

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

Network Rail

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: Transport Scotland

Network Rail recognises that an efficient railway can support and enable sustainable economic growth for Scotland. We believe that value for money, greater industry collaboration, aligned franchises, stronger partnerships and focus on the end user are key to this.

We welcome the opportunity to contribute to this consultation on the future of rail services in Scotland building on the previously published industry documents including the various Route Utilisation Strategies (RUS) affecting Scotland and the Initial Industry Plan (IIP) for Scotland.

These documents included proposals for the future of rail infrastructure and services in Scotland in the short, medium and long term and some of the concepts included within them have been incorporated into the consultation document. Some of these relate specifically to the value for money of the railway including lightly used trains and stations. As highlighted in the IIP, there are a number of stations in Scotland where the fare box revenue does not cover the cost of serving the station (lighting, cleaning etc), never mind contributing to the maintenance and renewal costs of those stations. Similarly there are a number of services provided as part of the existing franchise which convey very low numbers of passengers and where alternative means of public transport are available. Such services, as well as costing significant sums of money, contribute to congestion on the network.

It is important that the future franchise specification allows the operator to review the provision of such services in a way that is consistent with meeting the government's socio-economic objectives for rail services in Scotland.

Network Rail is already in discussion with Transport Scotland regarding the future High Level Output Specification for the next Control Period commencing in 2014 and looks forward to continuing positive dialogue on this subject.

It is not our intention to comment on all the issues raised in the Consultation document but we believe it is worth commenting on some and we would be happy to discuss any of this in more detail. The following paragraphs correspond with the section numbers from the consultation document:

Section 2 – transport policy and structural developments: We fully support the ambition to deliver improved value for money. This was a key issue in the IIP published in September 2011. Since then we have been working closely with the existing ScotRail franchisee to develop an Alliance Agreement (signed in

December 2011). We believe it will be important to retain and build on any collaborative work developed or implemented during the existing franchise within the future franchise specification. We would be happy to discuss further with Transport Scotland how best this can be achieved.

Section 3 – procuring rail passenger services: In general we believe that larger franchises are more efficient and as such one franchise covering the whole of Scotland appears the best option. This allows efficient use of resources and minimises the number of contractual interfaces. This would not preclude different levels of specification within the franchise if appropriate. Indeed, we believe that allowing the franchisee the maximum freedom to develop appropriate service patterns within a framework is likely to provide the taxpayer best value for money while still delivering the government's objectives. It is acknowledged that on many routes within Scotland unless an appropriate minimum level of service is specified, the franchisee may not be incentivised to provide a sufficient level of service to meet socio-economic targets. Issues around the provision of the sleeper service are covered in Section 11.

Section 4 – achieving reliability, performance and service quality: The current performance regime is relatively complicated and requires a high level of resource. We are working with The Office of Rail Regulation to consider the appropriateness of the current regime and how we can reduce the cost of operating the regime while maintaining the incentives for the industry to deliver the reliable and punctual network required by passengers. If any changes were to be implemented during the existing franchise, we would seek for such changes to novate to the new franchise.

Section 4 – achieving reliability, performance and service quality: While the intentions of the SQUIRE regime are laudable, there are several aspects of it which contribute to inefficiencies. These include the need for SQUIRE inspectors to visit every station every four weeks. In some cases this could involve visiting stations which have had no passengers since the last visit. Regular replacement and repair of some of the assets at stations as a result of the regime can have a detrimental impact on the life expectancy of the asset and lead to early renewals. For example in order to meet the requirements, panels in station shelters with relatively minor scratching are often prematurely replaced. We would be interested in a discussion with Transport Scotland on opportunities to improve the SQUIRE regime and lessen the impact on efficient expenditure.

Section 5 – Scottish train services: As noted in both the Scotland RUS (Generation two) and the IIP, the 10 minute maximum standing time target contrasts with the 20 minute target included by the DfT in their franchises. This not only drives additional rolling stock and congestion but also considerable additional vehicle mileage when vehicles are conveyed which are only required for a small part of the journey. This is neither economically nor environmentally efficient.

Section 5 – Scottish train services: While the increased use of interchange stations has attractions, there are also a number of potential downsides to be considered. In addition to reducing through journey opportunities, services have often been linked to improve resource utilisation and reduce extended dwell times at terminal stations. Thus services from Aberdeen to Dyce/Inverurie for example have been provided by extending Edinburgh/Aberdeen services reducing platform occupation at Aberdeen and improving the rolling stock utilisation. On the other hand, there may be occasions where splitting services could reduce the need for long trains to operate on sections of route where shorter formations would be sufficient. We would support the franchise specification being left open on this subject allowing the franchisee to deliver the most efficient service.

Section 5 – Scottish train services: There may be an argument for investment in improved signalling (or other infrastructure) to be provided at certain locations to permit trains to be joined, split or stabled at locations where there are currently no facilities. This would reduce the need to operate long trains over a complete journey where a shorter train would be sufficient for much of the operation. Additional stabling at Milngavie, for example, would permit 6 car trains operating on Milngavie to Edinburgh services to operate as 3 car trains off peak. This may also reduce the costs associated with long distance empty stock moves back to depots.

