

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

Individual

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

Surname

Napthine

Forename

Michael

2. Postal Address

17 Thorncliffe Gardens

Postcode G41 2DE

Phone 07968049634

Email

Mike.napthine@btintetnet.com

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

Consultation Questions

The answer boxes will expand as you type.

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: Anything which makes the franchise process even more complicated and costly to administer should be avoided, while some services are primarily 'economic' and other 'social' many will cover both. Offering low usage and easily separable network sections as separate social or community franchises with potentially some additional vertical integration may enable greater involvement of local resources a better and more useful service to those communities and a lower central cost. E.g. far North Line, Kyle, Fort William - Malgait, Girvan – Stranraer. Separating other routes may reduce operational flexibility and drive up costs.

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

Q2 comments: Ideally there should be a presumption of eternally renewable franchise subject to meeting financial and performance targets. This would be periodically re-negotiated to reflect the economic environment, these would be made public and other operators could launch a franchise take over bid if they can prove they could perform better. This would lower bidding costs and create a more realistic business environment enabling long term investment but only in conjunction with other measures including the freeing up the whole process of responding to customer demand.

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

Q3 comments: Ideally the franchisee would take the same risk element as the profit share, however as a franchisees can walk away (and have done) leaving the public purse to foot the bill, this risk limit needs to be limited to that which will attract franchisees. This share will then be calculated and help set the profit share.

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

Q4 comments: Some profit share is essential unless the system is to be

nationalised – the profit share should be limited to the risk share (see Q3) and reflect the base level earned revenue as fraction of total revenues

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

Q5 comments: Any party which can prove itself capable of providing a rail service should be included, public or private, directly or indirectly by commercial arrangement with an existing operator or franchisee.

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

Q6 comments: Anything too tightly targeted inevitably leads to perverse incentives included with the intended ones. Simple targets linked to cost to the public versus economic benefit delivered measured by passenger journeys made, socially weighted to ensure that rural, less affluent and less able sections of the population are properly considered. This will free up the franchisee to respond to demand from all sectors and improve the responsiveness of the industry.

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

Q7 comments: The bond should cover the costs of transfer to a new operator

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

Q8 comments: Barring the owner, director and senior managers from future participation in franchisees for a period of 5 to 10 years.

Achieving reliability, performance and service quality

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

Q9 comments: Performance is a continual scale, the better the achievement the better the reward and conversely for poor performance. Adding step points is at best arbitrary and at worst creates situations from which there are no incentives for improvement. Freedom of information and passenger reaction (not traveling or claiming compensation for season tickets) should be the main drivers to prevent perverse incentives such as slowing journeys to ensure they always arrive on time. Speed of recovery following an incident is often more important than the occurrences of an incident.

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: The performance should be aligned with the service type – a cancellation is less important in a half hourly service than where there are three trains a day. Length of disruption is key – cancelling two trains in a row is worse than an isolated cancellation and the disruption should be fair – anecdotally this does not appear to be true. E.g. the Glasgow Queen Street – Anniesland via Maryhill service always gets dropped first, with the service out of action for almost a week on one occasion which must make question its viability as a dependable commuter route.

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

Q11 comments: It is hard to find a true measure of passenger satisfaction other than numbers of bodies getting on trains, giving franchisees simple rules and flexibility to respond to demand and complaints is probably the only answer. Openness - publicising complaint and satisfaction levels will help.

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

Q12 comments: The longer the journey, the longer the delay you would tolerate, however the train arriving in Aberdeen 2 1/2 hours from Glasgow is only 10 minutes for those who got on at PortLethan. If there is a train every 30 minutes you would expect to arrive for a specific appointment with 15 mins to spare, if there is a train every hour you would expect 30 minutes – would a link to frequency be more appropriate?

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: Similar to Q11 – what actually matters to passengers? A separate over specified quality incentive could just be another overhead. Users do not care who is responsible for which part of the station, the overall quality regime needs to reflect that, this also implies more vertical integration or a regime which allows all providers performance to be monitored and acted upon.

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

Q14 comments: Existing survey and complaints monitoring systems are probably sufficient – having the managers on the trains meeting customers is to be encouraged this can pick up items which are not included in surveys (and perhaps should be) similar to an ad hoc focus group. Perhaps managers from rail regulators should do the same.

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: The main danger I see in relaxing capacity rules is resilience. Currently if a train is short of carriages or cancelled there is just about enough capacity to allow all journeys to be made by extra standing on remaining coaches or other services. Increasing the standing further will affect the ability to handle disruptions. More intelligent pricing may help, such as allowing journeys timetabled to be completed by 8am at off peak fares may shift some journeys away from the morning peak. Clearer marking of trains as say 'Red', 'Amber' or 'Green' on timetables and departure boards to make it clear the availability of reduced fares and seat likelihood.

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: For most people changing trains is a worrying task to be avoided if possible. Where this is being considered e.g. Edinburgh, greater effort to platform trains end to end, meeting of trains by a tour guide style 'Follow me for Aberdeen', allocating through tickets to the most appropriate carriages may help. Introducing dedicated transfer routes, clearly marked, taking transferring passengers to their nearest departure board with good onward routes to all required platforms should be trialled (similar to the signage at airports). Joining and splitting of services should also be considered e.g. Aberdeen to Edinburgh/Glasgow or Glasgow to Aberdeen/Inverness. All these things however will require investment to deliver successfully, potential track and station redesign, new interchange pedestrian routes. The costs of 'doing it properly' can then be judged against the likely savings.

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: Allowing franchisees greater flexibility to meet demand, including the addition and potential removal of stations should produce a more responsive system than the current one. Social guarantees such as simple overall service levels on routes/stops (first train, last train, maximum interval) will be required. The franchisee should be allowed to propose variations where they can demonstrate a greater benefit. These variations can be approved by the regulator and raised at any point to maintain responsiveness. Other interested parties should also be allowed to propose variations where they can demonstrate a benefit.

