

## 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: I expect the Scottish parliament to deliver a fully inclusive transport strategy that caters to the needs of all the people of Scotland, including business users and long-distance commuters, as well as social travellers and visitors to the country. For rail users, this is best delivered in a single unified service, spreading the costs of supporting the service and fresh investment across the population. I would expect different service level agreements and measures to apply to different services in any complex service delivery contract, rather than insisting on some arbitrary differentiation.

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

Q2 comments: Long enough for it to make commercial sense for the operator and the investment that will be required to ensure a modern, comfortable, effective, efficient service. Rather than being based on any politically-driven, dogmatic viewpoints geared only to further the careers of wasteful politicians bureaucrats. The argument for short contract lets depends on the existence of robust commercial skills within the letting authority and it is my experience that this commercial expertise does not exist within government (UK or Scottish) and certainly not in Scotland given the history of failure on large-spend programmes and initiatives.

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

Q3 comments: Measures should be based around customers, e.g. Customer satisfaction, journey cost, punctuality (on tighter limits than currently apply). There should be no measures of any political colour as these will simply add to the cost of the service and reduce the quality of the service to customers.

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

Q4 comments: For complex service contracts, I tend to favour a JV approach with a management fee, on a service delivered at cost with efficiency savings shared to encourage investment.

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

Q5 comments: For complex service contracts, I tend to favour a JV approach with a management fee, on a service delivered at cost with efficiency savings shared to encourage investment.

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

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

Q7 comments: A performance bond simply adds cost to the service as the cost of the bond will be rolled into the price of the service by the supplier. A PCG would be more cost-effective.

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

Q8 comments: More carrot, less stick. Share risk/reward appropriately with strong payment/performance mechanisms.

### **Achieving reliability, performance and service quality**

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

Q9 comments: Share risk/reward appropriately with strong payment/performance mechanisms. Carrot and stick.

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: KPIs should be service-wide. Some of these can be built from PIs that are route or service group specific.

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

Q11 comments: Listen to the public. Have genuine members of the travelling public involved in the governance mechanisms rather than political appointees

and party cronies.

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

Q12 comments: This should be rigorously measured and focussed on. Tighter criteria than are currently used should be applied. Playing with timetable and pretending to increase flexibility will just travellers back to their cars.

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: The franchisee can only effectively deliver on those things within the remit of the franchise. Any commercial mechanisms geared to force the franchisee to accept responsibility for areas over which he has no control will only increase the cost of the service.

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

Q14 comments: Customer satisfaction KPIs (for things within the franchise) should be key to the service.

### **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: 10 minutes seems a reasonable compromise. However, investment, lengthening trains and more trains on packed routes make sense. Imposing a carrying capacity will simply result in travellers being forced into their cars. The inability of trains to carry people to and from their place of work, e.g, Glasgow to Edinburgh, would either cost jobs or increase car use.

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: Increased use of interchanges will drive people back to their cars.

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 governance and monitoring mechanisms set in the contract should allow for political input however operational control should sit with the operator.

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

Q18 comments: All three of the options as stated will unnecessarily increase the cost of the service to the customer, fail to address the flexibility required for the service to be successful over a number of years, or lead to unsatisfactory service.

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

Q19 comments: Profit share on exceptional gains above cost of service.

### **Scottish rail fares**

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

Q20 comments: Support the people of Scotland, reduce the cost of doing business and help people in these difficult times, i.e. reduce the cost of getting to work at peak times.

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 regulation isn't currently working so I'd suggest a completely different approach.

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: The network should be treated as one. There should be no extra charges on any sections deemed to have been enhanced as that is just business as usual for any infrastructure. Enhancing the commercial viability of Scotland by supporting rail travel should be a major concern of the Parliament.

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: People travelling to work cannot travel off-peak. This will not change despite the existence of twisted Parliament policies geared to making the life of the long-distance commuter harder. People have to go where the work is.

## **Scottish stations**

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

Q24 comments: Increase the number of stations. Rather than closure move stations to unmanned operation.

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: Sponsorship can bring many commercial benefits.

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: The procurement should be structures such that bidders can bid for either the service, the stations or both. Management of a capital estate required different skills from running train services so it may be better to have a separate operator, however, there would be complex interdependencies to be contracted for.

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

Q27 comments: Reduce fares, Provide services that people want.

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

Q28 comments:

## **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: If there is a commercial demand for this it should continue. Any imposition of interchange will simply drive people onto planes and into their cars.

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: NO. Edinburgh should not be a hub. Given the predicted decline of Edinburgh as a commercial centre and the unexpected resurgence of Glasgow, if there were to be a Scottish hub it should be Glasgow.

## **Rolling stock**

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

Q31 comments: Remove Transport Scotland and the Scottish Ministers from the process of providing rolling stock and let the operator get on with their job without costly and inefficient meddling. That way they will select the most appropriate stock for the job.

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

Q32 comments:

## **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: Telcos should be responsible for mobile phone provision investment. Free wi-fi should be provided on intercity routes by the operator as a support for business.

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:

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

Q35 comments:

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

Q36 comments:

## **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: Sleepers to London are a business necessity at times and therefore the Parliament should be doing its best to ensure these remain and



are as cheap as possible.

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:

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: Until the journey time from Glasgow to London falls to about 3 hours, the sleeper service from Glasgow will be required for business travellers.

### **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: