

Item:
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Report to Partnership Meeting 3 February 2023

RESEARCH AND STRATEGY DELIVERY

Stock Options

Purpose of Report

To update Members on future rolling stock options.

Background

In August 22 ScotRail announced its intention to procure new decarbonised trains.

ScotRail Trains (SRT) plans to replace 65% of its train fleet (around 675 carriages) in the period 2027 to 2035. Nine of the eleven sub fleets of trains currently operated will be replaced as leases expire and it becomes uneconomical to life extend trains for continued operation. As part of this programme SRT will decarbonise our entire train fleet helping Scottish Government deliver a key milestone in transitioning Scotland to a net zero economy. All existing diesel trains will be withdrawn and replaced with new trains powered by overhead electric wires, batteries or hydrogen. As well as eliminating carbon emissions from passenger rail services in Scotland, this will transform our customer offer improving journey comfort, accessibility and reliability. We will reduce operating costs and improve the consistency of offer to customers by consolidating the number of different sub fleets we operate from the existing eleven to, ideally, five.

This transformation will be delivered through three procurement competitions:

- Phase 1 2022-23 - we will procure a new fleet of suburban trains which will enter passenger service between 2027 and 2030. These trains will connect local communities with Edinburgh, Glasgow, Perth, Dundee and Aberdeen.*
- Phase 2 2024-25 (indicative) we will procure a new fleet of trains for our rural routes.*
- Phase 3 2025-26 (indicative) we will procure a new fleet of intercity trains to connect the central belt with Aberdeen and Inverness.*

SRT require legal advice services to support us in running efficient and compliant procurement competitions which deliver trains which meet our customer, technical and operational requirements whilst providing value for money for the taxpayer. Value for money extends beyond the capital and operating cost of the new trains to include the economic and societal benefits which can be delivered for local communities and businesses through such significant investment from Scottish Government. Ensuring the new trains are constructed in a manner which minimises the impact on the environment will also be a key factor in delivering a successful sustainable procurement.

The first phase of the new trains programme will be to procure a new fleet of suburban electric and battery electric multiple units (EMU and BEMU). Including options, the suburban procurement is envisaged to cover around 120 units comprising around 550 vehicles. We envisage the minimum core order being 64 units and 295 vehicles.

The scope of the procurement will also include Maintenance services – tenderers will be required to submit options for both a Technical Services Agreement and Technical Support and Spares Supply Agreement and a decision on the route which provides best overall value for money will be taken prior to contract award.

Upgrades will be required to maintenance depot and servicing and stabling facilities. These are likely to be delivered by our partners in Network Rail, but we will investigate during the procurement if there is benefit in works being delivered by the train Manufacturer and Maintainer.

A separate procurement is anticipated be held in parallel with that of the trains to identify a suitable financier.

Following contract awards on the suburban trains procurement, it is envisaged that the team will move onto developing and delivering procurements for the rural and intercity fleets.

The legal advisors will be required to provide ad hoc contract management and legal support to the SRT project team managing the design, manufacture, testing, commissioning and approvals process of the new trains contracts.

SRT is acting to deliver the procurement on behalf of Scottish Rail Holdings (SRH) who are a public sector company, owned and controlled by the Scottish Government. SRH report to Transport Scotland (TS) who are the national transport agency for Scotland, responsible for delivering the Scottish Government's vision for transport.

Meanwhile...HITRANS area implications

The presumption is still full electrification on HML. Partial electrification may be the alternative with battery electric trains deployed. Rural routes are likely to be hydrogen. Aberdeen-Inverness will have an interim decarbonisation solution for 2035-2045.

Pending new rolling stock coming in:

- 156s are likely to be replaced by 158s on the West Highland c 2025. 153s may continue.
- 158s will remain on Far North and Elgin terminators.
- HSTs may well be replaced 2030-2035 with 170s.

It is hoped that the number of units procured for each route should include additional units beyond the current timetable requirement ie to deliver Tain/Invergordon hourly, Quick Wix Six, WHL enhancements, HML frequency, A2I frequency.

Research

It is proposed to seek consultancy support to assist HITRANS in formulating a specification for new trains that we would like to see in our area, with particular focus on the new rural, scenic trains. Emphasis will be on the customer experience, modular layout, cycle and catering provision etc.

RISK REGISTER

RTS Delivery

Impact –Mode shift, integration

Policy

Impact –Future fuels, decarbonisation, transport efficiency, network usage maximisation., road vehicle miles reduction

Financial

Impact – Will require funds from HITRANS rail budget

Equality

Impact – Access to the network for all

Recommendation

1. Members are asked to note the report and to approve the proposed study.

Report by: Frank Roach
Designation: Partnership Manager
Date: 23 January 2023