

5a Rail Action Plan: Response to Rail 2014 consultation

- Purpose of Report

The purpose of this report is to seek approval of a response to Transport Scotland to their document entitled “Rail 2014 – Public Consultation”. The document was published on 15 November 2011 and the consultation runs until 20 February 2012. It covers the franchising of railways in Scotland, including overnight sleeper services to London, but excluding other cross-boundary services. A copy of the document is available at:

<http://www.transportscotland.gov.uk/strategy-and-research/publications-and-consultations/j203179-00.htm>

- Background

The existing ScotRail franchise has been operated by First since 2004, initially for a period of seven years but extended in 2008 to cover the period until 2014. Transport Scotland has now issued a consultation on a wide range of aspects regarding the franchise and including 40 specific questions. Nestrans worked with Transport Scotland to organise a stakeholders consultation meeting, which was held at the Town House in Aberdeen on Monday 28 November 2011 and attended by some 28 stakeholders, including Nestrans Board Members, MSPs, Councillors and members of the North East Transport Consultative Forum.

Nestrans agreed a Rail Action Plan in September 2010, which articulates the Partnership’s objectives and views on railways to, from and within the north east. The draft response is consistent with the principles contained in the approved Rail Action Plan.

- Key Points

Appendix 1 contains a suggested response to the main questions contained in the Consultation document. However, there are a number of key points which are highlighted below which form the basis of our proposed submission. These comments and other key issues for the north east have been discussed with partners and other organisations in the area to try and ensure consistent responses from authorities and business organisations across the area. The local Councils, Chamber of Commerce and SCDI have been consulted and are likely to make similar points in response to the consultation:

1. That maintaining through trains between the north east and London are critical both for economic/business and for leisure trips. The possibility of requiring all passengers to change trains at Edinburgh is unacceptable, would inconvenience many travellers, harm economic and tourism potential, create severe capacity issues and limit travel choice to/from the north east. Transport Scotland and the Scottish Government should insist on the Department for Transport’s commitment to dual-purpose rolling stock being commissioned as soon as practical.
2. That maintaining an overnight Sleeper service between Aberdeen and London is a priority. The Sleeper provides an important link and the Scottish Government should commit to its long-term future whether as part of, or as separate from, the new franchise.

3. The possibility of splitting the franchise into Economic and Social parts of the railway causes concern. There are many uncertainties around this possibility which are unresolved such as what parts of the network would be considered “economic”, particularly if that may include some parts of routes?
4. That there is a need for further development of rail potential in and around the north east, including new stations and incremental enhancements towards a local CrossRail service. Stopping patterns, stations and pathing in this area all suffer from under-investment and lack of priority within the planning of railway infrastructure and services. Commitment is required to improve track, signalling, rolling stock and stations to fulfil the potential of the railways in the north east.
5. Fare structuring needs to be reconsidered to ensure that services are operated efficiently and fairly.

- Recommendation

It is recommended that Members agree the contents of this report and endorse the attached response as Nestrans’ comments on the Rail 2014 consultation.

RD/6 February 2012

Appendix 1: Rail 2014 Transport Scotland's Consultation on the New Railway Franchise