Section 6 – Scottish rail fares: We support the idea of improving peak/off peak fare differentiation to encourage passengers to use less busy services. In this respect with the future introduction of smartcard technology, season tickets with restrictions on use at peak periods may be possible. In addition the RUS noted that there are significant fare anomalies with the price per mile varying even over similar services for historical reasons. Over time these anomalies should be rectified in such a way as to encourage appropriate travel choices to be made.

Section 7 – Scottish stations: While we would support the ability for other funders to contribute to the provision of new stations, it is unlikely that the operation of such facilities by local groups or organisations would be efficient given the need to meet appropriate safety standards, insurance levels etc.

Section 7: The Scotland RUS and the IIP have both previously highlighted the inefficiencies in providing stations with very low footfall. We would suggest that the presumption should be that stations with less than (say) 1000 passengers per year should be regarded as poor value unless an overriding case can be made for them. Stations with between (say) 1000 and 2000 passengers per year should be reviewed to establish whether an appropriate case can be made. In urban areas we would suggest that whether stations are close together is not in itself a reason to regard them as poor value. The decision should be based on whether the station attracts sufficient

passengers and equally importantly the distance those passengers travel. Inner suburban stations with significant short distance passengers often result in poor resource utilisation where other modes of public transport may be more appropriate.

Section 7: We are of the view that in most cases it would be better for one organisation to hold full responsibility for maintenance and renewal. This also avoids the situation where neither organisation believes they are responsible for a particular issue. In addition, Network Rail would support a lease arrangement with the franchisee that incorporates the whole station building. This will provide commercial opportunities for the franchisee that may not exist now if the lease arrangements are split between Network Rail and the franchisee. If any changes were to be implemented during the existing franchise, we would seek for such changes to novate to the new franchise.

Section 7: While the concept of categorising stations is attractive, this would need to be done in such a way as to avoid setting undeliverable expectations. It is a fact that some stations categorised in the same way will not have the facilities expected and providing these may well be a long term target.

Section 7: We are supportive of the involvement of local communities in stations and services and have done much through our community rail unit to foster such involvement in England. We would be keen to support similar initiatives in Scotland where appropriate interested bodies wish to be involved. Our experience in England is that without such local interest and enthusiasm, community railways are unlikely to succeed.

Section 8 – cross border services: There are many arguments for and against the operation of Anglo-Scottish services beyond Edinburgh and Glasgow which have been previously considered as part of our RUS work. The benefits of not operating include the ability to operate regular interval domestic services without the disruption of through services, the ability to operate trains with the appropriate number of seats on the Scottish sections of route and the reduction in disruption as a result of late running of through services. On the other hand a number of the current through services provide additional capacity at peak times into cities such as Edinburgh, Glasgow and Aberdeen and the operation of such through services may well attract people to rail from other modes. On some occasions through services have been retimed to fit with timetable changes in England moving them to a slot within Scotland where they did not fulfil an appropriate function.

Section 9 – rolling stock: While the provision of toilets on all except very short distance operations is appropriate, we believe it is important that the industry move as quickly as possible to all such toilets being of the controlled emission variety to avoid the hygiene issues currently faced by passengers and staff at some stations.

Section 10 – passengers – comfort, security, information: The current franchisee has been involved in the recent work to improve passenger information during times of significant disruption and has benefited from working with other train operators, Passenger Focus and the ORR. On this subject we believe it is appropriate for the franchisee to remain involved in GB wide work to best deliver this.

Section 11 – Caledonian Sleeper: It is of note that while the provision of sleeper services is an emotive subject, they are expensive to operate, relative to the number of passengers using it. From Network Rail's perspective, the operation of the sleeper on some routes where it operates at times when there are no other services impacts on the efficient delivery of maintenance. We would be interested in discussions with Transport Scotland on how the costs to the industry of operating the sleeper services can be reduced.

Section 12 – environmental issues: Some work on the environmental impact was done in preparation for the publication of the IIP and this is ongoing. In setting targets, the impact of growing passenger numbers and freight volumes needs to be taken into account. Any such target should therefore be related to these volumes (e.g. carbon emission per passenger mile or freight tonne mile) to avoid perverse incentives to reduce traffic levels to deliver carbon emission targets although moving passengers from road to rail usually has a positive impact on carbon emissions. There is also a short term issue that additional trains/vehicles may take time to generate sufficient extra traffic to offset the additional carbon they generate. Conversely, it may be sensible to consider that trains with very few passengers or very lightly loaded freight services are generating more carbon per passenger/freight mile than equivalent road services. It is also worth bearing in mind that a significant proportion of the carbon generated by the rail industry is embedded in the construction of the infrastructure (sleepers, rail and ballast are all carbon generators) and thus construction of new railway may be carbon inefficient unless it generates significant traffic growth.

We would be happy to discuss these and any other appropriate matters further.