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

Q18 comments: The simplest level possible to cut franchising costs and provide responsiveness to demand.

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

Q19 comments: Highest possible reward share commensurate with the risk share.

Scottish rail fares

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

Q20 comments: Maximise economic benefit for the country, the benefits being judged on:

Actual Revenue (minimising support payments)

Supporting the economy (allowing people to get to work and other locations they require, measured by number of journeys made and cost of road space and congestion saved if made by another means)

Social benefit (allowing people to work or live in an area they could not or would not do without a rail journey – harder to measure)

Helping meet environmental objectives (measured by cost of CO2 saved)

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: People have made life choices such as where they live and work often based on the availability and affordability of rail travel, these journeys need to be protected. E.g. Season and carnet tickets. There is usually a greater freedom of method, timing with other types of journey, so no protection should be needed. Most people are used to the idea of shopping around for the best bus or air ticket and rail travel should be no different.

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: Subject to Q21, the better the service the more desirable it will be compared to alternatives and the more people are likely to pay. Subsidy should be reduced where possible as not all people have rail services they can use, however economic benefits, environmental benefits and social

benefits need to be taken into consideration to calculate a fair subsidy as per Q20.

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: Clearer marking see Q15, may help but most journeys are probably fixed, why otherwise would people pay more to stand? Lowering costs of earlier journeys (Q15) may help, otherwise it should be up to the franchisee to promote rail use and create ways of offering surplus capacity.

Scottish stations

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

Q24 comments: Franchisees should be given the flexibility to find business including identifying new station locations or connecting bus services to high journey density locations off the network. Similarly in situations where the costs of providing and stopping at a station are out of step with the journeys made a closure process initiated. The closure process needs to consider the total cost as terminating a lease from one public funded body to another does not save anything, decommissioning costs would also have to be included as a closed station could be a vandalism target and a source of trespass danger. Promotion funds to stations under threat should be provided to local community groups to promote their own local stations.

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: Any party should be able to enter into a commercial arrangement either with the main franchisee or an open access operator to provide a service or station. Those operators should have enough flexibility to then introduce those services if a successful negotiation is completed cutting the number of parties, steps and hopefully costs of the process. Some sort of vertical arrangement with the franchisee being involved in infrastructure e.g. South West of England may help.

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 comments: A franchise can't switch stations in the way that an airline may switch airports or a coach operator bus stops and the quality of station affects the user experience and the likelihood of the journey being made. The franchisee

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

Q27 comments: The existing adopt a station can be extended, information about services can be disseminated via local groups (targeted leaflets, posters etc.) and local groups can be encouraged to report issues or suggest improvements

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

Q28 comments: Flexibility should be given to enable the operator to provide facilities that users actually want with the space available. Level of use is an important consideration. Ease of access to the station also needs to be considered, Cardonald station for example has very poor access to and from new housing to the north side of the station which will restrict usage. Falkirk High however has good access points from all nearby directions.

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 without changes put places on the map for business and tourists who might otherwise go elsewhere - its hard to quantify these benefits. There is also an increasing elderly population who particularly appreciate these type of services. The body specifying should be the body paying. Could theses services be handed to an open access operator to operate for no or reduced subsidy?

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: See Q16 – The main cost of through services is inflexible large half empty trains, which would ideally join/divide at Edinburgh or Kirkcaldy if Edinburgh is too busy and run to both destinations using only one path south. Holding the current specification until a suitable train is available may be the only answer. It's hard to see any additional benefits accruing as there is already a good service to Inverness and Aberdeen from Edinburgh.

Rolling stock

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

Q31 comments: Give franchisees longer and more flexible franchises, with a presumption of continuation and then allow them to procure rolling stock in the best way. A more continuous rolling program of purchases may assist the economy by allowing Scottish and British businesses a better local market, but governments haven't been able to deliver that, so leave it to the franchisees.

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

Q32 comments: Toilets on any service over 1 hour in duration and catering where the operator can justify it – the proliferation of high quality kiosks around stations make the on train catering hard unless the catering standard can be improved to provide a competitive offering – no specification should be made in this area.

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: Mobile phone or WiFi provision is an increasingly effective and important way of disseminating on line travel updates. Provision of at least one service should be a priority. High bandwidth is harder to cost justify on short journeys but its provision on longer journeys would allow on line media content but only if available for vast majority of the route.

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 should be left to the commercial and operational judgement of the franchisee to respond to the users requirements. Whether this be guaranteed seats with tables, refreshment vouchers, a quiet coach or full first class.

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

Q35 comments: Alcohol should be banned where its consumption would deter passengers from using services – as should the consumption of hot food. Perhaps the "Quiet Coach" scheme can be extended to no food or alcohol and shorter services as an experiment.

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

Q36 comments: Mobile phone apps with live information are probably the cheapest way to meet the majority of the population. Cutting out surplus announcements about remembering your bags, reading safety notices, listing every station on an all stations services and replacing them with exceptions and platform numbers of on going connections at major interchanges may help.

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: Ideally a commercial matter, however if public money is about to be invested in rolling stock then we need a guarantee that it will be used.

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: It should be an option as it uses different rolling stock and targets a different market.

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: I have used the sleeper to get to work destinations not possible by other means without travelling during and hence wasting the previous evening. Improved day time services mean this no longer needed from Glasgow. However advertised connecting services from say Crewe or Stafford to Birmingham, Bristol/Cardiff may open additional routes.

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: None separately as this could complicate the process and

increase costs, however environmental benefits such as cost of CO₂ saved should be built into all subsidy / cost benefit analyses