

27 April 2006

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Dear Mr Kogan

### Consultation on a Station Access Contract

Strathclyde Partnership for Transport, as statutory successors to Strathclyde Passenger Transport, thank you for the opportunity to provide advice in relation to First ScotRail's application for ORR to direct Glasgow Prestwick Airport Limited to enter into a station access contract.

SPT notes the broad agreement between the parties on many of the terms of the new station access agreement. SPT also confirms the statement made by First ScotRail in paragraph 4.3 that the need to call at the station stems originally from the service patterns contained in the SPTE Service Level Commitment in the Franchise Agreement. SPT are supportive of that service pattern continuing.

With regard to the point at issue SPT confirms that the majority of the capital funding for the station came from third parties as listed in paragraph 5. SPT has funded a large number of stations all of which are owned by Network Rail. Accordingly, SPT is not aware of any precedent relating to access charges including a capital element where the capital was funded by a third party but the station was not owned by Network Rail.

However, it may be worth considering how stations funded by PTEs were handled at rail privatisation and in the franchise. In a letter dated 18 March 1994 the then Minister Roger Freeman, having recognised that PTEs ran the risk of paying access charges to use facilities that they had created put forward a proposal to deal with this and said:

"I hope that you will agree that this ..... clearly meets our agreed objective that the PTEs do not pay twice for assets that they funded, and that assets thus funded remain in use providing the benefits the PTEs wished to secure."

*WJ*

Although this letter did not deal directly with the station at Prestwick Airport the underlying principle that the public purse should not pay twice for assets which it has created would appear to be equitable and applicable to this case.

Yours sincerely



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**Director of Corporate Services**

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