

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

Regional Transport Partnership Joint Chairs

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

Surname

Haugen

Forename

Trond

2. Postal Address

SEStran, Claremont House

130 East Claremont Street

Edinburgh

Postcode EH7 4LB

Phone 0131 524 5155

Email

trond.haugen@sestran.gov.uk

3. Permissions - I am responding as...

Individual

☐

/

Group/Organisation

☐

Please tick as

- (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 ☐

- (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

Yes, make my response and name available, but not my address <input type="checkbox"/>	or	
<div> <div>(d)</div> <div> 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? </div> <div> <i>Please tick as appropriate</i> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </div> </div>		

RTPs' joint response to Consultation Questions

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:

It is questionable if a sufficiently large proportion of the ScotRail network is sufficiently 'economic' to enable an operator to instigate profitable 'additions', and we understand that probably only the odd main line service may operate at a profit.

It may also be the case that the operation of the various services are integrated to such an extent that it would be complicated and 'bureaucratic' to start separating them into smaller 'economic' and 'social' categories. It is also the case that most services in Scotland fulfil both an economic and social role.

We do however agree that it would be beneficial to get increased clarity of the various operational aspects (e.g. operating costs, access charges, patronage and income). This would assist RTPs and others in both monitoring the strategic contribution rail makes to NTS, RTS and other objectives and assessing the potential for investing in future network and service enhancement proposals.

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

Q2 comments:

Full recognition must be taken of the general franchise consultation undertaken by the DfT in late 2010.

In short, the conclusion from that exercise was that, in general, longer franchises delivered the greater benefits through additional investments by the franchisee, but adequate safeguards would have to be built into the agreement, in particular taking account of the level

of growth in the national economy. It is not clear why the conclusions from this exercise should not be equally valid for the ScotRail franchise unless it is felt that the scope for additional investment in the ScotRail network by the franchisee is only limited.

We are therefore concerned that short franchise periods will most likely result in increased tendering costs over the long term

The ending of CP5 investment period in 2019 may perhaps be an argument for a shorter franchise to coincide with that timescale, but equally it could be argued that the franchise should terminate together with future Control Periods (i.e. CP6 in 2024, meaning a 10 year franchise period, or CP7 in 2029, meaning a 15 year franchise).

The Government may wish to consider offering tenderers the option of offering tenders for longer or shorter franchise periods as well as the one specified to test the benefits that might be achieved from adjusting the franchise length.

We would however argue that a longer franchise should have a built in 'break- clause' dependent on performance.

It could be concluded from the consultation document that the Government would like to see a less detailed franchise specification, with bidders coming forward with innovative bid proposals. The benefits of such an approach, however, could only be realistically achieved through a longer franchise period.

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

Q3 comments:

In general, the operating cost and revenue risks (the latter within the fares parameters set by Transport Scotland) should rest with the operators.

As is also the thinking within DfT for forthcoming franchises, there should be a linkage between revenue risks and National Economic Performance built into the franchise which will encourage the operator to take greater risks which deliver benefit to the taxpayer through reduced subsidy, whilst maximising revenue in ways which do not place an unreasonable burden on passengers and without the worry of the wider economic climate beyond their control.

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

Q4 comments:

With the safeguards against a downturn in the national economy built into the franchise, it is only reasonable there should also be a profit-sharing element when that will (in part) also be due to a significant growth in the national economy.

However, the operator's performance should not be limited to consideration of revenue but should also take into account, for example, punctuality, reliability, patronage and quality.

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

Q5 comments:

Other than community involvement in enhancing station facilities (which should be encouraged), the concept of 'Community Rail' has not been tried in Scotland. However, in light of the apparent success of some of these schemes in rural parts of England, there may be case for trialling a scheme in Scotland, should the right environment exist, to establish whether sufficient capacity exists within communities to successfully support this model.

In general, third party involvement in passenger rail service operations should be welcomed where benefits are apparent and there is no disadvantage to passengers.

However, any third party resources should as a general rule not be seen as a substitute for existing resources.

Should resources be made available to Regional Transport Partnerships and Local Authorities, they should be encouraged to invest in facilities to enhance rail operations where there are clear additional benefits to the public and the authority. It is however important that the public sector should always be fully consulted on rail matters (operations and infrastructure) that will have an impact in their area.

Also note our response to Q25, suggesting greater resourcing and transfer of some rail powers to Regional Transport Partnerships.