Procuring Rail Passenger Services

01	<p>What are the merits of offering the ScotRail franchise as a dual focus franchise and what services should be covered by the economic rail element, and what by the social rail element?</p>
	<p>The possibility of splitting the franchise into Economic and Social parts of the railway causes concern. The implications of separating “economic” from “social” aspects of the franchise would need to be considered very carefully and there is insufficient information available to determine the effects of such a split. It is assumed that economic parts would be subject to the franchisee determining the level of service with the “social” part perhaps being subject to a minimum service level articulated through the franchise and funding support to enable that.</p> <p>Throughout the network, it is likely that many services perform both functions or that lines carry trains performing both functions (express services may be considered economic, with stopping services providing a primarily social function for example). There is a need to ensure an appropriate balance between economic and social railways, recognising the role of providing access to towns and cities and enabling a choice of transport options.</p> <p>If a decision was taken to separate the franchise into parts, services to, from and within the north east would likely be considered “economic” but it would be essential to retain an element of social support, including a set down minimum service level for each station. For example, services from the Central Belt running across Aberdeen may be economic for the majority of their journey, but possibly “social” through to Inverurie?</p> <p>It is unclear how, if key elements of the Scottish rail network are at capacity, there is any opportunity to provide further services in an economic part of the franchise. The distinction may be between national and local services rather than trying to artificially determine that some routes are different from others. Any proposal to deregulate fares in “economic” parts should be resisted.</p>
02	<p>What should be the length of the contract for future franchises, and what factors lead you to this view?</p>
	<p>The length of franchise is a matter for the Scottish Government to determine and will be dependent on a number factors, including best value and the question of residual asset value – will the Government be prepared to “buy out” a franchisee who has had to invest heavily in a short-term franchise?</p> <p>There may be an advantage in having the train leasing contract, the network rail control period and the franchise renewal date aligning in 2019 to permit flexibility in moving forward.</p>
03	<p>What risk support mechanism should be reflected within the franchise?</p>
	<p>This is a matter for the Scottish Government and Transport Scotland to determine.</p>
04	<p>What, if any, profit share mechanism should apply within the franchise?</p>
	<p>It would be appropriate that, if a franchisee meets and exceeds targets that there is a mechanism for profit sharing. It may be that targets are not purely revenue targets though and could include patronage, journey kilometers, environmental or other indicators as key measures of success.</p>

05	Under what terms should third parties be involved in the operation of passenger rail services?
	It is unclear what benefits would accrue from the train operator being different from the station operator. It is unlikely that there are any stations or other facilities in the north east which would be suitable for third party operation.
06	What is the best way to structure and incentivise the achievement of outcome measures whilst ensuring value for money?
	The Scottish Government should set clear targets, relating to what it intends to achieve from the franchise. These targets will relate to many varying factors, including safety, efficiency, quality and contribution to social and economic objectives, as well as the more operational aspects including reliability, punctuality and revenue returns.
07	What level of performance bond and/or parent company guarantees are appropriate?
	This is a matter for the Scottish Government and Transport Scotland to determine.
08	What sanctions should be used to ensure the franchisee fulfils its franchise commitments?
	This is a matter for the Scottish Government and Transport Scotland to determine.

Achieving Reliability, performance and service quality

09	Under the franchise, should we incentivise good performance or only penalise poor performance?
	Both incentives and penalties should be considered as part of the franchise agreement.
10	Should the performance regime be aligned with actual routes or service groups, or should there be one system for the whole of Scotland?
	Performance should be aligned with routes and specific services, so that data can be obtained pertaining to individual regions, areas or even stations. Too often, services to peripheral areas are sacrificed in favour of performance targets elsewhere (eg Glasgow- Inverurie trains are terminated at Aberdeen to ensure they do not impact on later services into Glasgow.)
11	How can we make the performance regime more aligned with passenger issues?
	Passenger satisfaction surveys identify key concerns from passengers. It should be noted that overcrowding is seen as an important passenger issue and should be addressed by enhancing capacities to better match demand.
12	What should the balance be between journey times and performance?
	“Performance” in terms of punctuality has often been achieved at the expense of journey times. Passengers, particularly on long distance routes, would prefer to see improved journey times (eg reductions in end-to-end journey times between Aberdeen and Glasgow), even if those were only achieved 90% of the time. It is not appropriate to timetable the worst scenario, so that punctuality rates are artificially high – better to aim for faster journey times and accept a lower, say 85%,

	<p>punctuality target. It is noted that the final part of journeys are often extended to comply with targets (eg average running times scheduled Aberdeen-Stonehaven are 16 minutes, whereas Stonehaven-Aberdeen is scheduled between 19 and 29 minutes, with an average of 22 minutes)</p> <p>It is recommended that performance should also be measured at principal intermediate stations to ensure that trains run to timetable during their journey, not just at the end point.</p> <p>As there are few external influences (e.g. traffic congestion for buses) which influence journey times, punctuality and reliability on the railways, it should be possible to achieve all three targets.</p>
13	<p>Is a Service Quality Incentive Regime required? And if so should it cover all aspects of stations and service delivery, or just those being managed through the franchise?</p>
	<p>This is a matter for the Scottish Government and Transport Scotland to determine.</p>
14	<p>What other mechanisms could be used for assessing train and station quality?</p>
	<p>Passenger satisfaction surveys tend to reflect overall degrees of contentedness with services or not. They are therefore an important factor in determining the acceptability of train and station quality and performance.</p>

