

General -

6b Publications and Consultations

- Purpose of Report

The purpose of this report is to inform members of a number of recent publications and consultation papers and to seek approval of draft responses as appropriate.

- Inter City East Coast Rail franchise

The Inter City East Coast franchise (ICEC) is currently operated by East Coast Trains, a subsidiary of the UK Government, which took over the contract from National Express in 2009, two years into an eight-year franchise which should have extended to March 2015. The franchise covers long-distance rail services on the East Coast Main Line, between London King's Cross, Yorkshire, the north east of England and Scotland. There are currently three services per day in each direction between Aberdeen and London taking approximately 7 hours.

The current franchise serves some 52 stations, including Aberdeen and Stonehaven within the Nestrans area, and trains are serviced at eight depots, one of which is Clayhills in Aberdeen. Train crew depots are located at seven locations, including Aberdeen.

On 26 June, the Department for Transport issued a consultation document on a new franchise, which will operate from December 2013. A copy of the consultation document is available from the DfT website at:

<http://www.dft.gov.uk/consultations/dft-2012-24/>

The ICEC franchise operates cross-boundary services between Scotland and England, which are specified and funded by the Department of Transport. Transport Scotland is regarded as an important partner and has indicated a number of priorities for improvements to ICEC services:

- ~ Optimising the balance between fast, targeted business services with reduced journey times, and the need for good connectivity between Edinburgh and intermediate stations on the ECML;
- ~ Retention of through services to/from Aberdeen and Inverness;
- ~ Review of timings for the services to/from Inverness and Aberdeen to ensure that arrival and departure times are as convenient as possible for the majority of passengers;
- ~ Review of opportunities for ICEC services to provide increased capacity at Edinburgh.

The consultation includes 13 specific questions, which are attached as Appendix 1 to this report along with a recommended response to those of relevance to the north east of Scotland. Key issues include the need to ensure that long-held commitments to implementing hybrid bi-fuel trains and to improving journey times are fulfilled; that the needs of all parts of the route are benefitting from the new franchise; that there is a need to recognise the importance of the ICEC services within Scotland and that long delays or compulsory train change at Edinburgh would not be acceptable.

Responses are required by 18 September 2012.

- Inter City East Coast Rail franchise consultation

When the Department for Transport announced the franchise consultation on 26 June, they invited stakeholders to one of four meetings to discuss the issues contained in the consultation document. The meetings were scheduled for Edinburgh, Newcastle, Leeds and London – with just three weeks' notice of the only Scottish meeting.

Nestrans wrote to the DfT on 29 June expressing disappointment at the short notice for the Edinburgh meeting, pointing out that it was scheduled to take place during school holidays and Parliamentary/Councils' recess and putting forward the opinion that a further meeting in Aberdeen would give the opportunity to discuss issues pertaining to the franchise north of the Central Belt. This position was supported by colleagues in Hitrans and Tactran and the letter was copied to all local MPs and MSPs.

A number of politicians have since contacted Nestrans to offer their support, including writing letters to the DfT calling for a further meeting in Aberdeen.

However, a response has now been received from the DfT indicating that the Department consider the four meetings "represent the geography of the franchise area" and therefore will not be holding a consultation meeting in Aberdeen. It is suggested that a further letter be sent to the Department emphasising that the InterCity East Coast franchise serves an area much wider than just Edinburgh, that Aberdeen is a further 2½ hours by train and therefore we do not consider that the meetings are adequate for the consultation purpose.

A copy of the DfT response is included as Appendix 2 to this report.

- Ministerial Statement on Railways

The Scottish Transport Minister, Keith Brown, made a statement to parliament on Railways on 21 June.

The announcement presented the results of the consultation on the ScotRail 2014 franchise and provided some clarification regarding the Government's position and reaction to the consultation. Over 1,200 responses were received and the report on these responses confirms support for many of Nestrans' views. Indeed the Nestrans response is quoted within the report to emphasise respondents' comments. The Minister's statement accepted a number of points made in our response, including confirmation of the continuation of Sleeper services with a £100m investment, an intention to expand fares regulation to protect rural rail users as well as commuters, and a move towards comprehensive smart-ticketing.

The new franchisee will be expected to deliver improved integration, both between the ScotRail operator and Network Rail and also between the railway industry and other modes of travel.

Other key announcements included that a separate Sleeper franchise will be let for a period of 15 years and that the main ScotRail franchise will be a ten-year contract covering the period 2014-2024 with a potential break-point after five years.

