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Consultation Questions

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Procuring rail passenger services

1. 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?

Q1 comments: There are no positive merits since it just increases accounting and administration complexity particularly if different franchisees. In any case all rail services are a 'social service' since they are all effectively subsidised to some degree. Further there is a risk that the social service routes will be seen as just that and not recognised as worth investment as an important driver for increased tourism revenues.

2. What should be the length of the contract for future franchises, and what factors lead you to this view?

Q2 comments: Suggest 7years with a built in agreement that if certain performance/quality bench marks are achieved by year 6 there will be an automatic extension to a further 7years and so on. This will encourage the franchisee to strive for goals and maintain standards and reward for positive achievements. It will also engender longer term commitment ownership and continuity while protecting public interest if standards slip.

3. What risk support mechanism should be reflected within the franchise?

Q3 comments: Other than base line risk support mechanisms to cover unanticipated economic factors emphasis should be on the franchisee taking the risk and equally benefiting from the rewards of successful risk taking outcomes.

4. What, if any, profit share mechanism should apply within the franchise?

Q4 comments: There must be a profit sharing arrangement to ensure innovation, risk and endeavour is rewarded fairly. An element of profit sharing should include all employees as well as shareholders.

5. Under what terms should third parties be involved in the operation of passenger rail services?

Q5 comments: Scotland's scenic lines (e.g. The West Highland Lines) could benefit from a third party operator offering a quality travel experience with graded classes of service and superior rolling stock on a regular advertised

timetable (e.g. one service every alternative weekday in the high season and at weekends and marketed worldwide like the Canadian 'Rocky Mountaineer'.) between Glasgow and Mallaig and/or Oban.

6. What is the best way to structure and incentivise the achievement of outcome measures whilst ensuring value for money?

Q6 comments: No comment

7. What level of performance bond and/or parent company guarantees are appropriate?

Q7 comments: No Comment

8. What sanctions should be used to ensure the franchisee fulfils its franchise commitments?

Q8 comments: This is difficult because any attempt to determine liability will result in legal challenge with indeterminate results and high legal costs. At minimum if the franchisee fails to meet contracted deliverables by year 6 they should be charged with meeting 50% of the refranchising cost and this should be bound into the agreement as per response to Question 2 above.

Achieving reliability, performance and service quality

9. Under the franchise, should we incentivise good performance or only penalise poor performance?

Q9 comments: We should incentivise good performance if this can be identified as benefiting or enhancing passenger travel experience.

10. Should the performance regime be aligned with actual routes or service groups, or should there be one system for the whole of Scotland?

Q10 comments: It might be advantageous to align with service groups and route divisions since this would encourage internal competition as well. Particularly if staff were included in any bonus scheme.

11. How can we make the performance regime more aligned with passenger issues?

Q11 comments: Measure against positive passenger experience. Good communication, clean, comfortable trains, toilets, and stations. Service reliability and punctuality. Polite helpful staff.

12. What should the balance be between journey times and performance?

Q12 comments: There remains a suspicion that journey times are padded out to make it easier to achieve performance targets. This should include an annual review process which is co-ordinated with Network Rail's high level output statements and route utilisation criteria. They need rigorous auditing to ensure that service transit times decrease and punctuality is maintained thro' time. Otherwise complacency will prevail.

13. 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?

Q13 comments: A service quality regime is desirable but it must be seen to be fair and encourage rewards.

14. What other mechanisms could be used for assessing train and station quality?

Q14 comments: The current SQUIRE system is appropriate.

Scottish train services

15. 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?

Q15 comments: Standing time is not acceptable on anything but the shortest commuter journey and even then it should apply to journeys not exceeding 20mins and for a maximum of 5% of total journey miles.

16. 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?

Q16 comments: Interchanges are very undesirable. Distance from start and terminus stations is already a disincentive without the additional disruption of changing trains. Obviously there are certain cases where running thro' trains is impractical. All timetabled interchanges must be at staffed interchanges with comfortable sheltered waiting facilities.

17. 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?

Q17 comments: The Government has to direct a basic service frequency and journey time in recognition that there are national economic dependencies

which are in Government, rather than franchisee, ownership. Mechanism to encourage better journey times and higher service frequencies should be in place. The current rolling stock leasing regime leaves little room for exploratory additional service provision. Some mechanism is required to enable more flexibility to encourage operators to run additional services which may start by requiring a higher subsidy.

18. What level of contract specification should we use for the next ScotRail franchise?

Q18 comments: no comment offered

19. How should the contract incentivise the franchisee to be innovative in the provision of services?

Q19 comments: By ensuring that if the innovation is successful the franchisee is rewarded.

Scottish rail fares

20. What should be the rationale for, and purpose of, our fares policy?

Q20 comments: 1ST To encourage more people to travel by train and ensure that services are competitive with road services. This could result in a premium for peak time travel on, for example, the Glasgow-Edinburgh HS line when it comes into service. Whereas the Helensburgh- Bathgate-Edinburgh route fares would relate to road equivalents.

