

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

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SNP Highland Council Group

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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

(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).

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or

- (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?

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Highland Council SNP Group

Rail 2014 – Public Consultation Response

Freagairt Cho-Chomhairle Rèile 2014

This is the response of the Highland Council SNP Group to the Scottish Government's public consultation on Scotland's railways. The answers to the specific questions sought by the consultation are appended together with the completed Respondent Information Form. In our opening paragraphs, however, we provide a more detailed analysis of issues pertaining to the railway in and beyond our area together with a number of recommendations.

Objectives

We start our response from, and applaud, the national objective of the Scottish Government which is stated as: "to focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth." We also concur with the commitment of the National Transport Strategy in terms of: improved accessibility, journey times, connections, reduced congestion, emissions, etc. and value for money to both users and public purse. We are especially mindful of the high level of public subsidy currently attributable to rail services in Scotland.

In interpreting this national objective we focus primarily on the requirements of the Highlands, being the area of responsibility of the Highland Council SNP Group. We would, therefore, seek rail connections (passenger and freight) geared to serve the economic and social advancement of our communities in as cost effective and environmentally sustainable ways as practicable, all in the

context of alternative modes of transport and the very varied geographical and demographic characteristics of our area.

It is with these aims in mind that we provide our response to the Scottish Government's Rail 2014 – Public Consultation. The chapter and paragraph numbers mentioned in this response refer to those in the consultation document.

Area Characteristics

The Highland Council covers some 10,000 square miles, just over one third of the Scottish land mass but with a population, albeit a growing one, of some 220,000, being just over four percent that of Scotland as a whole. Notwithstanding this relatively small population, Highland, with the other north of Scotland authorities of Moray, Aberdeen and shire (total population 780,000), contributes disproportionately to the creation of national wealth in terms of oil extraction and servicing, whisky exports, fisheries, forestry and tourism. This strength relative to the rest of Scotland has been growing for the last four decades. Looking to the future, with the development of off-shore renewable energy, the existence of one of Europe's greatest fresh water resources, and the development of the University of the Highlands and Islands, this balance is likely to continue moving northwards. An efficient railway network has the potential to aid this wealth creating activity.

Railway services in the Highlands are different in character from much of the rest of Scotland. The lines are mostly single track with passing loops and do not form a single regional network but consist of two effectively detached systems linked only at their southern extremities via the Central Belt. These are:

- The West Highland Lines serving Oban, Fort William and Mallaig, which may be described as extremely rural and on which speed and frequency has tended to be low, and;
- The remaining lines of the former Highland Railway radiating from Inverness. This rapidly growing regional city is the main focus of both passenger and freight traffic. In recent years the creation of Inverness rail commuter services under the INVERNET brand has encouraged a small but growing diversion of passenger traffic from the road network. Otherwise, like the West Highland, the outer sections of the North and Kyle Lines may be described as extremely rural.

In the above circumstances it seems perverse that, while the two main cities in the Central Belt have a dozen smartly timed passenger trains per hour running between them, the two principle northern cities of Aberdeen and Inverness are linked by relatively slow passenger trains at not much greater frequency than one every two hours. Having said that we welcome the Scottish Government's recently announced commitment to faster hourly services between Aberdeen and Inverness and between Inverness and the Central Belt.

Aspirations

Chapter two of the consultation document sets out the transport priorities in achieving the overall purpose of sustainable economic growth and we endorse these.

The stated aims of Scotland's Railways to *offer world class train services which connect our city regions and major towns . . . etc.* as outlined in 2.4 are laudable but a “tall order” that will take time and investment to achieve. In fact we believe that the current quality of railway services in Scotland, and especially the Highlands, is well short of “world class”, if, say, Switzerland is used as a yardstick.