The Minister also announced the High Level Output Statement and Statement of Funds Available for developing rail in Scotland which are discussed in more detail below.

- High Level Output Statement

On 21 June 2012, Scottish Ministers published a High level Output Statement (HLOS) and Statement of Funds Available outlining what they expect the rail industry to deliver in Scotland in the period 2014-19 and the funding which will be made available for delivery.

The HLOS states that the strategy will be to improve journey times and connections, with an outcome expected of “demonstrable improvement in average journey times”. In addition, Ministers seek a continuous and sustained reduction in the amount of carbon produced per train kilometre and per freight tonne kilometre.

The key output is a target of 92.5% of train arrivals within 5 minutes (10 minutes for long-distance services) by 2019 – an increase on current ScotRail measure of 90.8%. Demand for rail services is expected to grow considerably and capacity interventions are outlined to accommodate a 15% background growth over the five-year period.

Over the background growth, the key projects identified for delivery within the HLOS are:

- ~ the Edinburgh-Glasgow Improvements Programme (EGIP);
- ~ the Borders Railway between Edinburgh and Tweedbank;
- ~ Highland Main Line Improvements Phase 2 to support an hourly train service in both directions between Inverness and Perth; and
- ~ Aberdeen-Inverness Rail Line Improvements Phase 1 to enhance commuting services into both cities and enable delivery of Kintore and Dalcross stations, including enhanced end-to-end services to support the longer-term objective of hourly services with an average journey of under two hours.

By the end of the period at 2019, Ministers also expect Network Rail to be implementing a rolling programme of electrification covering around 100 single track kilometers per annum (ie where track is dualled, at least 50km per year to be electrified). Further funds are also to be established including Scottish Stations Fund (£30m for access improvements which will include car and cycle parking facilities and potentially new stations), a Strategic Rail Freight Investment Fund (£30m to encourage growth in rail freight and reduce emissions), Network Improvement Fund (£60m), Network Development Fund (£10m to develop proposals for interventions for the period beyond 2019), and a Level Crossings Fund (£10m).

A number of strategic projects are identified for development to an appropriate level to enable future funding decisions – these include Aberdeen-Inverness Corridor Improvements Phase 2 and Aberdeen-Central Belt, which are likely to be included in the next HLOS for delivery in the period 2019-2024.

Over the period 2014-2019, Scottish Ministers have identified £3.323billion to support the activities contained in the document.

- First Aberdeen network changes

Nestrans were given the opportunity to respond to First Aberdeen’s recently proposed changes to services. In the normal course of events Nestrans, although aware of proposed changes, do not respond to specific service change proposals. This is usually considered in detail by Aberdeen City or Aberdeenshire Council as appropriate with no need for duplication of effort by Nestrans.

In this instance there were a couple of issues of a strategic nature impacting on the Bus Punctuality Improvement Partnership corridor studies and the operation of the Park and Ride operations. Nestrans requested a meeting with First Aberdeen to discuss these strategic

issues. This meeting took place and the issues were explored with agreement on improving communications and ways of dealing with issues of a commercial nature outwith the current LABOF meetings processes.

- Draft Aviation Policy Framework

In July 2012 the UK Government published a “Draft Aviation Policy Framework” document. This can be found at:

<http://www.dft.gov.uk/consultations/dft-2012-35/>

This consultation closes on 31 October 2012 meaning there is therefore time for the Board to consider a response at it's meeting on Tuesday 9 October 2012.

The current consultation has separated discussion on additional capacity in the South East of England to a later consultation. This is explained in the forward by the Secretary of State as follows:

While discussion remains about precisely how much aviation contributes to the economy, the responses to the scoping document showed that there was broad agreement that aviation does provide significant economic and other benefits; there was wide recognition of aviation's global and local environmental impacts and agreement that these must be tackled effectively; and the importance of maintaining the UK's excellent international connectivity was widely recognised, although there was a range of views as to how this should be achieved.

The main issue of contention remains airport, and particularly runway capacity. Some argue that new capacity is needed immediately, particularly in the South East. Others see no need for additional capacity, either now or in the longer term. These positions are incompatible and experience with previous proposals for a third runway at Heathrow demonstrates that without sufficient support, particularly at a political level, it would not be possible for any government to deliver new capacity, however hard some shout for it. It is also clear that any decisions on additional capacity would probably not deliver operational results before 2020, so in the short term at least we must make the best use of the capacity we have.

