

Rock Rail

Rock Rail was established in 2014 to develop innovative project finance models to support the introduction of new rolling stock on selected rail routes in the UK.

The business is responding to calls by the Department for Transport of operators to introduce new rolling stock, increase routes and frequencies to provide an enhanced passenger experience. It is a challenger to the three rolling stock leasing companies (ROSCOs) that have dominated the market since they were formed during the privatisation of the railways in the 1990s.

Rock Rail also demonstrates a strong commitment to delivering responsible investments with a focus on sustainable benefits for the environment, local communities and wider society.

GLIL Infrastructure investment

On 4 October 2016, GLIL Infrastructure and Aberdeen Standard Investments reached financial close, alongside Rock Rail, to provide equity finance for the manufacture of a fleet of 58 trains comprising 378 vehicles to be operated on the East Anglia franchise. The fleet is a mix of 20 electric multiple units and 38 bi-mode units (which can operate using overhead lines or diesel generators) and is provided by Stadler Rail AG.

Following the successful close of the East Anglia transaction, GLIL Infrastructure, Standard Life Capital (SLC) and Rock Rail once again collaborated to provide equity finance for the manufacture of a fleet of 75 trains comprising 750 vehicles to be operated on the South Western franchise. Financial close occurred on 19 June 2017. The fleet is all electric, with 60 ten-car intercity trains and 15 five-car inner-suburban trains and will be provided by Bombardier from their Derby factory. The fleet will be delivered throughout 2020 and 2021.

For GLIL Infrastructure, the investment provides an opportunity to directly invest in strategically important UK passenger rolling stock and other rail infrastructure to support the economy, and at the same time play an important role in the development of greener rail solutions.

The East Anglia and South Western projects will provide stable, predictable cash flows on the back of a long duration asset. The sector also has high barriers to entry and minimal construction risk. Furthermore, strong governance underpinned the investment decision.

Achievements

- East Anglia fleet: The final trains were delivered to the operator in May 2020. Most are now in service with the first of the Stansted Express trains accepting passengers in July 2020.
- South Western fleet: the first complete train was delivered to the operator for testing in June 2020. We anticipate the new units will start to enter passenger service later in 2020.