Switzerland with comparable extremes of geography, covers an area a little smaller than Scotland, but with a population a little greater. Its railway provision is undoubtedly world class and its principal attributes may be summarised thus:

- Virtually the whole network is electrified and very intensively used at 2,422 passenger km per capita compared with 770 for the UK and under 500 for Scotland;
- There is a multitude of rail operators (nationalised, municipal, private, etc.) of which the Swiss Federal Railway (SBB) is the largest;
- International operators such as DB and SNCF run to and through Switzerland;
- Punctuality is of a very high order at 97% within 5 minutes and trains are quiet, clean and comfortable;
- The whole system is integrated through the nationwide “Taktfahrplan”; a clock-face, patterned and symmetrical timetable whereby trains connect systematically across platform with one another and with buses and trams and at airports;
- There are some 150 public transport operators and 550 small transport companies involved throughout Switzerland;
- The national timetable for all transport modes is widely available in book form and interactively on the web giving “to the minute” total journey travel detail from, say, city tram stop via rail connections to mountain post bus stop or vice versa;
- Frequent-traveller pre-payment tickets generate nearly half of the Swiss Federal Railways (SBB) cash flow;
- The level of subsidy at 8p per passenger kilometre is about on quarter that of Scotland (although we understand this relates to operating subsidy only and not capital costs);
- Additionally, the Swiss have voted for a huge investment in infrastructure including the Alpine base tunnels to improve freight transport.

RECOMMENDATION 1: Swiss railway administration, planning and operating practices should be studied in depth by the Scottish Government

to ascertain what practical steps need to be taken over time to achieve a comparable level of “world class” performance in Scotland.

Challenges in responding to the Consultation

The requirement to create sustainable economic growth suggests the need for the transport system itself to feature a degree of economic, social and environmental sustainability. In this regard it would have been helpful to have had for each line or service an indication of traffic, revenue, unit costs and carbon footprint to gain a better understanding of what may be sustainable and what may not. As with other Government consultations, the public and stakeholders are asked what they would like, but not the extent to which they may be prepared to fund their desires. This can lead to unrealistic expectations.

RECOMMENDATION 2: We suggest a more balanced methodology for future consultations in which desired outcomes are set against the cost of providing them.

We do not unfortunately ourselves have the resources to research and assess the economic, social and environmental characteristics of options for the development of the railway in the Highlands and to compare these with alternative modes of transport. Without such analytical tools it is difficult to make definitive judgements as to what the best options might be.

We understand that commercial confidentiality may prevent disclosure of some such data under the terms of current contracts. In view of the very heavy level of public funds devoted to supporting passenger railway operations, we believe the suppression of such data is unjustifiable.

RECOMMENDATION 3: That it be a condition of future contracts with operators that they be obliged to publish useful detailed data on traffic, revenues and costs to permit open on-going scrutiny of performance.

Environmental Issues

By repute railways are regarded as environmentally “greener” than other modes. There is publicly available evidence that this is not necessarily so, particularly as regards diesel passenger trains.

Some comparative data are now considered.

Coach Emissions: A detailed comparative analysis carried out by Transport Watch UK (Facts Sheet 05 2009) shows that an express coach with 20 passengers aboard (i.e. circa 50% load) would give 180 passenger miles per gallon. This converts to 41.8 grams (g) of CO₂ per passenger-km.

Rail Emissions: The same facts sheet stated that passenger rail nationally returned the equivalent of 94 passenger miles per gallon and emitted either (a) 66.4 grams or (b) 101.9 grams of carbon per passenger-km according to the electricity generation system employed. There is considerable variation in the quoted CO₂ emissions from diesel powered trains, as used on most Scottish and all Highland routes, from 74 grams/passenger km (ATCO) to 64 passenger miles per gallon which equates to 118 grams/passenger km (Transport Watch UK). In either event the diesel train figure ranges between some twice to three times the CO₂ emissions per passenger km of an express coach.

