



Department
for Transport

From the Minister of State
Huw Merriman MP

Great Minster House
33 Horseferry Road
London
SW1P 4DR

Tel: [REDACTED]
E-Mail: [REDACTED]

Website: www.gov.uk/dft

To UK train manufacturers,
Rolling Stock Companies,
and interested parties

31 January 2024

Dear All

Overview of current and expected GB rolling stock opportunities

I am writing to you to provide an overview of current and expected GB market opportunities for rolling stock, given concern within the industry about the size and stability of the pipeline of future orders.

Rail manufacturers and their suppliers play a vital role in growing the UK economy, in delivering better services for passengers and freight users, and in meeting global environmental challenges. The Government remains committed to supporting a world-class UK-based engineering industry, and we are well aware of the very difficult trading environment currently facing UK-based rolling stock manufacturers and their suppliers.

The Secretary of State has made clear his ambition to grow demand back and create a thriving railway, and to support the creation of high-quality jobs in a strong and resilient UK manufacturing sector. Despite the challenging conditions we continue to face, new competitions are now underway to replace trains on Northern, Transpennine, SouthEastern and Chiltern, subject to business case approval. There are also several major fleet upgrades underway, including an upgrade of GTR's Electrostar fleets, a planned refurbishment of the Cross Country Voyager fleet, and a major refurbishment of the Pendolino fleet which is being carried out by Alstom at its Widnes site.

We would also encourage you to work with Open Access and other UK operators to identify further opportunities for your business. Further, we would

encourage you to work with international partners to seek export opportunities. DfT, DBT and UK Export Finance can offer support in exporting your products globally.

In the meantime, we remain committed to provide as much clarity about the near-term pipeline of domestic orders as possible to rolling stock manufacturers and their suppliers, financiers and ROSCOs, so that the industry can manage its own capacity and plan its investments accordingly. I have set out in the attached annex details of current live rolling stock competitions.

While I appreciate that some of the information provided here is indicative or that you will already be aware of, I trust that it is nonetheless helpful to provide this level of visibility to the industry about our thinking.

I am copying this letter to CEOs of rolling stock companies and train operating companies and to Darren Caplan in the Railway Industry Association and Elaine Clarke in the Rail Forum. The information in this letter is not confidential and may be freely shared.

Yours sincerely,

HUW MERRIMAN MP

MINISTER OF STATE FOR TRANSPORT

Annex

1. Current live competitions

These are set out in the table below, together with links to the relevant entries on the Government's [Find a Tender](#) website. All details, including contract award, delivery date and size of contract, remain subject to business case approval and the outcome of the competitions.

Operator	Size of contract as per contract notice	Indicative contract award date	Indicative Earliest expected delivery date	Published on Find a Tender
Northern	Up to 450 units (nominally around 1000 vehicles)	2025	2029	Yes
South Eastern	Core order between 350 and 570 vehicles with an option for an additional 70 vehicles.	Early 2025 but considering scope to bring forward to December 2024	Autumn 2027 (if new)	Yes
Chiltern	Between 20-70 new or converted units (nominally 90 vehicles)	Early 2025	End 2028 / early 2029	Yes
Transpennine Express	29 units up to 195 metres in length with an option for a further 26 units. (nominal 174 to 330 vehicles)	Mid 2025	Mid 2029	Yes

2. Other anticipated competitions

In addition, we expect further competitions to take place over the next 2-3 years, subject to confirmation of need and business case approval. As these have not yet been confirmed and may be subject to change, all information provided here is indicative and should not be viewed as firm commitments at this stage.

For example, Great Western are conducting initial market engagement on options for replacing their class 15X and 16X fleet which are approaching life expiry. Any proposals would be subject to business case approval and the outcome of any competition.

In addition, there may also be significant opportunities from Devolved Administrations and open access operators.

I have asked my officials to consider what additional information we could provide to the market in the coming months and am keen that they work closely with manufacturers, train operators and rolling stock companies as we develop our thinking. Please be assured that I remain committed to supporting a world-class UK-based engineering industry.