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

Q6 comments:

The current model of penalties covering reliability, punctuality and service and station quality has gone some way to ensuring an attractive and consistent rail offer. There should be investigation of how incentives drive standards and how innovation and creativity can be encouraged. However, this should be from a firm base of minimum service requirements.

The concern would be that aspects such as station maintenance and cleanliness would suffer in any drive to achieve more global outputs. This would need to be carefully considered and safeguarded against although there may be scope for a more flexible and graduated performance regime which takes into account scale of stations or local conditions.

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

Q7 comments:

Experience from previous UK franchises (in terms of safeguards and the relevant cost to the taxpayer) should be the key.

There should however be a 'default operator', perhaps in partnership with Directly Operated Railways/DfT, in a position to step in should the incumbent operator 'walk away' from the

contract.

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

Q8 comments:

Sanctions are essential to ensure robust control over quality and service. However, sanctions should be proportionate and the adoption of a 'traffic light' system could be introduced to highlight issues prior to financial or other sanctions being taken.

Financial sanctions might not always be the most appropriate for some failings – additional passenger benefits might be one approach to incentivise patronage rather than punish the operator e.g. offering discounts to passenger whose journeys have been persistently disrupted.

Achieving reliability, performance and service quality

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

Q9 comments: In short, both!

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 relevance of the various performance indicators will vary considerably from one type of route to another so there may be advantage in applying flexibility to address these differences within the performance regime.

It is also the case that services are interlinked to a great extent so it may not always be straight forward to link performance indicators with individual services.

One possibility may be to link certain elements of the performance regime with individual routes whereas others could be best aligned to the various service categories suggested in your consultation document.

The performance regime must also reflect the higher level2 contribution that rail makes to achieving and supporting national and supporting national economic (e.g. through quality and reliability), environmental (e.g. through modal shift) and social (e.g. through accessibility) outcomes.

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

Q11 comments:

Performance should not only be aligned with punctuality and reliability but also with Passenger Satisfaction Surveys along the lines of those undertaken by Passenger Focus, and also the views of democratically elected bodies such as RTPs and industry stakeholders.

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

Q12 comments:

For passengers, performance (i.e. reliability) is more important than journey time, except perhaps where 'step change' improvements are possible.

Timetables must be set realistically so that they can be relied upon but the current practice of building in 'excessive' slack for the last leg of the journey before arriving at the terminus station must be modified.

There should therefore be journey-time performance measures at key stations along the route and not only at the end station.

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:

Some form of inspection and Service Quality Incentive regime is required and should cover all aspects (as far as reasonably practical) of station and service delivery that directly or indirectly affect the passenger and should be irrespective of service deliverer.

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

Q14 comments:

The existing SQUIRE regime is a reasonable starting point but account could also be taken of the annual Customer Satisfaction Survey by Passenger Focus.

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 principle should be to expect the franchisee to provide sufficient capacity to satisfy demand.

The current '10 min rule' is only a 'desirable target' by the Government and is regularly breached on local services and also on longer distance inter-urban routes. Passengers would also object to not getting access to trains just because standing would exceed 10 mins. and, in any case, we understand there are legal limits regarding train standing capacity.

In practical terms, individual trains will occasionally be overcrowded but if this occurs on a regular basis (and the 10 min. rule may be appropriate for this), the franchisee must demonstrate that appropriate action is taken to deal with the problem by, for instance, increasing capacity .. but it should not include local fares increases to suppress demand.

Many passengers do however wish to stand rather than sit in 'crowded' seats .. so the rule could be that 'trains should not, on a regular basis, carry more passengers than there are seats for periods of 10 mins. or longer'. It may also be that there should be stricter 'overcrowding rules' for long-distance inter-urban and rural routes. These are generally less frequent so the consequence of leaving passengers behind due to overcrowding would be even more unacceptable.

Higher level of overcrowding may be tolerated at peak periods on local services.

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:

Interchanging is in general a disincentive for travelling by public transport and direct longer journeys between main centres of population (where there should be a reasonable level of demand) must be retained.

Should more frequent journeys, resulting in reduced 'door to door' journey times, create increased travel incentives or opportunities by interchanging, this may well be acceptable option. However, it would have to be a balance between convenience, journey opportunities and the level of travel demand.

The 'historic' practice of bus substituting rail should instead be replaced with bus integrating with rail to increase total travel opportunities.

Consideration should also be given to the practice of coupling/decoupling trains to create more direct services.