Car Emissions: According to the Society of Motor Manufacturers and Traders (SMMT), which represents the UK industry, average emissions from cars in 2010 were 141.2g per kilometre compared with 181g/km in 2000. The UK average new car CO₂ emission level is 149.7g/km. The European Commission target is 130g/km for new cars by 2015 and 95g/km by 2020. For the purposes of comparison we have selected a figure of 160g/km as generally representative of the car power and age range. On this basis, emissions per person attributable to a car carrying 2 people would be 80 g/km. For a car carrying four people the figure is 40 g/km.

Air Transport: As regards air transport, per km air emissions vary with sector length and aircraft type, to aid comparability with other domestic modes, the CO₂ emissions for a typical 340 km regional air sector by a Saab 340 aircraft at 50% capacity works out at 118 g /passenger /km, which is comparable with a single occupancy small economical car.

Walking and Cycling: Human CO₂ is a tiny percentage of CO₂ emissions. On average, a human will breathe 16 times per minute. Each breath contains, on average, 0.037 grams of CO₂. This means that the CO₂ exhaled by the average human in a lifetime amounts to about 23 tonnes. The rate of exhalation per person varies with activity levels as illustrated in the table below:

Human CO₂ Emissions

Activity	CO ₂ emission per person	
	cu m/hr	g/hr
Sleep	0.013	0.026
Low activity	0.02	0.039
Normal work	0.1	0.196
Hard work	0.35	0.687

Source: *The Engineering Toolbox*

Thus if the “normal work” measure is taken as a proxy for CO₂ emissions for a walker averaging say 5 kph, emissions per walker equals 0.039g/km. If the “hard work” measure is likewise applied to a cyclist at an average of say 20 kph,

emissions per cyclist equals 0.034g/km, in each case about a thousandth the emissions of a passenger travelling by coach.

Bearing in mind that passengers on fossil fuel driven mechanical transport also breathe, albeit normally at the “low activity” level, the human CO₂ emissions values of travellers of whatever mode are so low as to be ignored.

In summary the comparative emissions per person per kilometre by each mode considered above are set out in the table below:

<i>Per person CO₂ Emissions by Surface Mode</i>	
<i>Mode</i>	<i>CO₂ grams/km</i>
Walking	0.039
Cycling	0.034
Coach	42
Train	80
Regional Aircraft	118
Car (one occupant)	160
Car (two occupants)	80
Car (four occupants)	40

In the light of these somewhat generalised comparisons, rail passenger travel falls around the mid to upper end of the spectrum of carbon footprint per passenger kilometre and seems to be at variance with the statement at 6.2 that “rail is an environmentally sustainable mode of transport”. It will be useful to analyse more detailed variations per passenger as between lightly used rural services and higher capacity commuter trains, or between sleeper trains with their limited capacity and long high capacity cross-border services, or between diesel and electric propulsion.

RECOMMENDATION 4 To make better value judgements on options for the future, detailed analysis should be carried out and published as to the actual per passenger carbon footprint of different types of rail operation as compared with other modes.

Factors Determining Choice

Economic and environmental performance is measurable arithmetically and if much of the Scottish railway operation is neither economic nor “green”, other factors need to be taken into account if investment in the railway is to be justified. We now consider what these factors may be.

We would list these as:

- Convenience in terms of speed, frequency, connections, reliability, hours of operation and promotion as a network;
- Comfort in terms of temperature, legroom, seating, tables, tranquillity (quietness), cleanliness, view of the passing scene and ambience;
- Service in terms of information, courtesy, snacks, drinks, meals, Wi-Fi, plug ins;
- Adaptability in terms of luggage and cycle space, disabled friendly and integration with other modes;
- Security in terms of safe trains and stations, sheltered and temperature controlled waiting and clean free toilets open during hours of operation;
- Value for money in terms of price, ease of booking and cost to the public purse;
- External benefits in terms of relief of road congestion, wealth and job creation, improved quality of access, and enhanced potential for marketing the area; and,
- Safety. Are trains safer? We need accidents per passenger/km stats on this.

