

Respondent Information Form and Questions

Please Note this form **must** be returned with your response to ensure that we handle your response appropriately

1. Name/Organisation

Organisation Name

Federation of Small Businesses (FSB)

Title Mr ☐ Ms ☐ Mrs ☐ Miss ☐ Dr ☐ *Please tick as appropriate*

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3. Permissions - I am responding as...

Individual

☐

/

Group/Organisation

☒

Please tick as appropriate

- (a) Do you agree to your response being made available to the public (in Scottish Government library and/or on the Scottish Government web site)?

Please tick as appropriate ☐ Yes ☐ No

- (b) Where confidentiality is not requested, we will make your responses available to the public on the following basis
Please tick ONE of the following boxes

Yes, make my response, name and address all available ☐

or

Yes, make my response available, but not my name and address ☐

or

Yes, make my response and name available, but not my address ☐

- (c) The name and address of your organisation **will be** made available to the public (in the Scottish Government library and/or on the Scottish Government web site).

Are you content for your **response** to be made available?

Please tick as appropriate ☒ Yes ☐ No

- (d) We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Please tick as appropriate

☒ Yes

☐ No

Rail 2014 – Public Consultation Response to Transport Scotland

February 2012

Overview

The FSB is Scotland's largest direct-member business organisation, representing over 20,000 members. The FSB campaigns for an economic and social environment which allows small businesses to grow and prosper.

Reliable, efficient infrastructure is central to business productivity and we therefore welcome the opportunity to submit comments to Transport Scotland on the future of rail passenger services in Scotland.

With others better qualified to comment on how the industry should be structured, our comments focus on how the passenger network can best meet the business traveller's needs and thus support economic growth. These points are made in turn below.

Overall, though, the consultation paper succinctly sets out the challenges facing the industry and the range of competing principles which will have to be balanced as the post-2014 industry model is shaped. The FSB submits that, in the interests of economic growth, the chief consideration in these calculations should be the maximisation of productivity for those travelling in connection with business (in the course of one's business or commuting to a place of business).

Every hour which a small business person – or indeed any business traveller – is away from their business is an hour during which they are not selling to customers, negotiating with suppliers or otherwise running the business. This lost time obviously comes with a cost attached, which has to be recouped elsewhere. Thus, key to attracting business users to the network will be demonstrating that rail travel incurs less wasted, unproductive time than taking the car or, mainly in the case of cross border services, flying.

Section 4: Reliability, Performance and Service Quality

It is not surprising that Passenger Focus found that reliability and punctuality are top priorities for rail passengers.¹ This will be of particular importance to the business traveller or commuter for whom time is especially valuable.

We note the discussion² about how “lateness” should be defined and would submit that any deviation from the advertised timetable should be regarded as late. Whether making connections or being punctual for meetings, predictions to the nearest 10 minutes are not sufficiently accurate to allow efficient travel plans to be made. When possible delays need to be factored in, it is obviously necessary to leave longer gaps between connections, leading, even when everything runs perfectly, to more unproductive time on platforms.

Further, it is arguably more important for passengers to know the total journey time, as opposed to simply when the train will arrive in the station. Delays can occur at large interchange or terminus stations where many passengers are leaving overcrowded trains and queuing to purchase tickets and/or negotiate erratic ticket barriers. Thus, while we accept that moving large numbers of people around a confined space cannot be done instantly and that fare evasion must be minimised, we would urge the operator to examine its procedures and see where efficiencies could reduce transfer times.

Section 5: Scottish Train Services

For the reasons outlined above around predictability of journey times and the impact of gaps between connecting services on productivity, we would be wary of any moves, as suggested in **Question 16**, to increase the use of interchange stations.

Section 6: Scottish Rail Fares

We note that demand for ScotRail passenger services has increased by 25.5% over the last 7 years and that demand is expected to continue to grow.³ We welcome the ambition to retain and attract increasing numbers of passengers⁴ as in the past there has been a danger of rising passenger numbers being portrayed as a problem or a reason for drops in levels of service.

The consultation document is right to ask the question about who should pay for the rail network and we note that passenger revenue accounts for 26% of the total costs

¹ Para 4.1

² Para 4.14, for example

³ Para 1.4, 1.5

⁴ Para 10.1

of providing ScotRail services, with the taxpayer contributing the balance to both ScotRail and Network Rail.

Regular commuters who travel at peak times, those who travel on key commercial routes and business travellers who use first class services (and those who do all three) will already pay the most for their tickets. At the same time, Income Tax, National Insurance, Corporation Tax, VAT and Business Rates account for the vast majority of government funds. Thus, the business community and working population almost wholly fund the rail network.