Scottish Train Services

15	<p>Can better use be made of existing train capacity, such as increasing the permitted standing time beyond the limit of 10 minutes or increasing the capacity limit? What is an acceptable limit for standing times on rail services?</p>
	<p>The principle should be that people travelling by train should be able to expect a seat when they travel, particularly on longer journeys and sufficient capacity should be provided to satisfy demand wherever possible. Although some passengers may accept some standing in a suburban service, this is different from longer distance routes.</p> <p>Better data is required on the actual levels of overcrowding/standing as projections seem to underestimate this. Recent surveys undertaken by Nestrans indicate that with current carriage layouts, passengers seem to choose to stand at around 70% capacity.</p> <p>It is considered inappropriate to have a decreed acceptable standing time and operators should be allowed to operate within safe and comfortable limits. However, much more needs to be done to address the issue of overcrowding by improving capacities, number of services and promotional pricing to encourage a better spread of demand to better reflect capacities.</p> <p>All opportunities for increasing capacity should be explored, including selective door opening on extended trains without the need for major station enhancements.</p>
16	<p>Should the number of services making use of interchange stations (both rail to rail and rail to other modes) be increased to reduce the number of direct services? What would be the opportunities and challenges of this?</p>
	<p>No, it would not be appropriate to force passengers to change trains (for example at Perth or Dundee) and reduce the number of through services. However, there may be opportunities to better balance stopping patterns to enable some stations to operate as interchange stations. On the East Coast main Line for example, it may be appropriate to designate some stations, such as Dundee as interchange and reduce the number of intermediate stops on the Aberdeen-Glasgow or Aberdeen-Edinburgh services, if that could improve journey times on express services.</p>

	<p>This should go hand in hand with the provision of improved local services and better timetabling to minimise wait times at interchange stations. (e.g. there is a need to better ensure that arrivals into Aberdeen from Inverness enable comfortable interchange onto Aberdeen- Edinburgh/ Glasgow trains. In particular, the last train from the north should enable interchange at Aberdeen to travel south).</p> <p>Journey times are of greatest importance for the longer journeys and at prime times.</p>
17	<p>Should Government direct aspects of service provision such as frequency and journey time, or would these be better determined by the franchisee based on customer demand?</p>
	<p>Government should instruct a minimum level of service provision which must be provided but with the ability for operators to provide a greater level of service if they wish to do so. However, it is unclear how much can be achieved if key sections of the railway network are at capacity.</p> <p>The potential for extra carriages on existing trains to improve capacity within existing constraints should be considered.</p>
18	<p>What level of contract specification should we use the for the next ScotRail franchise?</p>
	<p>This is a matter for the Scottish Government and Transport Scotland to determine.</p>
19	<p>How should the contract incentivise the franchisee to be innovative in the provision of services?</p>
	<p>This is a matter for the Scottish Government and Transport Scotland to determine.</p>

Scottish Rail Fares

20	<p>What should be the rationale for, and purpose of, our fares policy?</p>
	<p>Fares policy should aim to achieve best value for both the tax payer and the travelling passenger, which will by necessity involve a balancing of these two interests. Fares policy should also be seen as a tool to help manage demand and influence modal choice, to achieve the objectives of the Scottish Government's national Transport Strategy.</p> <p>This is related to the point in 15 above regarding dynamic pricing. Rising prices have to be seen alongside convenience of car travel/ parking costs etc and the objective of encouraging modal shift by ensuring the railways are competitive. There is however, a reasoned argument that general taxation should help keep fares low as this helps everyone since each passenger contributes to national objectives by not using the road, so an acceptable balance needs to be found.</p> <p>Fair rail fares across Scotland also needs to be addressed along with the issue of discounts only available from "main" stations, which disadvantages users of smaller stations.</p>
21	<p>What fares should be regulated by government and what should be set on a commercial basis? Do your recommendations change by geographic area (the Strathclyde area example), or by type of journey (for example suburban or intercity)?</p>
	<p>Fares should be regulated as a maximum level capped by the Government, but with operators able to offer cheaper fares as an incentive to use quieter services. However, as above, there is a need to ensure fair fares across Scotland. Pricing should be aimed at increasing patronage to increase income rather than attempting to increase fares.</p>