Some of the above are measurable arithmetically others are more subjective, but a combination of these factors has the potential to give rail travel the edge over other modes. On the other hand, deficiency in these factors could render rail travel unsustainable. On short journeys, lesser standards may be acceptable. For longer journeys they not.

Highland Specific Railway Issues

We now consider the specific requirements of the Highland Council area.

Inter-city Services

We welcome the commitment by the Scottish Government to infrastructure investment on the Highland Main Line (Inverness – Perth and south) and the Inverness – Aberdeen Line to provide faster hourly trains. This will be an important element in drawing the cities of Scotland into closer alignment, to their economic and social advantage. Bearing in mind that journey times on these lines are relatively long (and not particularly competitive with road options), the current level of noise and amenity on ScotRail services is well short of the “world class” level to which the Scottish Government aspires. This is particularly true of the first class offering which is currently poor value and gives a bad impression of the Highlands to business travellers and high end, high spend, tourists. For these reasons a significant element of the public travelling between the Highlands and the Central Belt tend to avoid ScotRail and opt either for the *East Coast Highland Chieftain* service with its quieter superior facilities or travel by car for comfort or coach for value.

Improvement in journey times will require infrastructure investment (see below). It will also be desirable to upgrade rolling stock significantly and possibly introduce *Pendolino* type tilting trains. Step change improvements in frequency, speed and comfort will have the knock on effect of increasing patronage substantially. In anticipation of that, inter-city trains should be longer and possibly composed of five car units.

RECOMMENDATION 5: Upgrade of inter-city services as described above in terms of frequency, comfort, noise reduction and speed as soon as practicable is a priority.

Cross Border Services

There are two daily trains running between the Highlands and England. These are the daytime *Highland Chieftain* and the overnight *Caledonian Sleeper*. The quality of the amenity on the former service has been alluded to above and this is valued, particularly on lengthy journeys between the Highlands and English stations. What is of paramount importance is the avoidance of changing trains at Waverley when encumbered by heavy luggage, young children, perambulators and the like. We regard it as vital to retain this service as a key element of access between the Highlands and English cities in terms of sustaining business, tourism and family life. We do not see the retention of the *Highland Chieftain* as necessarily abstracting significant net value from ScotRail as ScotRail is relieved of the cost providing a service at the times the *Highland Chieftain* runs.

The *Caledonian Sleeper* is equally important in terms of business, tourism and family connections. A key additional benefit is that, as Inverness has lost its air link with Heathrow, the sleeper offers the only means of accessing morning international flights out of that airport (and Stansted) without spending the night in an expensive London hotel. The sleeper is even more important to Fort William in that that town is remote from any airport. The recent announcement by the Scottish Government of a £50 million contribution to replace and upgrade the ageing sleeper rolling stock is welcome.

After many years of trying to get a sensible approach to use of seated accommodation on the northbound sleeper into Inverness, the 2011-12 winter's timetable now permits passengers to board the sleeper for the final part of its journey north at Kingussie, Aviemore and Carrbridge. The train is scheduled to stop also at Dalwhinnie and Newtonmore, but these two stations remain set-down only. This restriction should be removed.

As the *Caledonian Sleeper* is quite different in character from any other ScotRail service, it would make sense to offer it as a separate franchise with encouragement to the operator to offer and market a much more interesting package featuring observation club car, en-suite accommodation and other facilities to attract an international clientele and possibly re-branded as the

Highland Sleeper. In this eventuality it may make sense to bundle the *Highland Chieftain* within the same franchise to create an internationally marketed luxury day and night cross-border cum inter-city brand. If imaginatively handled, the benefit to the Highlands in terms of profile could be enormous.

RECOMMENDATION 6: Retention of both the Highland Chieftain and an upgraded Caledonian Sleeper is important for the development of the Highland economy and both could possibly be franchised as a single bundle.

