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Rail 2014
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Dear Sirs,

Scottish Government: Rail 2014 – Public Consultation

I am writing on behalf of Inverness Chamber of Commerce to provide input to this Scottish Government Consultation. This matter is extremely important for both the business community and wider society of the Highlands. While rail infrastructure is critical to the ongoing development of our communities locally, it also fundamentally provides direct transport links to the rest of Scotland, the UK and beyond.

Before responding to the specific comments made in the Consultation document and at the various briefings I have attended over recent months, I would like to make some general points. While this Consultation is welcomed, I do have major concerns that it does not address either the chronic, systemic issues facing Scotland's rail industry in the 21st Century or provide any reassurance that the specific and pressing needs of the Highlands are even recognised, never mind being addressed. Scotland needs to develop a rail infrastructure and service which truly serves the whole of Scotland.

In terms of my first point, this consultation exercise, I believe, makes no attempt to address the structural arrangements and thereby some of the systemic failings of the rail industry in Scotland. While we 'tinker around the edges', we have, I believe, an unsustainable and wasteful bureaucracy tied into the rail structure in Scotland. Each of the 'main players'; Scottish Government, Transport Scotland, Network Rail, the ROSCO's and the successful Franchise Operator, have an overhead and business infrastructure which is almost inevitably wasteful of increasingly hard-pressed public money. In addition, each of these entities, again almost inevitably, becomes primarily interested in their own self-preservation, rather than meeting the needs of the travelling public in terms of either service provision or value for money. It is all too easy for any and actually all of these bodies to lose sight of their main reason for existence – meeting the transport needs of the people of Scotland.

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Additionally, and of more pressing concern is the fact that this Consultation does not recognise the growing needs of the businesses and communities across the Highlands. The Highlands are not well served by the existing rail arrangements. I would go as far as to say that they are being failed by the existing provision. It is hard to escape the inevitable conclusion that Scotland's rail infrastructure is just not fit for purpose north of Perth. While the remoteness of the Highlands and Islands is undoubtedly one of our attractions; we need that 'remoteness' to be relatively accessible both to Scots and to visitors from across the world.

Given the huge passenger numbers and revenue generation in the south west of the country, it is understandable why the issues and needs of those individuals and region dominate the rail industry in Scotland. However this, in my view, is often at the expense of the rest of Scotland and particularly out-with the Central Belt. Scotland needs a modern, efficient and reliable rail infrastructure which meets the needs of the whole country and facilitates the economic development of all regions.

Further, as the rail infrastructure and service provision is dramatically improved across Central Scotland and the rest of the UK; the Highlands will increasingly seem to become that bit more remote and harder to get to. This will have damaging consequences to our largest business sector, tourism and negatively impact on everyone seeking to live and work across the Highlands.

The Highlands have some very specific requirements in terms of rail infrastructure and service provision:

- Hourly day-time services to and from Inverness and each of Glasgow, Edinburgh and Aberdeen.
- Significantly faster journey times between Inverness and each of Glasgow, Edinburgh and Aberdeen.
- The ability to get to Glasgow and Edinburgh in time for meetings starting at 9am.
- The provision of 'inter-city' quality rolling stock on all trains between Inverness and each of Glasgow, Edinburgh and Aberdeen.
- Such rolling stock should have 'Wi-Fi' and power sockets to all seats.

In addition to the provision of these general points, I am pleased to make the following comments on the specific points raised in the consultation document.

Questions 1 – 8, Consultation Section 3: Procuring Rail Passenger Services

Inverness Chamber of Commerce believes that the ScotRail franchise should be retained as a single franchise and that it should be of the longest acceptable term. This should allow for the necessary prioritisation of both track improvements and rolling stock investment in addition to providing the successful franchisee with an appropriate return. While we recognise the challenges facing the Government, Scotland must have a rail industry which serves the needs of the customer and works for the economy of the whole of Scotland.

Questions 9 – 14, Consultation Section 4: Achieving Reliability, Performance and Service Quality

Inverness Chamber of Commerce considers that a single set of performance criteria should exist across the whole of Scotland. Where Service Quality Regimes have delivered; that learning and success should be widely shared. We do not regard journey times and performance as being in tension as suggested in your Consultation. Too often we see the 'main players' previously mentioned wasting time and resource proving

that it wasn't 'their part of the system' which failed to perform on any given instance. We strongly assert that acceptable, improving journey times are an essential key performance measure for the industry.

Questions 15 – 19, Consultation Section 5: Scottish Train Services

We have the strong believe that there is significant scope for the improvement of the service offering for all passengers. The provision of adequate catering services is essential particularly on longer distance routes; such as those to and from Inverness. Business class provision on these long distance routes are currently inconsistent and of variable quality. Reliability of service is a key issue, particularly on commuter routes. The development of commuter services out-with the Central Belt in recent years has been particularly successful. The 'Invernet' services in and around Inverness and the Highlands have been particularly welcome and on which progress has to be built.

