



Consultation response

To: Office of Rail Regulation – Network Rail’s Strategic Business Plan

Date: 14 December 2007

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1. Introduction

- 1.1. **pteg** represents the six Passenger Transport Executives of England and Scotland which between them serve eleven million people in Tyne and Wear ('Nexus'), West Yorkshire ('Metro'), South Yorkshire, Greater Manchester, Merseyside ('Merseytravel') and the West Midlands ('Centro'). Strathclyde Partnership for Transport and Transport for London are associate members.

2. The significance of PTE rail networks

- 2.1. 166 million trips were made on PTE and SPT rail networks in 2005/6—that's more than 1 in 7 of all rail trips. These networks play an important role in wider local urban public transport networks – in particular for medium to long distance rail commuting. For example around 20% of all commuter journeys into Birmingham city centre are by rail (contributing to public transport's majority share of this market).
- 2.2. PTEs have a long history of support and involvement in their local rail networks. They have invested heavily in new and additional trains, in opening new routes and new stations (69 opened so far), in upgrading stations and promoting heavy rail as part of wider urban rail networks.
- 2.3. There has been very rapid growth in rail use on PTE rail networks in recent years. This is largely because of the way in which city region economies are changing. Clustering of high value economic sectors in revived city centres is leading to more and longer distance commuting. Something which heavy rail is ideally suited to support. As the *"Delivering a Sustainable Railway"* White Paper acknowledges, growth on PTE rail networks is outstripping London and the South East with some networks in particular recording astonishing levels of growth in recent years. The White Paper puts growth in rail travel to and from Leeds at 85% for the ten years to 2005/6, and between 60 and 70% for Manchester, Birmingham and Liverpool. By way of contrast growth in rail travel for London is below the average for the network as a whole (though of course absolute volumes and market share remains high).
- 2.4. As city region economies continue to grow, the growth in rail commuting also continues to accelerate. For example the North West Route Utilisation Strategy forecasts Greater Manchester rail commuting will increase by 44% between 2005/06 and 2017/18. In the West Midlands, the Route Utilisation Strategy medium forecast was for 3.9% growth from 2005 to 2011, but in practice growth has been well over 5% per annum, and on certain key routes passenger journeys are up by over 10% per annum.
- 2.5. Rapid recent growth in rail use has led to significant congestion and overcrowding issues. For example the White Paper shows that passengers travelling into Leeds experience worse overcrowding than commuters into Victoria, Waterloo or Liverpool Street. This is

exacerbated by the fact that many trains are formed of end-door rolling stock that is not designed to handle high-volume commuter traffic.

- 2.6. These issues mean that Network Rail delivering on a suitable Strategic Business Plan is essential to the PTEs and the ongoing economic regeneration of the City Regions.

3. Overall Approach of Strategic Business Plan

- 3.1. *pteg* believes that Network Rail has focused on the growth agenda in the SBP, and this is clearly the key challenge over CP4. However, Network Rail needs to keep delivering a safe and reliable railway while tackling growth issues.
- 3.2. The overall strategy for developing the network has had to take account of the recommendations of RUSs where they exist, and make assumptions on investment priorities where RUS planning work has not taken place. It is important to ensure that routes without an established RUS do not suffer in the SBP just because planning work to justify investment hasn't taken place. The SBP clearly needs to be flexible enough to take into account any emerging conclusions of RUSs that have not been foreseen at present.
- 3.3. *pteg* notes that the engagement of the PTEs while developing the SBP has been variable. Some PTEs were well consulted on the contents, while others feel they have not been adequately consulted.

4. Performance

- 4.1. *pteg* notes that Network Rail believes that achieving around 91.6% PPM should be achievable nationally, and that this falls short of the requirement specified in HLOS. *pteg* agrees that all train operators should be able to achieve 90%, and that clearly there will be some variation nationally depending on local circumstances. It is important, however, that there is no weakening of incentives on those operators that operate considerably in excess of the average (such as Merseyrail Electrics) to perform well.
- 4.2. *pteg* believes that the Joint Performance Improvement Plan (JPIP) process with TOCs is the essential building block for achieving performance improvement, and it is essential that the ORR understands the views of the TOCs on whether they believe that Network Rail is capable of delivering the required performance improvement, especially considering that some TOCs have considered the Network Rail targets in current JPIPs as being too soft.
- 4.3. *pteg* believes that if the HLOS PPM target is considered not achievable, then there ought to be an industry debate on where the performance priorities ought to lie, and whether there are any other performance measures that might align better with key traffic flows and create an incentive to concentrate on improvements that maximise passenger

benefits. For example, the operation of additional services on the $\frac{3}{4}$ mile Stourbridge Town branch from December 2008 should improve the overall PPM of the London Midland franchise as each journey on the branch has equal weight for PPM purposes as a packed commuter train into central Birmingham. However, this improvement in PPM would only deliver marginal real benefits for rail passengers.