INVERNET: The reinstatement and development of proper rail commuter timings to serve adjacent towns and villages north and east of Inverness has been something of a success story that from small beginnings has generated increasing patronage and provided some relief to peak congestion on the road network and in particular the Kessock Bridge. Further enhancements should include:

- Half hourly on the Elgin – Inverness corridor (planned);
- A new stations at Dalcross to serve the airport and the planned new town of Tornagrain and at Cannon Bridge;
- Further frequency improvements between Tain and Inverness;
- Possible separation of commuter and Wick/Thurso trains enabling removal of suburban stops from the “Further North” Line to improve overall journey times;
- Hourly frequency Inverness-Tain ;
- Better connection with the Highland Main Line services;
- See also under infrastructure improvements;

In the last named case complete lack of any realistic application of Invernet principles to the Highland Main Line within the Highland Council area needs to be corrected. It is perverse that passengers commuting from north or west of Inverness can access discounted fares on suitably time trains, but from Dalwhinnie north including Newtonmore, Kingussie, Aviemore and Carrbridge they cannot. The extension of the Invernet brand to the Highland Main Line between Dalwhinnie and Inverness, interleaved with inter-city trains is, therefore, recommended.

Rural Lines: Furth of the Inverness commuter zone, the West Highland, Kyle and North Lines all suffer from relatively slow journey times, unpleasant noise levels, low frequency, low winter patronage and relatively poor amenity. All are uneconomic and not particularly environmentally friendly. All, however, offer good to exceptionally high scenic experiences such that tourism probably offers the best potential for increasing revenues albeit on a seasonal basis. The seasonal *Jacobite* steam train on the Fort William – Mallaig Line is a good example of how a tailored tourism product in which speed is not important can greatly increase summer revenues. The luxury *Royal Scotsman* and ad-hoc rail tours also help bring life to the rural railway.

Switzerland's *Glacier Express* between St Moritz in the east and Zermatt in the west perhaps points the way as to how a specially branded high quality two class train with on-board meals and all glass roofed observation cars can generate profit and traffic on a long distance scenic line where local traffic would otherwise be negligible. It would be worth exploring the potential for such bespoke tourist trains on the North and Kyle lines.

The idea of a sleeper between the Wick and Edinburgh has been suggested. It is not clear how feasible this may be but one thought is that one or two sleeper coaches may be combined with an overnight freight train if timings suited. See under "*Freight*" below.

The Highland Rural railways serve the ferry ports of Oban and Mallaig and less directly Scrabster. Currently integration between ferry and train is not ideal and patronage is light. This could be improved and a further link made with a bus link from Georgemas to Gills Bay for the well patronised short crossing to and from Orkney. Bus links are also important in the Highlands being the only means of public transport for many communities. Better co-ordination between bus and the railway is required.

RECOMMENDATION 7: The economic performance of rural lines may be enhanced by introduction of bespoke tourist and other specialist trains.

Speed and Stops: There is a conflict between reducing overall journey times and stopping at intermediate stations. We offer no complete solution to overcoming this dilemma which is most acute on the Highland Main Line. The five stations in Badenoch and Strathspey represent the highest elevations of reasonably sized communities in Highland (excluding Rannoch Moor). As such, services both north and south should continue to be available at all of these stations at times that are useable. "Usable" is important because, over the last ten or more years, there has been a distinct trend to focus all trains on stopping at Kingussie and Aviemore, with very much fewer stopping at Dalwhinnie, Newtonmore and Carrbridge. The timings of the trains that do stop at these three stations are generally both too late in the mornings to be useful and too early in the afternoon/evening. As a result, whilst the train operator meets the number of services per day, there is in many minds the impression that the timings are deliberately set so as to gather evidence of lack of use to make a case for closure. First ScotRail argue that trains cannot stop in order to make particular crossing points, but the evidence for this does not stand up to close scrutiny, and in any event would be a powerful positive argument for more passing loops to be installed. There are certainly several locations where this would be relatively easy, not least of which is at Newtonmore. As referred to above under "INVERNET" there may be a case for the reintroduction of some local all stations trains under the Invernet brand threaded between limited stop intercity services.

