

Scrutiny Task Group Railways



January 2011

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Environment, Economy and Culture O&S Committee

The task group makes the following recommendations to the Environment, Economy and Culture Overview and Scrutiny Committee, and proposes that they are endorsed to the Cabinet, and if agreed a report on progress is made to the EEC O&S Committee in three months time.

Recommendation 1

Ambition:

Unified South West voice on the National Stage: The South West has been and continues to be underrepresented on rail issues. It is essential to promote the needs of rail users from across the Peninsula and beyond. To have the greatest impact, local authorities and other rail stakeholders need to join together to make the strongest representation to government.

Activity:

In partnership with Travel Watch South West, the members of the task group and the Devon County Council Portfolio Holder take part in a summit bringing together rail decision makers from the South West. In particular this should include local authorities, MPs, train operating companies user groups, the business community other rail stakeholders and Network Rail.

The purpose of this gathering would be to form a consensus and action plan agreed across organisations to empower the single voice of the region. The agenda should be:

- Lobbying activities to secure new fleet across the South West. And reconsider RUS
- How to safeguard land near railways for the future - Rail Authorities should not sell off land.
- How to promote rail freight - Supermarkets and businesses should be encouraged wherever possible to use rail links
- Joint public transport card
- Is Network Rail fit for purpose? What can be improved?

Recommendation 2

Ambition:

Strategic infrastructure: The Office for Rail Regulation should ask Network Rail to reconsider the Route Utilisation Strategy in light of the significant increase in rail passenger numbers – in particular there needs to be a reconsideration of the data used to make recommendations about infrastructure improvements in Devon.

Activity:

Network rail should have more frequent strategic meetings with DCC – possibly in line with the memorandum of understanding between the West of England Partnership and Network Rail

Recommendation 3

Ambition:

Greater Investment: Take every opportunity to secure increased rail services and train capacity in the South West.

Activity:

Devon County Council takes an active part in seizing the opportunity to make the most of rail investments as outlined in the schedule in appendix 1. In particular when the Great Western franchise comes up for renewal either in 2013 or 2016, DCC should be a strong partner in contributing to the new franchise specification. It should also work to receive the trains displaced when there is a new DMU fleet for the Cardiff - Bristol - Salisbury - Portsmouth line.

1. Introduction

- 2.1. The issue was introduced to the Environment, Economy and Culture at the meeting on the 7th September, where the chairman expressed concern over overcrowding on some areas of the rail network in Devon.
- 2.2. The anticipated value of undertaking this investigation was to identify improvements and make recommendations to contribute to national debate and policy development regarding the provision of rail services. This is embedded in the context of supporting green travel and promoting the infrastructure and economy of Devon and the South West.

Scope of the work

- Examine the problem of inadequate rolling stock leading to overcrowding and what can be done about this;
 - Comment on the Great Western Route Utilisation Strategy (2014-19), in particular highlighting gaps in provision, infrastructure and service;
 - Look at the future of the railways, what role they play in Devon's economy and how DCC can and should interact with them.
 - Consideration of support for the integration of methods of green travel (e.g. cycling to the station)
- 2.3. The task group met four times over a two month period and received testimony from thirteen external expert witnesses as well as Council officers. Whilst this has been a short task group, the group have adhered closely to the scope and gained significant insight into rail issues in Devon and the South West.
 - 2.4. Exeter City Council was also undertaking a scrutiny investigation into rail and with the consent of the task group was invited to attend a witness session. The offer was reciprocated, however the Exeter task group met after this report is due to be published.
 - 2.5. This investigation was undertaken at a time when local authorities were waiting for the results of the comprehensive spending review and figures on the financial settlement from government. Concern over a reduction in investment has underpinned this review. Earlier this year Central Government commitment to rail appeared strong:

'The Coalition has pledged to put rail at the heart of its transport strategy. As well as our ambitious plans to build a new high speed network, we fully understand the importance of improving the existing railway... Moreover, efforts to ensure rail can provide an attractive alternative to higher carbon modes of travel are an important part of our approach to reducing emissions from transport and addressing climate change.'