- 4.4. PPM also focuses on measuring performance at the end of journeys, and many important passenger flows in PTE areas are provided on services that start and terminate far outside the area (for example the TPE services through Leeds, or Cross Country services through Birmingham). PPM as currently structured therefore cannot adequately capture the overall performance of the networks in PTE areas. Another fundamental weakness in focusing on PPM as a measure is that when an emergency timetable is introduced (such as occurred recently on Merseyrail), performance is measured against the revised timetable. In the Merseyrail example this meant that half the normal train service was cancelled and capacity significantly reduced creating major disruption for passengers, yet the PPM measure still recorded performance in excess of 95%!
- 4.5. **pteg** therefore believes that the industry needs to investigate other ways measuring and reporting performance, to complement PPM, perhaps using a “dashboard” of measures that recognises that a “one size fits all” approach is not appropriate. As part of this “dashboard” of measures, **pteg** agrees that a focus on the most severe delays is appropriate as these can be especially disruptive for passengers and damaging for the wider reputation of the industry. How the industry deals with these severe delays has been identified by Passenger Focus as one of the worse measures for customer satisfaction, and a wider review on minimising the impact on customers of disruption is needed.

5. Capacity and Growth

- 5.1. As outlined in paragraphs 2.3 and 2.4, the PTE areas have been experiencing significant growth, and we agree with Network Rail that the growth predictions in HLOS seem extremely conservative. We believe it is essential that the SBP plans to accommodate greater growth than that shown in HLOS, and that investment in new infrastructure should be “future-proofed” as much as possible, even when this may mean additional cost in the short-term.
- 5.2. The strategy of accommodating growth initially through the operation of longer trains is generally supported; however it would be unfortunate if a lack of network capacity meant that service patterns were unable to evolve over time to meet changing transport demands. Targeted investment in enhancing network capacity to allow more services to run is therefore essential if rail is to make its full contribution to meeting the future transport needs of the City Regions.

- 5.3. **pteg** believes that, in the long term, it is essential for local rail services in the PTE areas to operate as independently as possible from the inter-urban network. Without additional network capacity, on routes where local, regional, inter-urban and freight trains all share the same infrastructure, growth will be constrained for all market sectors and conflicting priorities will need to be resolved. This has historically often meant that local services have had to make way for inter-urban services; however this is not a sustainable situation going forward. The SBP therefore needs to be actively planning for substantial capacity enhancements in the medium to long term on those routes that are most under pressure. **pteg** welcomes the commitment for a Manchester Hub study which will look into these issues in the North West, but would highlight the need for similar work to take place in other metropolitan areas, and in particular West Yorkshire and the West Midlands.
- 5.4. **pteg** supports Network Rail's view that urban and suburban rail networks should be electrified, and that there should be an active policy of pursuing infill electrification schemes initially. Getting an industry consensus on electrification policy will be important for when decisions are taken on fleet replacement policy. In particular the Sprinter and Pacer fleets which are the mainstay of many PTE networks will need replacing with a high quality modern commuter train in the short/medium term. Pacers will have to be replaced before 2020 for accessibility compliance reasons. It would be unfortunate if the opportunity to replace these vehicles with an EMU fleet was missed. It is noted that the Rolling Stock Strategy in the SBP makes mention of all future urban commuter trains being electric, which would imply a strategy of urban electrification is essential.
- 5.5. **pteg** believes that the SBP has failed to adequately recognise the importance of providing additional car parking capacity at stations which is necessary to complement the additional capacity required on the network itself. Much of the recent growth has been fuelled by increased demand for Park and Ride, and there is evidence that there is significant suppressed demand across the network because of the lack of car parking. The North West RUS highlighted parking as a key issue for the region.
- 5.6. Recent research by Passenger Focus shows the impact on not providing sufficient car parking: customers would drive all the way, drive to another station or "kiss and ride", all of which created additional road journeys. Another impact is that drivers' park on local roads creating problems for traffic flow and the local community. This damages the rail industry's relationship with the local community and can lead to local parking restrictions being introduced. In PTE areas, parking has historically been free of charge, and this creates its own issues in terms of finding a solution, however unless the industry can substantially increase the park and ride provision on the network then there is a risk that future demand growth will be stifled and the full benefits of investing in additional network capacity won't be captured.

