

APPENDIX 8

Benefits, Operating Costs and Business Case Assumptions

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Base Data		
Data	Source	Comments
Station Catchment	London Area Travel Survey (LATS) 2001	
Population Data	2001 Census – Output area level	
Journey to Work data	2001 Census – Output area level	
Passenger Demand Data	MOIRA Southern December 2007 timetable	This data includes growth on the existing line up to and including December 2007. Future growth is included in the model based on DfT and South East Plan trends.
Car ownership Data	2001 Census - Output area level and TEMRPO forecasts	
Economic Activity	2001 Census - Output area level and TEMRPO forecasts	
Office and Retail Floorspace Data	Valuation Office Agency	
Forecast Demand and Revenue Growth		
Variable	Assumption/Source	Comments
Population Growth	South East Plan (March 2006) – Housing targets by district and TEMPRO	Assumptions made that additional housing targets at the district level would follow the pattern of allocation as observed with recent growth focussed on areas with good transport links
Average Household size	2001 Census for Uckfield	
Economic Activity	WebTag GDP growth	
Rail fares	Forecast growth of RPI+1% p.a.	In accordance with recent rail fares policy
Exogenous Factors elasticities	PDFHv4.1 values	
Annual to Daily Factor	Industry Standard	312 used to factor annual flows to daily
Operating Costs		
Variable	Assumption/Source	Comments
Vehicle Lease Costs	Sourced from Southern via Network Rail	Includes both Capital and Non-Capital lease

		costs
Maintenance Cost	Benchmark pence per mile figure	Benchmark figure from 2002 uplifted by 4% per annum
Maintenance Staff Cost	Assumption of 0.5 staff per additional vehicle at £35,000 pa	
Fuel Usage	Fuel cost (63.5p per litre)	Fuel consumption assumes relatively fast running and easy infrastructure. Fuel cost figure is subject to significant variability, and relies on the prices at which a Train operator can hedge fuel costs. The actual cost of fuel paid by each Train Operating company is confidential, thus an assumed benchmark figure is used
Traincrew Costs	2 extra sets of crew per additional unit at industry benchmark rates	Allows for working hours limitations
Track Access Charges	Network Rail provided values for new line on a per km basis CP3 charges per km for running on existing network	
Station Charges	Network Rail provided values for new stations and improved station at Uckfield	2 new unstaffed category F stations – approximate cost of £23,000 pa at 2001 prices Uckfield lease increases by £30,000 pa
Appraisal		
Variable	Assumption/Source	Comments
External Costs of Car Use	WebTag unit 3.13.2	SE rural traffic proportions used
Values of Time	WebTag unit 3.5.6	
Car Occupancy	WebTag unit 3.5.6	
Diversion to Rail from Bus and Car	WebTag unit 3.13.2	Transfer rates based upon the National Transport Model