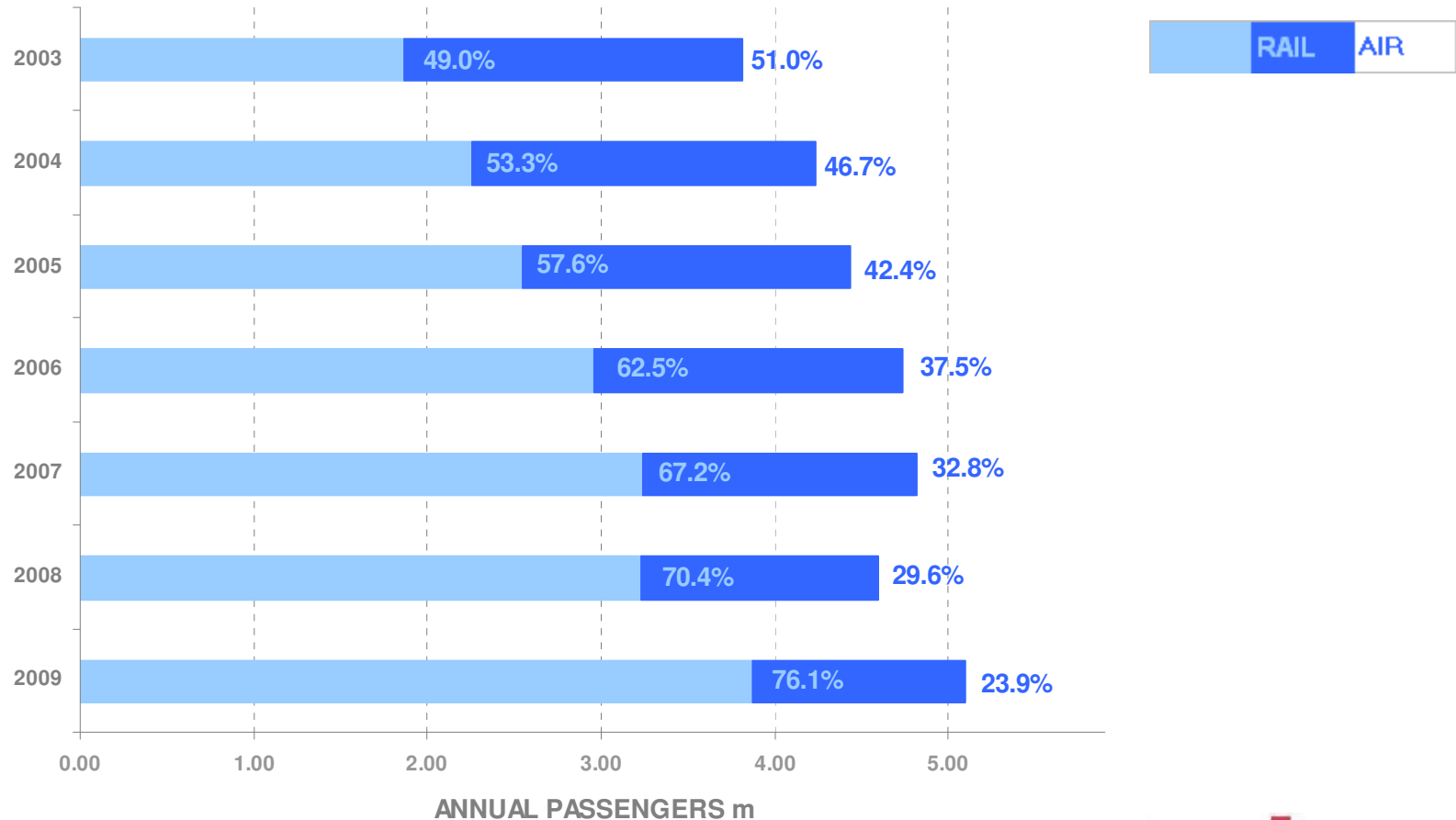
- Peak hour
- Was 4,756
- Now 6,327

Off peak hour
Was 3,136
Now 4,493



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London – Manchester Market Share





What do you think the costs would be?



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What do you think the costs would be?

- Capital
- Operational
 - Passenger
 - Freight
 - Costs avoided
- Disruption
- Sunk costs?



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What do you think the benefits would be?



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What do you think the benefits would be?

- Revenue
 - Passenger
 - Freight
- Journey time
- Crowding relief
- Road decongestion – passenger and freight
- Environmental?



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Costs

» Infrastructure costs	1,414	25%
» TOC passenger operating costs	2,410	43%
» Freight operating costs	1,752	31%
» A: Total costs 5,576 100		

Benefits

- **Financial**

» TOC passenger revenue	2,427	17%
» Freight revenue	1,231	9%
» Disruption costs	(25)	0%
» B: Total financial benefits 3,633 26		

- **Non-financial**

» Journey time benefits	6,222	45%
» Crowding benefits	733	5%
» Freight non-user benefits	1,829	13%
» Passenger non-user benefits:		
» road decongestion benefits	1,293	9%
» accident benefits	224	2%
» Environmental benefits	(53)	0%
» C: Total non-financial benefits 10,248 74%		
» D: Total benefits (B+C) 13,882 100%		

- **Summary**

» E: Benefit:cost ratio (D/A) 2.5		
» F: Net financial benefits (B-A) (1,943)		
» G: Net present value (NPV) of benefits less costs (D-A) 8,306		



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Economic Growth - before project completion

- Regeneration areas around stations
- Improving links between London and the major English and Scottish conurbations
- Made business travel quicker and easier



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The Future

- New rail franchise from 2012
- Longer trains from 2012
- London – Glasgow less than 4 hours
- High Speed 2 from 2025



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