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:

Minimum service levels should be set to meet the Government's objectives and aspirations. When taking account of the relatively high level of subsidy required, it would be entirely appropriate to specify aspects of service provision such as frequency and journey time.

A longer franchise would however justify added flexibility, with the franchisee being required

to respond positively to changes in the level of demand and changes to infrastructure.

It may therefore be that, over time, the franchisee will be given greater flexibility in respect of frequency and journey time within parameters set by Government, but this must be customer focused and fulfil the criteria in terms of meeting travel demand and contributing to wider outcomes.

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

Q18 comments:

Beyond our response to Q17, this should be based on best practice from previous and current franchises in Scotland and the rest of the UK

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

Q19 comments:

As for our comment to Q6, we have insufficient background information to comment in detail on this issue but incentive measures should be geared towards passenger improvements and reduced costs to the taxpayer although these may not always complement each other.

Scottish rail fares

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

Q20 comments:

Fares should be seen to be fair across the country, reflecting the Government's objectives of increasing patronage, encouraging rail travel and promoting modal shift towards more sustainable modes of transport.

A fares policy must be a balance between, on the one hand, offering good value and affordability for travellers so that fares are not a barrier to travel and act as an incentive and encouragement to modal shift from the car in particular, and on the other hand, safeguarding revenue so that it does not place an undue burden on the taxpayer.

All ticket types available at the main stations must also be available from the smaller stations and the practice of 'not being allowed to terminate your trip before the end station shown on the ticket' (which applies to several 'advance fares') must end.

The practice of two individual fares (A to B and B to C) being cheaper than the one individual fare (A to C) of the same 'fare type' must be eliminated in a way which avoids penalising existing users. The system must be sufficiently transparent and simple so that the passenger can always travel in the knowledge that he/she got the 'best value' fare for the journey in

question.

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:

Please see the individual RTP responses to this question.

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 balance between the taxpayer subsidy and passenger revenue contributions must reflect the Government's financial policy and the social, economic and environmental objectives it wants to fulfil.

The fares increase mechanism should be used to better balance regulated fares (relative to distance travelled) throughout Scotland while taking account of the nature of the service. This could be achieved through a range of fares increase differentials applied over a number of years.

One possibility could be that should the current formulae of RPI+1% continue to apply, it may be that fares deemed too high (relative to others) could be restricted to RPI-1%, with others being subjected to the 'official' increase of up to RPI+1%. It is unacceptable for fares on recently enhanced sections of the network to be charged at a higher rate. It would be difficult to distinguish clearly what journeys should be 'targeted' for higher fares due to improvements .. and would such 'premium' fares be returned to 'normal' levels after a few years? Over time, the whole network will benefit from improvements (e.g. new rolling stock) so all fares could be deemed to be 'premium fares'.

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:

It is essential that peak pricing does not act as a disincentive to commuting by rail in preference to the car.

Any consideration to increase the differential between peak and off-peak fares should be accompanied by a review of the shoulder-peaks. Should there be an off-peak period before peak commuting start ?

Morning Peak and Off-Peak time-periods (for travelling to/from City Centres) should be linked to the time the train arrives at the relevant City Station rather than the time of boarding the train. However, passengers travelling the majority of their journey on the less crowded parts of such services should not be charged peak fares.

It should also be considered unacceptable to penalise travel from smaller stations relative to larger stations in respect of costs and the availability of different fare types.

Scottish stations

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

Q24 comments:

Please see the individual RTP responses to this question.

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:

Initiatives by third parties to fund stations or services should be encouraged. However, the Government's funding allocation to Local Authorities and (all but one of) the RTPs makes it much less realistic for these bodies to invest in rail although private rail investment should be always considered where major housing and business developments are proposed reasonably close to the rail network.

There are however sound arguments for increasing the regional involvement on many rail issues (in particular regarding stations and station facilities as well as some local service provision). Serious consideration should therefore be given to provide funding and some transfers of relevant powers to the Regional Transport Partnerships to enable greater decision making at a regional level rather than remotely at a national level.

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:

There should be scope for local management and maintenance, provided it is within a clearly defined framework of quality and service requirements. Such an arrangement might yield cost savings and encourage local community involvement and business support, thus reducing costs to the taxpayer. Simplification of the regulatory regime, where appropriate, would be welcomed.

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

Q27 comments:

Consideration should be made to enhance and widen the current 'Adopting a Station' scheme towards what is in place in parts of England. However, this should not be a substitute for investment by the franchisee or Transport Scotland.