22	How should we achieve a balance between the taxpayer subsidy and passenger revenue contributions in funding the Scottish rail network? At what rate should fares be increased, and how feasible would it be to apply higher increases to Sections of the network which have recently been enhanced?
	It is unacceptable for fares on recently enhanced sections of the network to be charged at a higher rate than elsewhere. In most cases, enhancements are just improving level of service in line with that already appreciated by other areas, and it would be inappropriate to penalise these areas relative to areas where previous investment would offer cheaper fares. It is necessary to demonstrate fairness across the country, without artificially pricing some potential users away from the railways.
23	What should the difference be between peak and off-peak fares? Will this help encourage people to switch to travelling in the off-peak?
	<p>The focus should be on trying to accommodate demand, not pricing people off the railways. There is a secondary objective however of encouraging efficient use of capacity, which can be achieved by promotional pricing to encourage trips at quieter times.</p> <p>The current practice of extremely high fares bought on the day of travel does not seem to achieve any stated objectives, it merely exploits those who have not known their travel itineraries in advance. A principle of very busy trains being more expensive than quiet trains would be acceptable, the key should be differentials based on the train chosen (or the busiest part of the journey in the case of long distance journeys) rather than when the ticket is purchased. Similarly, it is considered unacceptable to penalise travel from smaller stations relative to larger stations.</p>

Scottish Stations

24	How should we determine what rail stations are required and where, including whether a station should be closed?
	<p>An open consultation should consider opportunities for opening new stations or increasing stopping patterns as well as just considering closures.</p> <p>We believe that there are opportunities for additional stops and for new stations which should be fully investigated. In particular, there are possibilities for further stops at existing or new stations where trains can be extended (such as Glasgow-Aberdeen now going through to Inverurie providing opportunities at Kintore and similar possibilities should be considered for extending Inverness-Aberdeen trains through to Stonehaven or Montrose, providing opportunities at Portlethen and potential for a new station at Newtonhill as well as other locations as part of an enhanced CrossRail service).</p>
25	What are the merits or issues that arise from a third party (such as a local authority or local business) being able to propose, promote and fund a station or service?
	Where a third party feels that a station or service would be beneficial, it should be acceptable for the franchise operator to implement a trial with funding support to ascertain the benefits. Local authorities, Regional Transport partnerships or other organisations should be involved in discussions and fully consulted on the criteria for success to enable the long-term continuation of such.

26	Should only one organisation be responsible for the management and maintenance of stations? If this was the franchisee how should that responsibility be structured in terms of leasing, investment, and issues relating to residual capital value?
	This is a matter for the Scottish Government and Transport Scotland to determine.
27	How can local communities be encouraged to support their local station?
	Promotional materials or promotional fares could be negotiated with companies or organisations within communities to encourage use of local stations. Traditionally, national promotions have been used with success but there may be an opportunity for communities to initiate promotional campaigns for local stations.
28	What categories of station should be designated and what facilities should be available at each category of station?
	<p>Nestrans' Rail Action Plan refers to three categories of station. Aberdeen is a primary level station at which all trains call and many services terminate. Aberdeen station has toilet facilities, shop and refreshments and First Class waiting facility</p> <p>Dyce, Inverurie and Stonehaven are regarded as secondary stations at which all through trains should stop. These should be staffed stations with indoor waiting facilities, ticket machines as well as toilets, catering and a shop. The current proposals to upgrade Dyce station should enable this target to be met.</p> <p>All stations within the north east should have ticket machines, electronic real-time information points, CCTV and telephone helpline (currently all stations except Portlethen meet these standards).</p> <p>Adequate cycling facilities and car parking to meet both long-term and short-term demand should be available at all stations.</p>