This should be borne in mind when questions arise around in whose interests passenger services are to be designed. Further, when **Question 22** asks where the passenger / taxpayer funded line should be drawn, the total value of the contribution already made by commuters and business travellers should be recognised.

In terms of the untapped passenger revenues which a redesigned ScotRail could potentially access, while many small businesses obviously have no choice but to use lorries, vans or cars for their daily activities, a third of FSB members in Scotland say they could be encouraged to use public transport more if fares were reduced, routes were increased and services were more flexible.⁵

Finally in this section, we would be interested in exploring more fully the options offered by “smart ticketing”⁶, as the necessary technology could offer opportunities to enhance efficiency and productivity for traveller and operator alike.

Section 8: Cross-border Services / Section 11: Caledonian Sleeper

In answer to **Questions 29 and 30**, for the reasons already given around the need to increase productivity, we would have grave reservations about the impact on businesses north of the central belt of ending cross-border services at Edinburgh.

Until reliability improves, until it is quicker to change trains, until timetables are properly integrated and until station facilities are improved, forcing passengers to change trains would increase their costs and increase the time spent away from work. This would ultimately place businesses based north of Edinburgh at a commercial disadvantage or encourage them to travel to England by air.

A further point which merits mention under this heading is around the other commercial purposes which some cross border services serve. Although freight services are outwith the scope of this consultation, we are aware of a number of examples of unused capacity on cross-border services being utilised by businesses in Scotland to send goods to markets in the rest of the UK. One notable example is the employment of unused cycle storage bays on the sleeper services to transport fresh, perishable goods such as seafood from Scottish producers in remote coastal areas in the Highlands to top restaurant and hotel kitchens in London. Freshness is essential, both for the quality of the food and the image of the country. The sleeper, for

⁵ FSB Member Monthly Survey Panel Results, February 2011

⁶ Para 6.30

example, ensures that produce can be landed or harvested one day and eaten the next, while at the same time contributing positively to targets for keeping lorries off the road and reducing pollution. We would urge that, where services as important as these exist, they should be retained.

Section 10: Passengers – Comfort, Security, Information

We are naturally pleased that the consultation document acknowledges the economic benefits of passengers having access to mobile telephone and data services whilst travelling by train. To keep working while travelling is central to improving businesses' productivity. It is this which can make the train a more commercially attractive option than car or plane.

We therefore welcome the intention outlined in the document to include improved mobile communications in the contract for future ScotRail passenger services.⁷ Indeed, our manifesto for the 2011 Scottish Parliament elections argued that “the operator of the ScotRail franchise should be contractually obliged to include the provision of reliable 3G mobile phone coverage and free Wi-Fi on all key commercial rail routes.”⁸

Turning to the specific point raised in **Question 33** concerning how this investment in communications technology should be prioritised, the immediate task must be to improve mobile phone coverage on key routes, ideally bringing it up to 3G. While not disputing the technical veracity of the assertion that most of the central belt rail network will be covered by mobile phone masts, this is not matched by the experience on lines such as Glasgow / Edinburgh.

When mobile coverage has been extended to parts of the Glasgow Subway system, covering those parts of lines which are in tunnels or pass through cuttings should not be impossible. It is a matter of regret that there are not more mobile masts on Network Rail owned land and we would urge that talks aimed at correcting this are entered into with the interested parties as a matter of urgency.

As regards the installation of Wi-Fi on the network, we will leave it for technical experts to debate which of the competing systems would be best.

To realise the productivity benefits of these advances in mobile communications, however, travellers will need space in which to work. At a minimum, this means a seat of some description. Ideally, passengers would also have ready access to power points so that they can have sufficient power for their devices throughout the journey.

Question 36 raises the vexed issue of travel information and the apparent difficulties around communicating accurate information to passengers when things go wrong. The consultation document is right to highlight the consternation this causes⁹ to

⁷ Para 10.11

⁸ *The Journey Back, How small businesses can drive the recovery* FSB 2011, p6

⁹ Para 10.30

passengers who fail to see how this problem can arise. The layman presumes that, between them, ScotRail and Network Rail know approximately where their trains are and how long they take to move between certain points. Thus, it is surprising that, when a train is a minimum of half an hour away, it is shown as being “On Time” on departure boards until a few minutes before it’s due to leave. Even where accurate predictions of departure times are not possible, it should be realistic to expect at least a guide to the earliest time at which the service may depart. This would then allow travellers to make an informed choice about whether to wait, seek alternative transport or abandon their journey.

Finally, the success of the ScotRail Twitter feed in keeping passengers contemporaneously informed of developments and responding to queries should be praised.

For further information on any of the points raised in this submission, please contact Colin Borland, Head of External Affairs e: colin.borland@fsb.org.uk t: 0141 221 0775.