There has been pressure locally for a new station to serve the University of the Highlands and Islands and western suburbs of Inverness. This presents serious challenges in terms of gradient and adding further to the journey time issue, but should be considered as a possible future option.

Infrastructure: Enhancement of frequencies and reduction of journey times will require significant infrastructure investment and the required works have already been largely identified. Electrification will help reduce journey times, reduce noise and as all Highland electricity generation is non-fossil fuel based a huge environmental improvement would be effected by consuming this locally produced power source locally. One long term investment for exploration should be the reinstatement of the Glenfarg line partially on a new alignment and possibly in tunnel to permit fast running and journey times with tilting trains of some 2 hours 20 minutes or less between Inverness and Edinburgh.

More locally, increased frequency on the INVERNET services north and east of Inverness will require new dynamic loops at Lentrane and on the Inverness – Aberdeen line to enhance passing opportunities.

RECOMMENDATION 8: Pursue infrastructure investment, including new dynamic loops and electrification on the Highland Main Line, to secure desired frequency and journey times and explore the long term reinstatement of the Glenfarg Line.

Rolling Stock: Significantly upgraded rolling stock will be required on inter-city routes to achieve the step change in standards of amenity, luggage space and seating capacity required to attract patronage. As suggested under “inter-city” above, tilting Pendolino type trains could aid the speeding up of services even on existing track. Upgrading inter-city rolling stock should enable cascading of better quality rolling stock to rural and commuter lines where some current rolling stock is inadequate, particularly for long journeys on the rural lines.

Rolling stock on the rural lines and in particular the West Highland are time served and of such poor quality as to discourage rail travel. Significant improvement in line speeds may be impracticable, but substantially improved comfort coupled with reduced noise could do much to generate patronage.

RECOMMENDATION 9: Upgrade rolling stock on intercity routes possibly using tilting Pendolino type trains to achieve faster overall journey times on the Highland Main Line.

Heritage Railway: Heritage lines have an important role in supporting the “big railway”. The Jacobite has already been mentioned. The Strathspey Railway is physically connected to the Highland Main Line at Aviemore. Extension of the Strathspey to Grantown on Spey will greatly enhance its appeal and may offer the potential for local year round traffic connecting with the main line and the

opportunity for through rail tours. Other opportunities for steam and other heritage railway operations should be encouraged.

RECOMMENDATION 10: Heritage railway operations can enhance revenue and profile and should be encouraged.

Freight: With regard to freight we support the aim of heavily loaded freight trains with effective interchange to road and sea. This commercially driven policy meshes with the motion approved by the October 2011 SNP conference to create an integrated maritime policy focusing on trade facilitation and economic growth through port development. British loading gauge (vertical height limits), section length and other constraints limit the capacity of freight trains to a maximum of say 60 TEUs (container twenty foot equivalent units) compared with North American two mile long trains of double stacked containers capable of carrying some 600 TEUs. Increasing freight train capacity will require gauge enhancements, longer sections and in the case of Highland single track lines longer passing loops.

The Highland railway lines were the last in the whole of the UK where mixed (passenger and goods) trains were operated. At the time that they were done away with, there were significant inequalities in the braking capability of freight stock as opposed to passenger stock, even when 'fitted' (ie vacuum braked) freight stock was used. Nowadays braking capability on modern freight stock is very much up to par. As a result, the idea that a relatively low volume of freight traffic might simply be 'tagged' onto a locomotive hauled passenger service is, worth examination again.

We also support the movement of timber by rail where this can be shown to be practicable.

RECOMMENDATION 11: Loading gauge enhancements, longer sections and in the case of Highland single track lines longer passing loops should be part of the commitment by the Scottish Government as at 2.5 to Highland Mainline and Aberdeen – Inverness improvements.