Rt. Hon. Theresa Villiers, Minister of State for Transport, July 2010

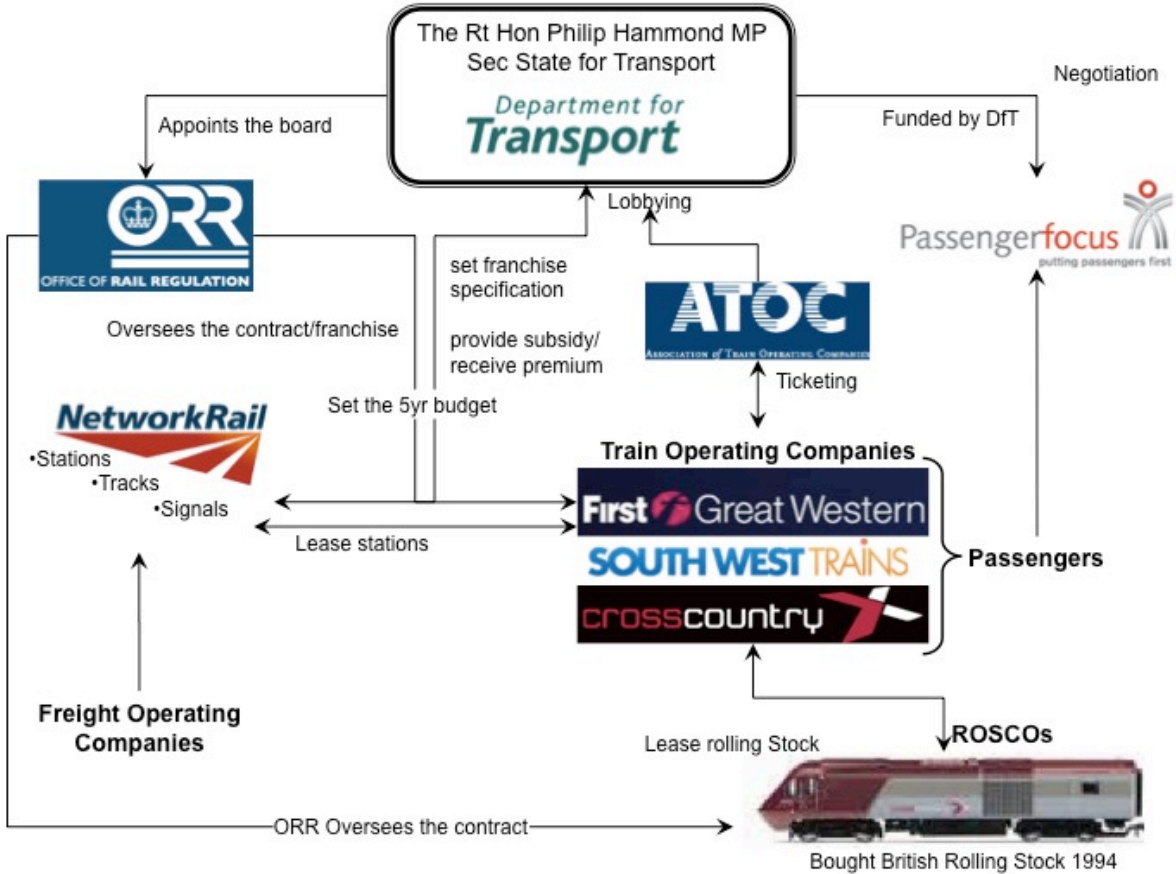
- 2.6. However the most recent statements identify significant savings to be found from the industry:

'The railway is costing more than it used to and more than it ought to. Greater efficiency would realise savings of £600 million - £1,000 million per annum by 2018-19 without cutting services or lowering quality; the key to securing these efficiencies is a cross-industry focus on reducing costs and improving value for money; that in turn demands closer working and alignment of incentives between train operators and Network Rail and strong leadership across the industry..'

Mr Philip Hammond, Secretary of State for Transport, December 2010

2. How does the Railway work?

3.1 The rail system is a complex cacophony of public and private organisations. Before an examination of the issues could take place, the task group needed to understand the lines of accountability and the interplay between different organisations. The diagram below attempts to represent the relationships between the different players in the rail industry.



3.2 Starting at the top and working clockwise round the diagram above: The Department for Transport (DfT) appoints the board of the Office for Rail Regulation (ORR), who are an independent non-ministerial government department with the role of regulating the safety and economics of Britain’s railways¹. Together with the DfT the ORR set the five year budget and programme for Network Rail issuing guidance and obligations. The ORR also oversees the agreement and monitoring of the contracts between Network Rail and the TOCs as well as that of the Rolling Stock Operating Companies (ROSCOs). The DfT set the franchise specification and provide a subsidy where necessary to the TOC. Network Rail is a not for profit company, grant funded from the DfT, and currently runs a £22bn deficit guaranteed by government. It owns and operates most of the stations, tracks and signals across the Country. There are three TOCs in the South West, and 29 throughout the Country. The Association of Train Operating Companies is an industry spokesperson and represents TOCs to DfT and the public as well negotiating ticket pricing. Passenger Focus are the statutory body representing passenger views and are funded by DfT. Finally the ROSCOs, of which there are only three in the Country, own the entire rail stock and fund new trains.

