

Submission to the National Infrastructure Commission
Angel Trains Ltd

1. Introduction

- 1.1 Angel Trains is the largest of the UK's three Rolling Stock Operating Companies (ROSCOs). We own and maintain over 4,300 passenger vehicles, representing around 34% of the nation's rolling stock, which we lease to all 21 franchised and open access operators.
- 1.2 Angel Trains plays an integral role in the UK rail industry. We attract and secure the necessary private finance to procure, refurbish and enhance passenger rolling stock. Over the past 21 years we have invested over £3.5 billion in new rolling stock and refurbishment programmes, making us arguably the second largest investor in the UK rail sector after Network Rail.
- 1.3 In its terms of reference, the National Infrastructure Commission (NIC) indicates that it will consider the priority outcomes for future long-term transport policy in the north of England. Alongside connectivity, rolling stock forms a key part of the Northern Transport Strategy. With this in mind, we intend to focus our comments on the role of ROSCOs in securing future investment in rolling stock for passengers in the north of England. We believe these issues cut across the NIC's considerations on northern connectivity.
- 1.4 Angel Trains works closely with the Department for Transport (DfT) and Train Operating Companies (TOCs) to plan and deliver rolling stock that meets passengers' needs now and in the future, and we are grateful for the opportunity to respond to the NIC's call for evidence.

2. Future investment priorities

- 2.1 ROSCOs take a long-term strategic view of the rail industry given the 30-35 year life-span of the trains we buy. We work with industry colleagues to produce an annual forecast of the likely size and mix of the national rolling stock to accommodate future passenger numbers over 30 years¹, and use this to assess and manage the best cascade options for our fleets.
- 2.2 Angel Trains warmly welcomes the creation of the independent NIC to assess the UK's long-term infrastructure needs. Policy certainty and long-term planning from government are necessary to help ROSCOs attract and secure the private investment needed (in our case through pension and infrastructure funds) to plan and deliver rolling stock for the UK rail network. Clarity on future transport investment in the north of England is crucial, alongside the delivery of committed rail infrastructure upgrades in Control Period 5 and 6. From a rolling stock perspective, this is particularly important given the delayed release of diesel commuter trains into the market for use on different routes across the UK, notably in the north of England, following changes to the electrification timetable.
- 2.3 We strongly support the Government's commitment to market-led rolling stock procurement, and urge the Government, and Transport for the North, to continue to work closely with ROSCOs and TOCs on the future rolling stock needs of the north of England.

¹ Long-Term Passenger Rolling Stock Strategy for the Rail Industry, Third Edition, February 2015. [Link](#).

- 2.4 Improving the passenger experience is a key priority for all rail stakeholders, as is the delivery of value for money for public investment in transport infrastructure. With this in mind, we would like to highlight that high quality refurbishment of trains can deliver a passenger experience comparable with new rolling stock, but for a fraction of the cost of procuring new vehicles². These efficiencies can help to keep down the cost of leasing and the subsequent knock on cost to passengers. This offers greater value for money for fare payers and tax payers whilst meeting passengers' expectations of modernised rolling stock (e.g. the provision of Wi-Fi). This approach also provides significant economic benefits for the UK-wide rail supply chain, as the majority of this refurbishment work is carried out by UK-based manufacturers.

3. Governance arrangements

- 3.1 We welcome the Government's commitment to devolve powers over transport to major cities and regions, decentralising decision-making to better reflect local priorities.
- 3.2 Given the important role of Transport for the North, and the significant appetite to create similar stakeholder-led bodies in other regions across the UK, we would highlight that there are already examples of devolution working well in practice. For example, Merseytravel works in partnership with private transport operators to manage a 25 year rail franchise for the DfT for the Merseyrail network.

4. Further information

- 4.1 We would be happy to meet with NIC representatives to discuss the points raised in our submission in greater detail.
- 4.2 For further information, please contact:

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² Rolling Stock Perspective. Department for Transport. July 2015. [Link](#)