- 5.7. Network Rail therefore needs to undertake a strategic review of the parking requirements for each route and identify the extent that it needs expanding to accommodate the predicted growth. Network Rail then needs to determine a strategy for expanding park and ride, working closely with TOCs, PTEs, local authorities and other stakeholders.

6. Safety

- 6.1. **pteg** supports the proposals for improving safety, and would urge a particular focus on those passenger risks for slips, trips and falls at stations. A particular concern at many stations can be the large gap between the train and the platform which can impact on the overall accessibility of the network, as well as safety. Implementation of a national standard for the relationship between the platform edge and carriage doors is essential, and perhaps an issue the Network RUS could investigate.

7. Asset Management and Efficiency

- 7.1. **pteg** notes the proposed policies for asset management and improving efficiency and agrees that the targets for efficiency gains appear challenging. However, **pteg** is unable to take a view on whether the targets are achievable, but we would be concerned if Network Rail took resources away from its planning and development teams to focus on delivering short-term efficiency gains at the expense of the long-term.
- 7.2. **pteg** would also seek confirmation that the issues of managing trackside vegetation, graffiti and litter (also highlighted in our consultation response on Network Rail Outputs) are properly included in Network Rail's asset management policies.

8. Possessions Strategy

- 8.1. **pteg** welcomes a fundamental review of the possessions strategy and the move towards a "7-Day Railway". However, PTEs have had only limited consultation on this process to date, and it is important that this initiative is developed to maximise the benefits to all operators, and is not biased towards meeting the needs of particular service groups (e.g. long-distance services that have diversionary capability) over those of others. PTEs have aspirations, for example, to run later trains in order to serve the vibrant evening economy that is developing in many regional cities, and it is important that this initiative can properly balance the impact of longer weeknight possessions on operating late night services, against any benefits derived at weekends. It is clear that a single national strategy for implementing this initiative is not appropriate, and that proposals need to be developed to best reflect the circumstances of each route.

9. Stations Strategy

- 9.1. **pteg** welcomes the development of a stations strategy by Network Rail. PTEs play a crucial role in investing in stations in the metropolitan areas and have well developed plans for funding station improvements, usually through the Local Transport Plan process. Stations form key local transport hubs and their development cannot be taken forward in isolation from the wider transport strategies for the City Regions.
- 9.2. Early and full engagement with PTEs within the National Station Improvement Programme Process will be essential if this is to be effectively delivered. To date engagement has been inconsistent across the PTEs, and some feel the process has excluded them.
- 9.3. PTEs will be happy to share our experiences of operating SQUIRE regimes with Network Rail to help them align future monitoring of stations with the current reporting processes.
- 9.4. PTEs will also be very happy to assist in the development of station travel plans and other measures to improve interchange.
- 9.5. As mentioned above, **pteg** believes the main weakness in the stations strategy is that it fails to adequately address the key capacity constraint of car parking.

10. Freight Strategy

- 10.1. **pteg** welcomes the £200m funding allocated towards developing a Strategic Freight Network which could deliver benefits for the metropolitan areas if it allows greater segregation of freight and passenger flows. It is important that the schemes that are developed are consistent with wider regional freight strategies, and any impact on the routing of freight services and use of freight terminals is fully understood for both the rail and highway networks. **pteg** and other regional authorities therefore need to be kept apprised on the development of the Strategic Freight Network.

11. Conclusions

- 11.1. Overall **pteg** is supportive of the proposals outlined in the SBP, which generally do address the key issue of providing additional capacity for growth. Individual PTEs will respond directly on whether the detailed proposals for each area adequately address local issues.
- 11.2. Engagement with some PTEs has been good to date, but not so with others. It is important that Network Rail has a consistent approach to dealing with PTEs and that good practice in some areas is rolled out everywhere.