Scenic rural long distance lines need to be priced competitively with road. At present travel times are often longer and the past differentiation in comfort has been lost.

Rail travel must be included in the present free bus scheme for over 60s. If this scheme is modified (age limit raised or a small basic fare) then rail and bus should both have the same subsidy.

21. 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)?

Q21 comments: The current apportionment of regulated and unregulated fares is broadly on sensible principals and, apart from a detailed review of specific routes, should be retained.

Where the franchisee determines that an additional higher quality service (comfort, speed, onboard services and/or extra timetabled service) is provided in excess of the regulated criteria, the franchisee should receive all the financial rewards which accrue.

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?

Q22 comments: My above responses deal with this.

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?

Q23 comments: Off peak costs should be set at least 30% lower and on overloaded routes even more. There needs to be an easy way to implement this without making it uncomfortable for passengers who stray into peak time on return journeys (Flexible preloaded multi trip tickets?)

Scottish stations

24. How should we determine what rail stations are required and where, including whether a station should be closed?

Q24 comments: Increased service frequencies, shorter journey times, more car parking and charges which are competitive with road should increase use at even lightly used stations. However the high costs of maintaining a station which has only a footfall of 5 persons a week is hard to justify. Before closing a review of all stakeholders should be carried out since there may be a local development in plan which could dramatically change the situation. For example Beasdale on the West Highland Line is very lightly used and it is difficult to see who would want to use it. It is not a logical place for tourists either.

Ardlui is also lightly used but , since it is a passing place there is an opportunity for waiting train passengers to alight briefly to stretch their legs.

More important it is in the LL&T National Park and is close to the Outdoor Centre and the Ardlui marina. Local and National Park initiatives could improve the physical link between the station and the recreational facilities and develop tourist traffic significantly in the future. At present the Station is almost cut off from the amenities and foot access is poor and dangerous.

In short, before closing a little used station every effort should be made to determine whether it could be more effective and at the same time be an integral part of the Government's 'Green Tourism' objectives.

Inserting extra stops does affect travel times however this has to be set against the possibility of diverting large numbers of commuters from road use.

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?

Q25 comments: Great merit since they will have a stake hold in the station and will work hard to keep it in good condition and encourage use. It will enable innovative applications and perhaps should be an absolute requirement for any future out of town retail/leisure development. I.e., no more Braehead type developments unless they incorporate an efficient rail network connection within the central complex.

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?

Q26 This is not a case of one size fits all. Any appropriate arrangement should be adopted which will result in the best use of station buildings. This will vary from business development opportunities in town centres to schemes such as the current ScotRail adopt a station scheme. The bottom line however is that each station should have one owner who is responsible for the fabric of the Station and controls any leasing of parts of the station buildings or concourse to third parties. Platforms, overbridges and track have to remain a Network Rail responsibility.

27. How can local communities be encouraged to support their local station?

Q27 Through shared ownership of service provision and involvement in amenities like coffee shop, managed toilets, flower bed maintenance, local taxi office; anything which results in the station being used positively.

28. What categories of station should be designated and what facilities should be available at each category of station?

Q28 comments: The classifications proposed seem sensible but the services on offer under each category need to be defined. For example all interchange stations need to be staffed at all times, provide basic comfort needs –food, drink, toilets, closed sheltered accommodation.

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?

Q29 comments: Cross border services must continue, as they do throughout Europe. Specification should be a shared DoT/Scottish Minister responsibility. There should also be room for other operators to offer a cross border service in addition to specified services.

30. 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?

Q30 comments: There might be some small benefit to traders and services at Waverly. All this would be a great disadvantage to cross border travellers and can only be considered a very narrow minded proposal which would inhibit rail use and have an adverse effect on Scottish tourism..

Rolling stock

31. What alternative strategies or mechanisms could be used to reduce the cost of the provision of rolling stock?

Q31 comments: Consider leasing from alternatives to the ROSCOs for new rolling stock and or the Scottish Government borrowing and leasing free to the franchisee/s. This could introduce a more competitive element into leasing rolling stock. Is it possible, if new rolling stock is needed to enter a leasing arrangement with a new investor/s?

What is needed is a lot more room for flexibility and incentives to refurbish/change the seating layouts etc. At present the system is inflexible and there is little scope for investment and innovation in how carriages are fitted out. There are large differences in the requirements for long distance tourist routes and commuter routes. At present there is little differentiation.

Glasgow – Oban – Fort William – Mallaig & Inverness – Kyle lines for example need new rolling stock fit for purpose with options for 1st class accommodation and wider seat spacing and all seats with good window viewing, much more luggage space and better toilet to passenger ratios. There is scope for examining whether other entrepreneurial resources can be encouraged to invest in these routes.

The current lack of toilet effluent containment on the 156 DMUs allocated to the West Highland Lines fails EU law. This alone should hasten a radical rethink and an absolute requirement for the new franchise to specify fit for purpose rolling stock on these world renowned lines.