Culture and Tourism: In our comments above we have made reference to the role of the railway in aiding the development of tourism. It is equally important that rail also reflects our own cultural values. One important aspect of this is Bilingual signage to give visibility to our Gaelic heritage. This is relevant not just to the Highlands but to all Scotland. In recognition of this the provision of bilingual station name boards over the last two decades has been welcomed by the Gaelic community and by many tourists who seek evidence of genuine Scottish culture. It is very disappointing, therefore, that the excellent existing signs are being replaced by inferior versions in which the Gaelic version of the name is shown in a smaller and fainter type face. This is seen as an insult and

should be corrected to bring the railway into line with Scottish Government policy of equal validity in terms of the Gaelic Language Act.

The Economic Case for Rail in the Highlands

In 2004 Highlands and Islands Enterprise (HIE) published a report to establish the economic, social and environmental benefits derived from the rail network in the Highlands and Islands. The result was a strong endorsement of the positive contribution rail made in the area.

In terms of economic impact, it was estimated that 1,506 FTE jobs would be lost in the region if the rail network were closed. In that circumstance there would be a welfare dis-benefit of £298 million and some £227 million loss to business.

Five main roles and related benefits were identified. These were:

- Rail contributes substantially to the regional economy and the tourism sector in particular;
- It underpins the viability of business in terms of market access, staff travel, conferences, etc.;
- It encourages social inclusion and prevents out-migration especially for residents without access to a car;
- As Inverness and the Inner Moray Firth area grows (bucking the national trend), the requirement for public transport will grow especially for commuting. Constraining this would have an adverse effect on sub-regional growth; and,
- Rail provides an alternative to road such that rail freight has grown rapidly in recent years and is set to continue.

The report recorded 37% overall passenger traffic growth between 1997 and 2003 on a line by line basis thus: Far North 50%, Kyle 40%, Highland Main 35%, West Highland 20% and Aberdeen – Inverness 13%. The upwards trend was expected to continue and some 1.3 million passenger journeys were expected to originate in the Highlands in 2002 – 2003, being just under two percent of all Scottish journeys. It is anticipated that this figure and the percentage will increase.

SNP Highland Council Group
February 2012

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: Very few services are currently commercial, although with development and traffic growth, some others may become so. We suggest that commerciality or otherwise should not be the determinant of how a franchise may be focussed, but rather what opportunities may there be to offer some services or routes as separate franchises where there is potential for innovation and development of new traffic and possibly involving third parties. This approach may be as appropriate to rural lines as to commuter or inter-city services. One large monopoly provider presents a danger of chasing subsidy and “featherbedding” rather than the pursuit of efficiency and innovation that a more diverse and competitive environment may bring. In all cases operators should be given freedom to develop traffic within minimum service parameters. Rather than a dual franchise we would recommend multiple franchises.

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

Q2 comments: It may be useful to stagger franchise length so that not all fall due at the same time. Where some innovative or experimental arrangement is contracted, it may be appropriate to have a relatively short period of say five years, renewable subject to performance. For a more predictable operation the contract period may be longer – up to say twenty years, subject to periodic review of performance and growth.

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

Q3 comments: Risk support is a very dangerous path that can encourage complacency on the part of the franchisee. The performance bond system is an appropriate mechanism for covering contract failure.

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

Q4 comments: If franchisees bear the risk, they should be free to earn a reasonable profit. This does not rule out a profit share arrangement.

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

Q5 comments: There may be increased scope for third parties to become involved in passenger railway services. Current examples include the Jacobite on the Fort William – Mallaig section, the Royal Scotsman and individual rail tours. The rural Highland lines may offer opportunities for new high quality tourist and heritage driven seasonal services. The Scottish Government should be open to such initiatives as potential economy drivers on a flexible and opportunist manner. It will be important to ensure that track access charges and bureaucracy are kept within reasonable bounds.