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

Q28 comments:

A starting point would be the existing Network Rail classification but perhaps with a greater differentiation between urban and rural stations.

However, the suggestions in Table 6 of the consultation document are not unreasonable (Principal, Commuter, Interchange, Destination, Tourist and Other) but facilities must also be linked with the level of usage.

Facilities considered should include waiting/shelter facilities, lighting, toilet facilities, left luggage facility, ticketing arrangements, staffing level, security including CCTV, information provision, accessibility, car parking and cycling facilities.

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 should continue, but please see the individual RTP responses to this question on how they should be provided.

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, an increase in the number of trains terminating at Edinburgh Waverley would put a greater strain on the operation of the station which in any case is not ideal for transfer between trains, in particular in respect of the long walking distances that may be incurred.

Rolling stock

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

Q31 comments:

It is clear that there will be a significant increase in demand for rail travel over the next decade.

To cope with this increase, it must not be automatically assumed that 'cascaded' rolling stock (at the end of the 'chain') following the introduction of new electric rolling stock for EGIP, should be scrapped.

Serious consideration must be given to refurbishing and reconfiguring diesel rolling stock in order to strengthen existing services and support the potential which exists to introduce new services to meet increased demand, as demonstrated by various studies and proposals which have been undertaken and developed by RTPs in their own areas.

It may also mean that additional electric and diesel rolling stock may be required, beyond that provided through EGIP, to meet added demand and provide new services on the existing and future network.

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

Q32 comments:

Facilities must be linked to type of service (urban local service, inter-city and rural), but consideration must be given to the wide range of facilities that passengers expect in a modern rail environment, including trolley service, space for luggage, cycle storage and wi-fi provision. These ought to be included as part of the franchise contract, and should at least be introduced/improved during the franchise.

However, it is acknowledged that standard unit configurations will predominate across most of the network making bespoke unit allocation difficult and potentially expensive to provide.

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:

These are essentials in a modern day environment and are particularly required to encourage professionals and younger people to travel by train.

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:

First class should be provided on inter-city services where financially viable and justified commercially, but there must be flexibility so that the balance between first and standard seating capacity can be adjusted relatively easily in response to market demand to reflect demand and financial return.

Consideration should perhaps also be given to rebrand 1st class as business class to reflect its majority usage.

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

Q35 comments:

Would, on balance, a blanket alcohol ban encourage or discourage rail travel? We are concerned it may be the latter.

We would however support reasonable measures to eradicate 'over-consumption' of alcohol on trains.

Would it be feasible to only allow consumption of alcohol when purchased on the train?

Could 'alcohol-free' coaches be considered, perhaps in combination with 'quiet coaches'?

A policy of zero tolerance would be preferable rather than an outright ban, where those who indulge in anti social behaviour, particularly of a violent or aggressive nature, are prosecuted and, depending on the severity of the offence, barred from future travel on transport services.

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

Q36 comments:

The greatest opportunities probably lie within the mobile phone market and the provision of realtime information at unmanned stations which can provide both train and bus service information.

There must also be greater emphasis on the provision of consistently accurate information, particularly at times 'when things go wrong'.

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 services should be maintained and minimum levels of service and quality standards should be specified. For many areas, they provide one of the few alternatives to air travel for business and leisure travel, in particular where travelling by day-time train to/from London is

not a feasible option.

We understand that there are in excess of 300,000 trips on the sleepers each year. Total operating costs of £21 millions + access charges to Network Rail may mean that average cost per passenger is around £100. It would therefore not seem unreasonable that there could be opportunities to encourage a commercial approach to service delivery-of the sleepers, but their continuing existence must be protected through franchise.

The announcement of a likely £100 million investment in sleeper rolling stock should both safeguard the provision of future sleeper services and also create a greater opportunity to enlarge the market in competition with air travel in particular.

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:

There is perhaps insufficient interaction between provision of sleeper services and other ScotRail services to readily justify a combined franchise.

Since all locomotives and coaches for the sleeper services are separate from the main ScotRail services, it may be that the benefits of a separate sleeper franchise may outweigh any disbenefits.

Arguments for keeping them together would include staffing at Scottish termini and the marketing of the sleeper services in Scotland.

However, staffing in London and marketing in England could perhaps be better undertaken by someone else.

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:

Please see the individual RTP responses to this question.

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:

Possible KPIs could include

Modal share Rail/Car on key commuter corridors during peak period

Total passenger kilometres travelled

Passenger Kms per metric tonne of CO₂ (at both primary and secondary source of power supply)