The Government's vision is for dynamic, sustainable transport that drives economic growth and competitiveness. We are securing investment to provide world class national and international connectivity; harnessing technology to ensure our transport system is smart and sustainable and ready for the future; and putting the customer and businesses at the heart of transport. The Government is determined to make progress towards a solution for aviation which meets the UK's medium and longer term connectivity needs, which can secure the broad support needed to be achievable. As the Coalition Agreement promised, the Government has cancelled plans for a third runway at Heathrow, but, as our National Infrastructure Plan last year made clear, one of our top priorities is to maintain the UK's aviation hub status. We therefore intend to issue a Call for Evidence on maintaining the UK's international aviation connectivity later this year. Over the decades, successive governments have failed to find a sustainable solution because they have not been ambitious enough or sought consensus on what the UK needs in the long term. By starting to consult on this framework first, we are encouraging stakeholders to consider the 'big picture' before putting forward any proposals for new capacity.

It is clear that any solution will have to be genuinely sustainable. It would need to fit within the high-level policies set out in the Government's strategic aviation policy framework, which is the subject of this consultation document. We are seeking views on our overall policy and on specific proposals that could support the delivery of that policy.

A better balance than in the past needs to be struck between the benefits aviation undoubtedly brings and its impacts, both at a global and at a local level. This will require much better engagement between airports and local communities, with greater transparency to facilitate informed debate and help to build mutual trust. This is one of the key themes running through our draft framework and the Government is encouraged that some airports are already working to improve local engagement. Nevertheless more needs to be done.

The way ahead will undoubtedly be challenging but the Government believes that aviation needs to grow sustainably, delivering the benefits essential to our economic well-being whilst respecting the environment and protecting quality of life.

In that spirit, the Government welcomes responses to this consultation. It remains our intention to finalise this framework by March 2013.

The current consultation therefore considers the following issues:

- The benefits of Aviation
 - Aviations contribution to the UK economy
 - Connectivity
 - Our short term strategy
 - The medium and long term
- Climate change impacts
 - Our climate change strategy for aviation
- Noise and other local environmental impacts
 - Policy objectives
 - Action to achieve our objectives
 - Air quality and other local environmental impacts
- Working together
 - The importance of local collaboration
 - Improving existing arrangements
- Planning
 - The status of the Aviation Policy Framework
 - Planning Policies
 - Safeguarding
 - Surface access

It is proposed to consult with the Airport, the Airport Consultative Committee and the two Councils and prepare a draft response for the Boards consideration at their meeting on 9 October 2012.

A discussion with Transport Scotland on Aviation matters has suggested that they intend to hold a consultation event in Edinburgh where the Department of Transport will be in attendance. This consultation event may be useful in formulating a response.

The “Draft Aviation Policy Framework” has been prepared following a previous consultation on “Developing a sustainable framework for UK Aviation: Scoping document”

The Board agreed a response to this document and an all RTP response was also submitted. The UK Government have published a “Summary of Responses” document. This document shows that a number of the themes of the Nestrans Board’s response have been picked up and that these responses align with responses from elsewhere in the UK. The document has also highlighted some very specific north east concerns. The following are some extracts from the document:

- 15 *Some respondents also illustrated the benefit of aviation to the UK economy through the use of specific case studies. These case studies highlighted the importance of the aviation industry in supporting businesses in the UK that operated both on a global scale and in the local area.*
- 20 *Respondents considered a number of aspects of UK aviation to be of strategic national interest, including air traffic control because of the security and safety issues, Heathrow as the “UK flag bearer”, and London airports more generally due to the huge demand in the South East region. Some respondents noted the strategic importance of increasing connectivity to isolated regions of the UK, and that air travel has an important role to play in re-balancing the UK economy and ensuring that the more remote areas can continue to flourish through good links to major centres.*
- 23 *The majority of respondents recognised the value of good connectivity to the UK economy. Several noted that good air connectivity was often cited as a significant factor for businesses in deciding where to locate and that inward investment and inbound tourism were more likely to grow in countries where airport links were good.*
- 35 *A clear majority of respondents said that it was important to maintain domestic services into London airports, particularly Heathrow, in order to: attract foreign investment into the regions; improve local economies; provide vital connectivity to remote regions otherwise unserved, or poorly served by public transport links; and facilitate inbound tourism and visits to friends and relatives. A number commented that Public Service Obligations (PSOs) might be needed to achieve this.*
- 42 *However a number of respondents, mostly those based or headquartered in London, commented that there was limited scope for these airports to absorb demand from the South East because they had smaller catchment areas and **passengers currently using South East airports were not willing to travel to them.** (Our emphasis not the Governments!) Respondents felt that this was particularly true for the users of high value products (e.g. business class travel), high sales of which assisted in establishing route viability.*
- 43 *Similarly a number of respondents, particularly with interests in the local area, felt that it would be helpful to recognise Aberdeen airport as a specialist hub serving the oil and gas, and offshore renewables industry, and ensure that connections*