¹ <http://www.rail-reg.gov.uk/server/show/nav.2520> Office for Rail Regulation

Complexities of the system

- 3.3 As demonstrated above the interaction between the different players is complex. In the recently published report 'Increasing Passenger Rail Capacity' produced by the Public Accounts Committee a headline conclusion was:

'The unique and complex structure of the rail industry makes it inherently cumbersome and expensive, and provides little external challenge to its own vested interest in its own growth'.²

All eight conclusions and recommendations from the report are in Appendix 2.

- 3.4 In addition to the complex system, the task group have also formed a view on some of the hurdles to get extra capacity and investment in the rail system. The challenges encountered at each level of organisation are detailed in the narrative below. Whilst there are some positive developments it is still very difficult to secure additional capacity in the system, even when the trains are overcrowded.
- 3.5 Firstly to secure additional capacity it would be useful to have it identified in the franchise specification. For example the task group have received testimony that when First Great Western took on the franchise for the specific track in 2006 it was specified that there would be fewer vehicles in the Devon area. At a later stage First Great Western realised the problem and then hired additional rolling stock.
- 3.6 The Route Utilisation Strategy (RUS) identifies infrastructure works. This document is produced by Network Rail who compile plans and strategies using strictly defined data sets and models. It is also Network Rail who identify the passenger forecast figures which in turn are used to plan the service. The figures for passenger use are made up of ticket sales which do not always accurately reflect passenger journeys.
- 3.7 The growth forecast figures are inflexible and bind infrastructure development. The RUS for Devon identifies no necessary development up to 2019 when a new RUS is produced. The figure that is used by Network Rail, set by the DfT is less than 3% of the population of new housing development who will use public transport. The task group do not believe this accurately reflects the passenger growth and would like to see an adjustment in the RUS – **RECOMMENDATION 2**
- 3.8 Up to now the DfT HAVE SET Franchises at maximum of ten years. (7 years + 3 year extension). This time is too short for the Company to adequately invest in the service and see a return. The benefits of longer franchise periods are summarised by the Association of Train Operating Companies:
- 'Longer and more flexible franchises that give train companies the opportunity to work more closely with Network Rail at a local level are a vital part of reform. These changes have the potential to attract greater private sector investment, cut costs to the tune of hundreds of millions of pounds a year and allow operators to respond more quickly to what passengers want.'³*
- 3.9 Central government have recently concluded a consultation exercise around exactly this concern. Sir Roy McNulty is undertaking a comprehensive value for money study; one of the interim conclusions of this report is that future contracts should be awarded for at least 15 years. The Secretary of State for Transport has specifically announced:
- 'The Greater Western franchise will be retendered in either 2013 or 2016, again for at least 15 years, upon expiry of the existing franchise agreement in accordance with its terms.'⁴*

² 'Increasing Passenger Rail Capacity' The Public Accounts Committee, 27.10.10

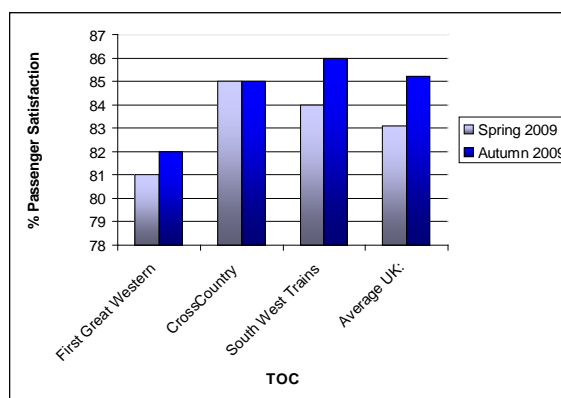
<http://www.publications.parliament.uk/pa/cm201011/cmselect/cmpubacc/471/47102.htm>

³ Association of Train Operating Companies <http://www.atoc.org/media-centre/latest-press-releases/greater-role-for-train-companies-would-drive-down-costs-and-improve-services-100534>

⁴ DfT Rail Industry Review Statement by: The Rt Hon Philip Hammond MP Date delivered: 07 December 2010