Cross-Border Services

29	Should cross-border services continue to go north of Edinburgh? In operating alongside ScotRail services, how do cross-border services benefit passengers and taxpayers? And who should specify these services, the Department of Transport or the Scottish Ministers?
	<p>It is essential to maintain cross border services north of the Central Belt.</p> <ol style="list-style-type: none"> 1) The consultation document quotes a load factor of 26% in East Coast services at Aberdeen, but Cross-Border services run at much higher volumes, perhaps averaging over 75% load factor north of Haymarket. Peak times are obviously busier and at busy times (high summer, Christmas or university holidays) even off-peak trains can be full. 2) The number of passengers carried on the Cross-Country and East Coast services represent considerably more passengers than can be carried on replacement ScotRail Services. 3) It is quoted that the annual number of passengers between Aberdeen and London is 68,000. This is a significant under representation of the importance of Cross-Boundary trips as it misses passengers between other stations and London. This number also ignores the number of passengers using services between Aberdeen and other stations to the other stops in England, notably Newcastle.

	<p>4) At a time when air services are under threat due to airlines using slots for long haul routes (BA's recent purchase of BMI may lead to reduced competition and possible fewer flights between Aberdeen and London) and UK Government's Aviation Policy review, it is necessary to consider access to London as part of an overall all mode access to London policy.</p> <p>5) At a time when people are being "encouraged" by Governments to be greener in their travel choice, it is not acceptable to remove one of those choices (a lack of through service will be a major disincentive for travelers north of Edinburgh and would be perceived as no service).</p> <p>6) The consultation discusses the need for a franchise that serves the passenger interests first. It is difficult to conceive how taking away a through service, forcing a train change and extended travel time could be conceived to be in the passengers' interest.</p> <p>7) Comfort – Despite their age, the East Coast trains are considered to be significantly more comfortable for the longer distance journeys. There is considerable anecdotal evidence of passengers choosing to use these trains rather than the ScotRail trains which are better suited to shorter journeys because of the perceived greater comfort and better catering available.</p>
30	<p>Or should the cross-border services terminate at Edinburgh Waverley, allowing opportunities for Scottish connections? And if so, what additional benefits would accrue from having an Edinburgh Hub?</p>
	<p>It is unacceptable to expect passengers from north of the Central Belt to change in Edinburgh for Cross-Boundary services.</p> <p>1) From the passenger perspective it is difficult to conceive of "opportunities" for Scottish connections. Such an interchange scenario would be a loss not an opportunity</p> <p>2) It is also difficult to conceive of "additional" passenger "benefits" of an interchange. This would be seen as a major diminution of service not only between Aberdeen and London and other centres in England, but also a diminution in terms of choice and capacity between Aberdeen and Edinburgh.</p> <p>3) The UK Government recently accepted the case for the continuation of through trains by announcing the proposed purchase of bi-mode trains to achieve this. Passengers north of Edinburgh expect the Scottish Government to hold the UK Government to its promise to purchase these trains to ensure through connectivity.</p> <p>4) Any discussion on the fares for the Aberdeen to Edinburgh section remaining within ScotRail rather than East Coast ignores the notion of putting the passenger first. The passenger is only concerned with the best service (including connectivity, comfort, catering etc) for a fair price. If that service is provided by Scotrail or East Coast is not the issue – passengers should be able to choose their preferred operator and revenue should go accordingly.</p> <p>5) Given that ScotRail would have to put on extra services to cater for the existing demand, it is unclear how there would be any residual revenue to Scotrail.</p> <p>6) Interchange at Waverley is difficult and complicated. Trains south to London generally leave Waverley from platform 2 or 19 whereas most Aberdeen trains terminating at Edinburgh tend to arrive at the central group of platforms. Both platforms 2 & 19 are a distance from the central platforms and both suffer from very narrow platforms often taken up with service trolleys, mail, etc. making any change of train even more unpalatable.</p> <p>7) As mentioned above, there is a need to consider the Cross-Boundary train services within an overall Scotland to London access policy by all modes of transport.</p> <p>8) As with High SpeedRail, there is a difference in requirements for the north and central Scotland. HSR works for central Scotland but not for north of Scotland and different solutions need to be found. The North was able to support HSR to central Scotland (at huge</p>