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

Q6 comments: This is simply a question of good negotiation, i.e. driving a hard bargain that rewards growth while minimising exposure to public funds.

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

Q7 comments: Sufficient to cover the event of contract failure.

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

Q8 comments: financial penalties and ultimately withdrawal of contract as with any normal business proposition.

Achieving reliability, performance and service quality

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

Q9 comments: Both, but keep it simple. It should be added as a general principle to encourage public transport usage, ferry, bus and rail contracts should encourage not ignore mode interchange, such that, within defined parameters, if, say, a ferry is running late, the connecting bus/train should be held to maintain the connection without penalty to the bus/train operator. This is especially important when schedules are infrequent.

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: Actual routes. The circumstances vary from route to route; e.g. low frequency rural, inter-city, commuter.

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

Q11 comments: A big question but should be train by train and take account of all the factors listed in “Factors Determining Choice” above; i.e. convenience, comfort, service, etc.

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

Q12 comments: As Q 11

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: Yes. It should cover all aspects.

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

Q14 comments: See “Factors Determining Choice” above.

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: Generally No. Current capacity is already inadequate and needs to be increased on many services requiring longer and/or more frequent trains. 10 minutes standing is long enough. To become “world class” along the lines of the Swiss example, will result in much increased patronage. This will require longer trains which should bring crewing efficiencies.

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: There may be some scope for this but on inter-city routes this should be minimised.

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: Minima should be set but with scope for franchisees to improve on these minima.

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

Q18 comments: Targeted Spec. as outlined at 5.21-3 but with sufficient flexibility for operators (and not just main franchisees) to bring on board innovative ideas.

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

Q19 comments: As regards the Highland situation this should be a matter of on-going dialogue and grasping opportunities when they arise.

Scottish rail fares

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

Q20 comments: Simplification and clarity with published tables of fares for all journeys.

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 in terms of maxima, but rate per kilometre may vary with type of service and length of journey. Operators could charge less than maxima at their commercial discretion.

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 current 26% revenue contribution by fares seems very low, compared with Swiss experience. A thorough study of Swiss operating practices and fares structures may guide policy in this area. The key to improving the balance is likely to lie in increasing patronage and reducing operating costs through efficiency measures – electrification, longer trains, remote signalling and control, more flexible manning, etc.

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: The differential may be quite substantial (c/f budget airline practice). Within the maximum (peak) fare envelope for each journey the difference should be such that traffic generation and revenue are kept in as close balance as feasible. Smart tickets may help.

Scottish stations

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

Q24 comments: The ideas outlined in chapter 7 seem to be a sensible approach.

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: The ideas outlined in chapter 7 seem to be a sensible approach.

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: Not necessarily. Diversity of ownership or sub-leasing, including local social enterprises, may encourage innovation.

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

Q27 comments: The ideas outlined in 7.23 and 7.24 seem to be a sensible approach.

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

Q28 comments: The ideas outlined in 7.25 to 7.35 seem to be a sensible approach.

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: Yes definitely. See under Highland Specific Railway Issues

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. See under Highland Specific Railway Issues

Rolling stock

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

Q31 comments: Long franchises may allow operators to purchase their own rolling stock, thereby cutting out the middle man. Electrification should reduce maintenance and operating costs and longer trains to accommodate traffic growth should reduce staffing costs per passenger kilometre.

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

Q32 comments: See under Factors Determining Choice and Highland Specific Railway Issues. Comfort enhancement and noise reduction will be an essential requirement for new rolling stock.

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: As set out in 10.6 to 10.11

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: Longer trains

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

Q35 comments: Passenger comfort, public health and in the case of alcohol reduction of nuisance to travellers

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

Q36 comments: Printed Scotland-wide timetables and as set out in 10.25 to 10.30

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: Continue to specify. See under Highland Specific Railway Issues

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: Yes. Contract separately. See under Highland Specific Railway Issues

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: See under Highland Specific Railway Issues

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: See under Environmental Issues Above