into London were retained. They felt that this would support the economy of Aberdeen and the surrounding region.

54 Many respondents recognised the value that HS2 could provide in freeing up some slots at congested airports for long haul business routes. However, a number of respondents, from across the groups, pointed out that rail links would be of limited benefit to large parts of the aviation sector. This included flights connecting remote regions, and regions separated from the mainland such as Northern Ireland. A number of respondents called for domestic flights to these regions to be protected through mechanisms such as PSOs.

- Recommendation

It is recommended that Members :

- a) note the report and the documents referred to above and endorse the comments as Nestrans' response to the ICEC franchise consultation.

RD/20 Aug 2012

Inter City East Coast Franchise

Department for Transport consultation: Draft response

Q1 Do consultees agree that the proposed franchise objectives are an appropriate expression of the priorities that should apply to the new ICEC franchise?

Nestrans would support six of the seven identified objectives, namely:

- ~ Supporting economic growth;
- ~ Improving overall passenger experience;
- ~ Performing reliably and punctually;
- ~ Being cost-effective and efficient;
- ~ Optimising environmental performance; and
- ~ Ensuring the benefits of the Intercity Express Programme trains are realised.

However, there is concern regarding the first objective (“realise the commercial potential of long-distance services...and making an appropriate contribution to the overall financial position of the railways”), which cannot be regarded as addressing a problem or issue and appears to imply that ICEC should be cross-subsidising other, less commercial parts of the network. Whilst recognising the commercial potential of the route, it should not be the first objective of the franchise. It is suggested that this objective be replaced with a more general objective “to ensure value for money for taxpayers and passengers”.

Q2 Are there any other issues that consultees believe the Department should take into account in determining the length of the new ICEC franchise?

A recommended franchise of 10 to 12 years seems to comply with the recommendation that longer franchises will encourage investment whilst avoiding a change of franchise in the years immediately preceding the anticipated opening of the High Speed Line to Yorkshire in 2032/33.

Q3 What are consultees’ views on the principle of the new ICEC franchise becoming a multi-purpose train operator along the route of the East Coast Main Line rather than focussing only on the InterCity services by the current operator?

Table 7.1 provides a list of the 22 services run by four different operators which currently operate on the East Coast Main Line between London Kings Cross and Newcastle. However, the ECML is the line between Kings Cross and Aberdeen via Edinburgh, so services north of Newcastle should also be included in the table.

We do not believe that the ICEC franchise should be let as a multi-purpose operation along the route and would oppose transferring additional services to the ICEC franchise. The ICEC should continue as a long-distance operator focussing on its current key markets of intercity, leisure and business travel and are particularly concerned by the statement that “some current through journey opportunities would be lost”.

Q4 Do consultees have any comments on which services might be considered for inclusion in the new ICEC franchise and how they might be specified?

There is potential for a further, additional early morning departure from Aberdeen-London. Allowing for arrival into London Kings Cross before midday would capture a significant business and leisure market between the north east of Scotland and the capital.

Q5 Are consultees aware of any other rail or non-rail major development schemes that are likely to have a significant impact on the new ICEC franchise?

The Scottish Government has committed to improving journey times between Aberdeen and the Central Belt, aiming to take 20 minutes off existing journey times. The East Coast service must take full advantage of such enhancements and offer services which are faster than comparative car journey times. The current Aberdeen-Edinburgh journey of over 2 ½ hours and overall journey times to London of over 7 hours are inadequate and must be improved upon. A better balance should be struck between timetabled journey times, punctuality and station wait times (as an example, Aberdeen-Stonehaven is timetabled as 17 minutes, yet Stonehaven-Aberdeen is timetabled as 25 minutes, presumably with 8 minutes lee-way to allow for late running. Up to 7 minutes wait time is timetabled between arrival and departure at Edinburgh Waverley, although in practice travellers often experience longer waits than this on the through train from Aberdeen-England).