Questions 20 – 23, Consultation Section 6: Scottish Rail Fares

A difficult balance requires to be struck on this matter. We fully recognise that fares must be set at an attractive level so as to attract passengers. We also understand the relatively small revenue stream obtained from fares. However, one cannot help but identify with the widespread view that our rail service is expensive while service delivery remains poor. There is also an inescapable feeling that fares rise with impunity, regardless of service quality improvement. We agree with colleagues across the SCC network that, if Scotland's rail provision has to reduce the financial burden to the taxpayer while retaining customers, then the solution is to drive down costs rather than ramp up prices. We consider that increasing differentials between 'peak' and 'off-peak' fares is too blunt a tool to effect any meaningful change in the use of rail services. In general terms, we feel that fare structure needs to be dramatically simplified and that the range of fare choice is significantly reduced.

Questions 24 – 28, Consultation Section 7: Scottish Stations

Efforts must be made to ensure that usage of all stations is maximised. However, we believe that the franchise holder must have the option of withdrawing a scarcely used facility. Where appropriate, schemes such as 'Adopt a Station' have to be fully utilised to ensure as high a degree of local ownership as possible.

Questions 29 & 30, Consultation Section 8: Cross Border Services

Inverness Chamber of Commerce strongly believes that the provision of through services to London from Inverness and the north-east must be preserved. For example, the once-daily service between Inverness and London remains one of the few direct transport links the area has with the UK capital. The cessation of this vital direct transport link, no matter how well managed in Edinburgh, for example; immediately sends out the message to the world that Inverness and the Highlands are remote and difficult to get to. Despite the challenges set out in this Consultation, strenuous efforts have to be made to ensure that through service cross-border routes are part of the timetable

Questions 31 & 32, Consultation Section 9: Rolling Stock

Our views have been set out in our opening remarks. We don't accept that it is beyond the industry to provide Scotland with a fleet of 'state of the art' intercity trains operating continuously, for example, between Inverness-Aberdeen-Dundee-Edinburgh-Glasgow-Inverness. These routes are increasingly used by foreign visitors to Scotland and the quality of the rolling stock is arguably the one area in which we just have to 'raise our game'. These trains have to have modern and adequate business class seating, full Wi-Fi connectivity; catering provision and adequate work space throughout.

Questions 33 – 36, Consultation Section 10: Passengers – comfort, security, information

We find it, in passing, noteworthy that the 'Passenger' and their needs are well down the list of criteria. This is perhaps one of the biggest issues facing all of the players in the industry? The passenger, dare we even call them 'customers'?; is too far down this list of priorities?

One of the undoubted benefits of rail over road, particularly for lengthier journeys, is the perceived ability to work effectively while on a train. For the modern business traveller there is not an unreasonable expectation of being able to use a mobile phone, access wireless data networks and conduct business in a comfortable environment while using the train. Increasingly though there is growing reliance, across all sections of society, on mobile devices which access 3G and 4G mobile telecoms networks. In addition to modestly modifying the EGIP project to include mobile telecoms infrastructure alongside the main Central Belt routes, all new rolling stock should be required to have Wi-Fi technology as an absolute minimum.

The provision of such infrastructure and capability will in turn help the rail industry in Scotland more readily communicate with their customers; the travelling public. The use of Social Media and mobile phone 'Apps' are becoming a larger element of the way in which all sections of society communicates. This medium has to be both enabled and embraced by the rail industry in Scotland.

Inverness Chamber of Commerce feels that the provision of alcohol on trains is a commercial matter for the franchise provider. The existing withdrawal of such provision around, national sporting fixtures for example; works well we believe.

Questions 37 – 39, Consultation Section 11: Caledonian Sleeper

We welcome the developments around the investment in this service since the Consultation was published. The £100M which the Scottish and UK Governments have committed to modernising this rolling stock should be invested as soon as possible. In addition to the obvious boost to Scotland's tourism industry it also assists by providing the business traveller one of the few opportunities to arrive in the centre of London for a 9:00am start to the working day. Furthermore, the sleeper gives an important choice to the cross border traveller when other options, particularly air, are becoming more limited.

Question 40, Consultation Section 12: Environmental issues

Inverness Chamber of Commerce agrees that the nation's rail industry carries out all of its activity with a view to improving the environment and minimising the negative impact of its operations. At this point in time, we feel that the existing comparisons provided by operators as to the 'carbon cost' of this mode of transport vs. alternative means is adequate.

I would be pleased to provide you with any further comment on this matter and look forward to hearing from you if that is the case.

Yours sincerely,



Stewart Nicol
Chief Executive

cc Keith Brown MSP, Minister for Transport and Housing
 Liz Cameron, Chief Executive, Scottish Chambers of Commerce
 Dave Duthie, Chairman, HITRANS