Only the Scottish Government can take the widest cost benefit analysis, in terms of the tourism industry and the economy of the West Highlands, of investing in appropriate rolling stock.

32. What facilities should be present on a train and to what extent should these facilities vary according to the route served?

Q32 comments: see above

Passengers – information, security and services

33. How should we prioritise investment for mobile phone provision and / or Wi-Fi type high-bandwidth services?

Q33 comments: Should not be a priority on tourist routes and only selected carriages elsewhere. The balance should be in favour of 'quiet coaches'. However in carriage wifi type devices with a route commentary might be an idea for the premium heritage/scenic tourist lines.

34. 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?

Q34 comments: This can only be achieved by using reliable market research, followed by flexible ticket pricing to optimise revenues.

35. What issues and evidence should be considered prior to determining whether or not to ban the consumption of alcohol on trains?

Q35 comments: Trolley receipts need to justify the service provision. Removing alcohol would not help. Banning alcohol on longer journeys is undesirable. All commuter and intercity services which have a duration of less than 1hr should ban alcohol consumption and passengers should be prohibited from taking large amounts onto the train (large amount needs definition).

36. How can the provision of travel information for passengers be further improved?

Q36 comments: Timetables for tourist routes should be widely distributed to tourist offices, hotels and other public places and printed in larger type with attractive front covers, illustrated with appropriate scenic views (like Swiss railways).

Caledonian Sleeper

37. Should we continue to specify sleeper services, or should this be a purely commercial matter for a train operating company?

Q37 comments: Sleeper service should continue to be specified. Preferably as part of the main franchise since it acts as a good advertisement for rail travel in Scotland, particularly in London. Room should be made for an upmarket alternative luxury service as say a weekend only, or a dedicated coach/s on the regular service. The service to be internationally promoted

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?

Q38 comments: see above.

39. We would be interested in your views in the level and type of service that the Caledonian Sleeper Services should provide. Including:

- 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?
- 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?
- What facilities should the sleeper services provide and would you pay more for better facilities?

Q39 comments:

The Sleeper service to Fort William is rated as one of the most romantic journeys in the world. It needs aggressive marketing and investment to make it fit for purpose. Every encouragement should be made to transfer from road and plane to train. Especially, in the case of Fort William, plane is not an option.

Consider a unique variant on the current modified Saltire logo to differentiate the service, while retaining the ScotRail association.

Oban is as logical as Fort William. The problem is the economics of locomotive hauled trains. It could be reasonable to use Crianlarich as a sleeper interchange with Oban passengers transferring to a special Oban train. This train could have an additional function of augmenting the very thin Oban timetable. Facilities at Crianlarich would need to be upgraded to make this a comfortable passenger experience. Changing in Glasgow is not acceptable because of the early hour.

An alternative could be to alternate between Oban and Fort William. This introduces other issues since the current weight limitations may rule out using the class 67 locomotive on the Oban line.

The Sleeper services must be retained but a radical rethink is required. The current locomotive solution suffers from speed restrictions on the line which makes journey times excessive.

An alternative would be to provide a dedicated London – Glasgow- Fort William service with a slightly later arrival in Glasgow Queen Street and a spread of accommodation from full en-suite, thro' standard to open couchette and normal seated. The London Oban or Fort William sleeper has international appeal. The financing (subsidies) could be improved by leasing space within the train to a premium service provider to market high quality en-suite services and enhanced catering. This arrangement would leave operating responsibility for the train to the franchise operator and a share of the revenue streams. It opens up the possibility of European marketing of the

service for West Coast sailing from Oban, Winter skiing, all year mountain sports from Fort William. All accessible on a safe comfortable overnight journey from London.

With journey times reducing on intercity routes it may seem that London-Glasgow, Edinburgh & Aberdeen sleeper services will become less useful. However what can be more time efficient than travelling to your destination while fast asleep. The caveat here is that the carriage must offer a smooth and quiet environment with refreshment facilities.

Environmental issues

40. What environmental key performance indicators should we consider for inclusion in the franchise agreement or the High Level Output Specification?

Q40 comments: 156 DMUs are not air conditioned, are draughty, and employ open hopper windows. The current diesel motor units are sufficiently inefficient to mask heating inefficiencies. The franchise should specify and audit fuel efficiencies against route and service profiles.

The new franchise should prohibit track toilet waste discharge.

Specifying modern lighter rolling stock improves overall efficiencies by reducing acceleration power requirements.

Dwell times at stopping and passing places should be reduced (engines left running).

Current 156 DMUs use tread brakes. Modern DMUs use disc brakes. Tread brakes produce a lot of ferrous dust which adheres firmly to paint and glass.

The rolling stock quickly assumes a dirty brown patina which is difficult to remove. The energy used to keep older rolling stock clean is significant.

There are therefore many energy efficiency gains (positive environmental gains) in deploying lighter, more efficient trains on the rural scenic railways.