Q6 Are there any research findings, evidence or other publications that consultees wish to bring to the attention of the Department as part of this refranchising process?

Not applicable.

Q7 Consultees' views are invited on the train service specification, including which aspects should be mandated by the Department and which can be left to commercial discretion: and also on whether or not there should be a change in the specified minimum service level when IEP trains are introduced?

The Intercity Express Programme (IEP) is a UK Government-led programme to upgrade the InterCity fleet, in particular replacing the diesel 125 rolling stock currently used on the East Coast service from 2018. It is imperative that the service specification beyond 2018 provides for effective through running between London and Aberdeen utilising the new rolling stock on the non-electrified part of the route. Excessive delays or changing trains at Edinburgh are not considered to be acceptable options for through travellers.

Q8 Consultees' views are invited on the potential for the franchise to serve locations accessible from the East Coast Main Line which currently have limited or no direct services to London.

The core function of the franchise should be to provide effective services for communities on the East Coast Main Line. Any proposals to provide other services must not do so at the expense of the existing through services. As stated above, the key role of the East Coast franchise is to provide long distance intercity services and this should not be diminished.

Q9 Are consultees aware of any ways in which improved ticketing, smart ticketing and passenger information might be provided?

Technological advances should be encouraged and supported.

Q10 Do consultees support the use of NPS scores to monitor and improve service quality of the ICEC franchise? Are there any other approaches that might be more effective in securing improvements in customer experience?

The National Passenger Survey (NPS) is an effective way to monitor customer service. Separate targets for passenger satisfaction in relation to trains, information and stations is appropriate to enable action to be taken to make improvements where necessary.

Q11 What are the consultees' priorities for improvements to the stations managed by the ICEC franchisee?

There are no stations managed by the ICEC franchisee within the Nestrans area.

Q12 What do consultees believe are the most important factors in improving safety and security (actual or perceived)?

Passengers have a right both to be safe and to feel safe when travelling on public transport. Although safety records in the UK rail industry are high, the perception of security amongst rail users is not always as good as it could be. Stations should be well lit, covered by CCTV and be staffed as far as possible. On trains, staff should be very visible and adequately trained to deal with any incidents.

Rolling stock should be upgraded to comply with modern safety standards – concerns exist regarding the existing diesel 125 carriages with outdated window and door opening mechanisms.

Q13 Are there any increments or decrements to the DfT's proposed specification that stakeholders would wish to see and would be prepared to fund?

Service enhancements are necessary to facilitate improvements to the East Coast service. A number of commitments have been made and would be expected to be implemented. These would include the DfT's commitment to introduce bi-modal rolling stock through the Intercity Express Programme and the Scottish Government (through the Strategic Transport Projects Review and Infrastructure Investment Programme) to cutting journey times between Aberdeen and the Central Belt by 20 minutes. The ICEC franchise should recognise the potential for such improvements and ensure that they are delivered timeously. It would not be appropriate to expect local authority or Regional Transport Partnership funding to implement such schemes, which should be funded by central government and the railway industry.

Inter City East Coast Franchise: Response received from DfT

Department for
Transport

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26 July 2012



Dear Mr Dickson,

Inter City East Coast Franchise Replacement: Consultation Events

Thank you for your letter of 29 June requesting a consultation event in Aberdeen for the Inter City East Coast franchise replacement.

Please accept our apologies for not responding to you directly earlier. We received representation on this matter from both Kevin Stewart MSP and Alison McInnes MSP and thought they were consulting on your behalf.

The Department for Transport recognises the importance of the train services between Edinburgh and Aberdeen provided by the Inter City East Coast franchisee. We organised a series of consultation events representing the geography of the franchise area in London, Leeds, Newcastle and including Edinburgh. As you will I'm sure appreciate we are not able to hold consultation events at every location serviced along the route and therefore will not be holding a consultation meeting in Aberdeen.

We welcome your views on the services between Edinburgh and Aberdeen, which can be either sent by email to icec@dft.gsi.gov.uk or by post to;

ICEC Franchise Consultation Manager
Department for Transport
Great Minster House (3/15)
33 Horseferry Road
London, SW1P 4DR

Thank you for taking the time to contact me and we look forward to receiving your views in the near future.

Yours sincerely,

Sacha Hatteea
Project Sponsor – Inter City East Coast refranchising