	<p>cost) because there was support for the North's need to access London via air AND because a) we believed the issue of through trains had been decided with Mr Hammond's bi-mode train announcement and b) the issue of improving the Aberdeen to central belt journey time on the existing track was being addressed by the STPR. It is crucial that these commitments are maintained and delivered on.</p>
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Rolling Stock

31	<p>What alternative strategies or mechanisms could be used to reduce the cost of the provision of rolling stock?</p>
	<p>This is a matter for the Scottish Government and Transport Scotland to determine.</p>
32	<p>What facilities should be present on a train and to what extent should these facilities vary according to the route served?</p>
	<p>All train services should have a minimum level of comfort and facilities provided as standard. This would include toilets, access for persons with a disability, and catering. All journeys of over an hour duration should have business class and quiet coaches available.</p>

Passengers – comfort, security, information

33	<p>How should we prioritise investment for mobile phone provision and / or Wi-Fi type high-bandwidth services?</p>
	<p>Improved mobile phone connectivity and WI-FI are important and should be installed as finance becomes available and should be a requirement on all new rolling stock.</p>
34	<p>How should we balance the need for additional seating capacity and retain the flexibility of a franchisee to offer first-class services if commercially viable?</p>
	<p>This is a matter for the Scottish Government and Transport Scotland to determine.</p>
35	<p>What issues and evidence should be considered prior to determining whether or not to ban the consumption of alcohol on trains?</p>
	<p>A sensible balance needs to be struck between passengers' desire to consume alcohol and the need for appropriate behaviour which does not impinge on the security and comfort of others.</p> <p>Evidence is required to consider whether there is a problem on specific routes, times of trains and whether any issues are caused by sale of alcohol or alcohol consumption prior to embarkation.</p>
36	<p>How can the provision of travel information for passengers be further improved?</p>
	<p>Opportunities for real-time information should be maximised, including the potential for applications for mobile phones and other technological advances.</p>

Caledonian Sleeper

37	Should we continue to specify sleeper services, or should this be a purely commercial matter for a train operating company?
	<p>Sleeper services should be maintained.</p> <p>They provide one of the few alternatives to air travel and are important part of travel choices available for business travel and leisure . If the service was improved (greater space in the cabins, toilet provision, privacy etc.) then there is scope for increasing the number of passengers.</p>
38	Should the Caledonian Sleeper services be contracted for separately from the main ScotRail franchise? Or should it be an option for within the main ScotRail franchise?
	<p>Insufficient information is available on costs versus income on this issue although if to be supported as a “social” service then a separate franchise might see a better marketing strategy boost numbers.</p>
39	<p>We would be interested in your views in the level and type of service that the Caledonian Sleeper Services should provide. Including:</p> <p>What is the appeal of the Caledonian Sleeper Service, and if there were more early and late trains would the appeal of the sleeper services change?</p> <p>What is the value of sleeper services to Fort William, Inverness and Aberdeen and are these the correct destinations, for example would Oban provide better connectivity?</p> <p>What facilities should the sleeper services provide and would you pay more for better facilities?</p>
	<p>The choice of an overnight sleeper service provides the opportunity to travel from/to City Centre rather than an airport and is often seen as preferential to an early flight. Additional services could provide more options for earlier or later departures if sufficient demand existed and are particularly attractive to those wishing to travel more sustainably or who do not like to fly.</p> <p>In terms of destinations, there is no doubt that Aberdeen is an essential destination, with significant travel between the north east and London.</p> <p>Facilities should include private rooms, incorporating toilet and shower and more space.</p>

Environmental Issues

40	What environmental key performance indicators should we consider for inclusion in the franchise agreement or the High Level Output Specification?
	<p>This is a matter for the Scottish Government and Transport Scotland to determine.</p>

The closing date for responses is 20 February 2012.