

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:

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

Q2 comments:

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

Q3 comments:

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

Q4 comments:

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

Q5 comments:

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

Q6 comments:

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

Q7 comments:

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

Q8 comments:

Achieving reliability, performance and service quality

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

Q9 comments: If rewards/penalties are *financial*, should only penalise poor performance. Incentivising good performance financially is not really value for money for taxpayers. However, managers should have non-financial incentives in their contracts for good performance as well as financial penalties for poor performance.

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: Align with actual routes for more accuracy.

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

Q11 comments:

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

Q12 comments:

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:

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

Q14 comments:

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:

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:

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: Government should direct it. Government represents people's views best, not franchisees.

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

Q18 comments:

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

Q19 comments: As above – the overall contract should have penalties but not financial rewards. But managers should have non-financial rewards for improvements, etc.

Scottish rail fares

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

Q20 comments: Value for money for the poorest people travelling (i.e. a small proportion of their incomes), with more progressivity for richer passengers so that they subsidise the poorest.

In addition, for longer journeys that directly compete against air travel (e.g. Edinburgh/Glasgow to London, etc), standard fares should be benchmarked against air travel – so that it is **always** cheaper to take the low-carbon option and travel by rail rather than travel by air.

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: All fares should be regulated by government, irrespective of geographic area or type of journey. Government can consider issues of inequality and affordability best – franchisee's can't.

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: As above, fares should be considerably higher for richer passengers, and value for money for the poorest relative to their incomes. This would mean there is cross-subsidisation across passengers. There should not be higher rail fare increases to enhanced areas – quality should be improved everywhere and not rewarded financially.

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: There should not be very strong differences between peak and off-peak fares. People make decisions around travel independently. The question should be when do the poorest people travel – and that is when the fares should be cheapest.

Scottish stations

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

Q24 comments: The network should be expanded not closed. Rail is going to be more and more crucial in a low-carbon economy, not less, and this should be taken into account by the Scottish Government.

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:

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:

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

Q27 comments:

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: Cross-border services are crucial. They should certainly continue to go to Glasgow as there is a large set of people who work there that need to get to London for business. If they do not have this service they will switch to air travel rather than travel to Edinburgh to then go to London, meaning less people on rail, lower profits for the companies as well as a higher-carbon economy in the UK. This would be a lose-lose result.

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: Cross-border services should continue to go to Glasgow as there is a large set of people who work there that need to get to London for business and to see friends/family. If they do not have this service they will switch to air travel rather than travel to Edinburgh to then go to London, meaning less people on rail, lower profits for the companies as well as a higher-carbon economy in the UK. This would be a lose-lose result.

Rolling stock

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

Q31 comments:

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: WIFI/mobile phone provision should be standard on any rail journey longer than 1 hour.

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: Sleeper trains are crucial to maintain, both to Glasgow and to Edinburgh as there is a large set of people who work there that need to get to and return from London for business and to see friends/family – and the sleeper service is an excellent means of doing so. If the sleeper service is scrapped people will switch to air travel, meaning less people on rail, lower profits for the companies as well as a higher-carbon economy in the UK. This would be a lose-lose result. It should not be a commercial matter for the company to determine this service – it is a crucial public good.

A major issue with the sleeper service is the inability to book more than 3 months ahead – especially the bargain berths. This makes the service considerably more expensive than air travel or day-based cross-border services, which are other viable options. There should also be some sort of option whereby passengers are able to get cheap seats to fill the carriages on the day, so that the carriages are full. Providing cheap travel is going to be more crucial over time. Megabus has just launched a cheap (£40) sleeper service between London and Glasgow – and if fares on the sleeper service increase this will deter customers and less people will travel on the service – again a lose-lose result.

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: Whatever the arrangement, it should be made clear that the sleeper service must be maintained and not be a commercial matter for the company to determine this service.

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 has strong appeal, especially for business journeys between Glasgow and London and Edinburgh and London. These journeys are crucial to maintain. The departure and arrival times are very convenient and should not be changed.

However, a major issue is the inability to book more than 3 months ahead – especially the bargain berths. This makes the service considerably more expensive than air travel or day-based cross-border services, which are other viable options. There should also be some sort of option whereby passengers are able to get cheap seats to fill the carriages on the day, so that the carriages are full as they depart. In general, the service can get very expensive and this is a major deterrent to using it. It would be better for the fares to be cheaper to attract users – increasing fares will deter people and make them switch to air travel.

However, more could be made of the service as a tourism option – it is a very interesting service, and say, if the restaurant car were upgraded (e.g. to remove dirty carpet, or to have a first class vs standard area, etc) or if the service was linked to restaurant options in the London/Glasgow/Edinburgh area (e.g. people pay an extra 10 pounds with their ticket for a nice meal nearby) people could make a nice evening of getting onto the sleeper, etc.

Finally, the service does need a major upgrade. Lessons should be learnt from Swedish rail operators that are able to include showers in the berths. In addition, arrangements should be made for **three** classes of travel:

- standard class (where there are two berths per carriage, possibly wifi service, no showers);
- business class (where there is one berth per carriage, a small desk/chair, wifi service, no showers);
- first/tourist class (one or two berths per carriage (two is an option for couples if they choose it, slightly cheaper), meal in advance, wifi service, plus showers).

The fares from the passengers in first/tourist class would subsidise the standard class passengers, whose fares would be consistently set at the bargain berth rate (up to £50 each way). With this kind of service I believe the sleeper would attract a lot more customers.

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: The indicators selected are very narrow. They should take into account the bigger picture – that longer journeys directly compete against air travel, but are a low-carbon option for people to travel. Rail will be crucial to maintain in a low-carbon UK economy. Therefore, there should be an indicator that compares standard rail fares for long journeys that compete with air travel against (the cheapest) air travel fares – so that it is **always** cheaper to take the low-carbon option and travel by rail rather than travel by air. This is a crucial indicator to add to the mix.