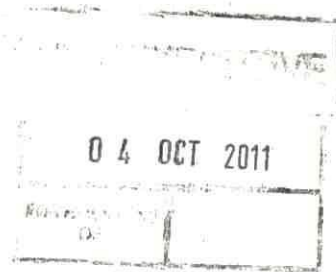




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3 October 2011

Margaret Carney  
Chief Executive  
Sefton Borough Council  
Town Hall,  
Southport PR8 1DA



*Dear Mrs Carney,*

I note the submission of an amendment to the Council Motion submitted by Councillor Robertson on 1 September 2011 at the meeting held in Bootle Town Hall to which I will reply.

The ITA Labour Group Members are all District Council Members from Sefton, Liverpool, St Helens, Knowsley and Wirral and the decision to curtail further public spending was taken knowing full well the difficult financial position all District Councils find themselves in. The controlling Labour Group deemed it unacceptable to spend a further £1.1 million on a detailed business case in the present financial climate.

It is only right and proper that elected members should have the final say on how they spend public money to ensure it is appropriate in the circumstances. To revert back to a substantive business case which was developed in 2005-2006 would be inappropriate.

Members of all political parties attended an ITA Workshop on 27 June 2011 which discussed the case for Vertical Integration (VI) Localism for Merseyside (LfM). This was subject to a further debate later on that day when a decision was made to call a halt to LfM and any further expenditure on the project.

I have enclosed a verbatim record of the wording of the Motion taken on 27 June 2011.

**Motion** by the Chair, seconded by Councillor A Dean

That the Integrated Transport Authority does not support the Passenger Transport Executive regarding Localism for Merseyside and instructs the Passenger Transport Executive to discontinue both finance and negotiations regarding Localism for Merseyside.

**Amendment** by Councillor C Blakeley, seconded by Councillor L Rowlands

That the Authority supports Localism for Merseyside and Full Local Decision Making.

The Amendment was put and a vote taken (5 members voting for and 10 members voting against) the Amendment was lost.

Councillor Mark Dowd OBE  
Chair of the Merseyside  
Integrated Transport Authority



The Motion was then put and a vote taken (10 members voting for and 5 members voting against) the motion was carried and it was Resolved Accordingly.

The decision to abort the project was taken in the knowledge that the McNulty Report published in late May 2011 indicated that Government would be looking for savings across the rail industry in the region of 20-30% over the next eight years which equates to about £1 billion savings annually.

In the light of the potentially substantial further cut to Merseytravel's budget, radical action needed to be taken immediately.

Part of these significant savings would have had to have come from the Merseyrail Network. If LfM had gone ahead at this stage, then the ITA would be placed in a position where it would not only have the responsibility of renewing infrastructure (such as track, signalling, bridges, fencing and level crossings) but also the maintenance of the underground rail tunnels. The tunnels are over 150 years old and brick lined with water from the River Mersey being pumped back in at a rate of 300,000 gallons every hour.

The very real point is, with a massive reduction in operating budgets and with the ITA totally responsible for the network, to continue using even more public money to fund further assessments would be financially injudicious. The ITA would not only have to find £24 million for renewal works but also 20-30% savings generally. Clearly, this is not sustainable on such a network of which 6.5 miles is underground and the present units 507s and 508s are not compatible with the system. I have enclosed a paper which shows quite clearly the obligations we would inherit. I have no doubt whatsoever the infrastructure problems I have highlighted would expose the ITA to unacceptable financial risks.

Exposing the ITA to such risks would, of course, also expose the District Councils to risk. If the ITA could not meet its obligations to fund the Merseyrail Network then the District Councils would have to step up to the plate financially. This has happened once before when the 5 District Councils had to support Mersey Tunnels operations to the tune of £28 million during the years 1988-1992.

I believe Sefton Council members need to be reminded railway infrastructure is, even at local level, totally diverse. I cite you an example of the Ormskirk to Preston line. It uses 2 coach Diesel Multiple Units (DMUs) weighing 41 tonnes involving 150 weekly timetabled journeys operated on a flat gradient. Compare that section of railway with the Merseyrail Electric system. It uses 200 tonne 507 and 508 Electrical Multiple Units (EMUs) with all the maintenance problems I have describe. It the most intensive heavy rail network outside London with 5,000 weekly timetabled journeys.

My recollection of the debate at the last Council meeting was that Councillor Robertson indicated that LfM has the support of the Department for Transport, Network Rail, Office of the Rail Regulator and the Rail Freight Industry. Unsurprisingly, the Department for Transport and Network Rail, through the McNulty Report, will, of course, be delighted to jettison the Merseyrail system as it is comprises of 4% of the national network - with all the associated costs and risks being borne locally.

For example, if an underground rail tunnel collapsed the cost of repair would be in the tens of millions of pounds. There would be no guarantee that the Government (Department for Transport), would contribute to that cost.

Is it, therefore, any wonder why network Rail would wish to have a very expensive part of its Network passed onto Local Authorities through the ITA?

It is, therefore, likely that the ITA would have to fund the cost of such major repairs and it would be impossible funding work of that level from its own resources. In that situation the cost would likely to pass to the District Councils and the cost may have to be funded via the levy.

Whilst the ITA has previously expressed its wish to have control of the local network, it was feels that, at this point in time, the risk not only to the ITA but also to the District Councils is too great.

The country finds itself in tight financial circumstances straits. To advance the case for LfM in the present economic circumstances would be unwise. Given this, taking on substantial liabilities at this point in the economic cycle should be resisted by the Council.

On a final point, there is no truth whatsoever in the reports in the press that this was a trade union motivated decision. The simple matter in this is economics which I believe is strongly supported by the facts. I ask that the decision by the ITA not to support LfM at the present period in time be supported by Sefton Council.

Yours sincerely,

Mark Dowd.

**Councillor Mark Dowd, OBE**  
Chair, Merseyside Integrated Transport Authority

## Northern Line

	Mi:Ch
<i>Liverpool City</i>	
Hunts Cross – Hunts Cross West Jn	1:08
Hunts Cross West Jn – Liverpool Central	6:14
Liverpool Central – Hunts Cross West Jn	6:14
Liverpool Central reversing siding	0:07
Liverpool Central – Sandhills Jn	2:35
Sandhills Jn – Liverpool Central	2:35
Sandhills reversing siding	0:07
Sandhills Jn – Bootle Jn	0:70
Bootle Jn – Sandhills Jn	0:70
Sandhills Jn – Walton Jn	1:59
Walton Jn – Sandhills Jn	1:59
Walton Jn – Aintree Station Jn	1:42
Aintree Station Jn – Walton Jn	1:42
Walton Jn – Fazakerley LC	2:24
Fazakerley LC – Walton Jn	2:24
Fazakerley LC – Sherwoods Lane	0:16
Kirkdale TMD	
	6:46 + 25 = 31:46 = 31.6 mi

### *Sefton MBC*

Bootle Jn – Southport	16:04
Southport – Bootle Jn	16:04
Southport platform 3 and wall siding	0:20
Southport carriage sidings	
Aintree Station Jn – Butchers Lane	3:71
Butchers Lane – Aintree Station Jn	3:71
Sherwoods Lane – River Alt	0:40
	2:50 + 38 = 40:50 = 40.6 mi

### *West Lancashire BC*

Butchers Lane – Ormskirk South	3:28
Ormskirk South – Butchers Lane	3:28
Ormskirk station single line	0:12
	6:68 = 6.9 mi

### *Knowsley MBC*

River Alt – Kirkby	0:55
	0:55 = 0.7 mi

**TOTAL 79.8 TRACK MILES** (excluding Kirkdale TMD and Southport CS)

**Liverpool City 31.6 miles**

**Sefton MBC 40.6 miles**

**West Lancashire BC 6.9 miles**

**Knowsley MBC 0.7 miles**

**All electrified** (excluding parts of Kirkdale TMD) JLD/203.001/220911

## Wirral Line

	Mi:Ch
<i>Cheshire West &amp; Chester</i>	
Chester platform 7 – Chester West Jn	0:27
Chester West Jn – Hooton South Jn	7:59
Hooton South Jn – Chester West Jn	7:59
Ellesmere Port West – Hooton South Jn	3:35
Hooton South Jn – Ellesmere Port West	3:35
Ellesmere Port platform	0:07
Hooton Bay	0:20
	3:02 + 20 = 23:02 = 23.0 mi

### *Wirral MBC*

Hooton South Jn – Rock Ferry	6:55
Rock Ferry – Hooton South Jn	6:55
Rock Ferry bay platforms	0:22
Rock Ferry – Canning Street Jn	1:62
Canning Street Jn – Rock Ferry	1:62
Canning Street Jn – River Bed	0:36
River Bed – Canning Street Jn	0:36
Canning Street Jn – West Kirby	8:66
West Kirby – Hamilton Square Jn	8:54
West Kirby sidings	0:14
Bidston East Jn – New Brighton	2:58
New Brighton – Bidston East Jn	2:58
New Brighton sidings	0:21
	7:39 + 34 = 41:39 = 41.5 mi

+ Birkenhead North TMD

### *Liverpool City*

River Bed – Mann Island Jn	0:35
Mann Island Jn – River Bed	0:35
Liverpool Loop	2:21
Stock Interchange Line	0:37
James St. stabling siding	0:07
	1:55 + 2 = 3:55 = 3.7 mi

**TOTAL 68.2 TRACK MILES** (excluding Birkenhead North TMD)

**Cheshire West & Chester 23.0 miles**

**Wirral 41.5 miles**

**Liverpool City 3.7 miles**

**All electrified** (excluding parts of Birkenhead North TMD)

JLD/201.000/220911