Growth and Overcrowding

- 3.10 Moving on from the technical organisation and operation of the rail system to the experience of passengers. There are a number of organisations representing the passengers' view of rail travel. The task group has spoken to representatives from Passenger Focus (an independent organisation funded by DfT to represent passenger priorities) and First Great Western's customer panel.
- 3.11 Overwhelmingly the concern that was discussed most frequently by all witnesses was that of overcrowding. In 2009, 8.2% of rush hour trains running to and from London Paddington, operated by First Great Western were officially classed as overcrowded, up from 6.5% in 2008.⁵ This represents a significant number as a fifth of rail passengers' journeys from the South West are made to London, around two thirds are within the region and 10% are to the South East.⁶
- 3.12 This is not just a problem on trains operated by First Great Western, and high levels of growth are experienced across train operating companies in the South West. In turn leading to overcrowding at peak times:
- 'There is considerable danger of continued high growth outstripping available capacity and planned investment in the region'⁷*
- 3.13 Increases in growth on public transport are a fantastic success story. In 2008 to 2009 there were 3.2 million passenger trips in Devon up from 2.5 million in 2006/07. Overall there has been a 10% annual increase in local services. The Exmouth line carries well over one million passengers a year. The Tarka line has increased its patronage by 116% in ten years.
- 3.14 This all contributes to reducing the region's carbon footprint and helps to combat climate change. However increased patronage must be supported by adequate facilities or those who have enthusiastically taken up public transport may return to their cars.
- 3.15 Passenger satisfaction as demonstrated on the graph below is slightly lower for First Great Western passengers compared to others in the South West and about 3 percentage points lower than the national average. With Cross Country trains about average for the latest period and South West trains being slightly above average.



- 3.16 First Great Western has managed to negotiate with DfT a revision to the franchise for an additional 30 carriages. Thirty refurbished vehicles will be introduced by spring, replacing the existing vehicles and providing additional seating capacity. This equates to 15 trains, with a net gain of 40 seats per train. The task group would like to see this go

⁵ 'First Great Western crowding getting worse': <http://www.bbc.co.uk/news/uk-england-london-11493830>
7.10.2010

⁶ SWO and SWRDA: Transport in the South West – does it matter for the performance of the economy?

⁷ SWO and SWRDA: Transport in the South West – does it matter for the performance of the economy?
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further and Devon enjoy new trains with more carriages, but welcome the additional capacity and newly refurbished trains.

Ticket Pricing

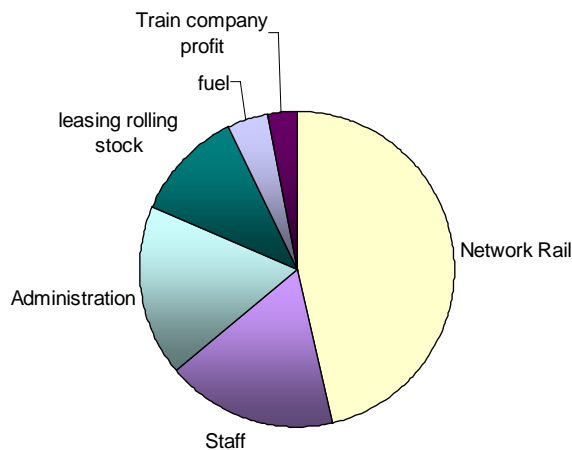
3.17 Recent headlines, based on information from the association of rail companies have said that fares are due to rise:

‘Michael Roberts, Chief Executive of ATOC said: “We know times are tough for many people but next year’s fare increases will ensure that Britain can continue investing in its railways.

“Even with these fare increases, the money passengers spend on fares covers only half the cost of running the railways – taxpayers make up the difference. The government is sticking with the previous administration’s policy to cut the taxpayers’ contribution to the overall cost of running the railways.”⁸

3.18 Since 2004 it has been government policy to shifting the burden of paying for the railways from the tax payer to the passenger. Money from fares raises about £6bn a year, paying for half of the industry’s £12bn annual costs. The previous government wanted to move to a position where each £1 from the taxpayer is matched by £3 from the passenger. The coalition government is committed to moving in this direction as well.

3.19 For each £1 spent on a rail fare the money goes to the following destinations, with the most significant share going to Network Rail:



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3.20 However the task group have heard anecdotal evidence that shows rail prices do not necessarily need to rise to increase revenue:

The Devon and Cornwall Rail Partnership worked with First Great Western on peak day returns from Barnstaple to Exeter.

By reducing the ticket from £10.70 to £7.50 there has been a 57% increase in revenue.

3.21 To promote even greater use of public transport and a more joined up approach to its use the task group would like to see serious consideration given to the exploration of a card for passengers that could be used on both the bus and rail networks. Modelled on

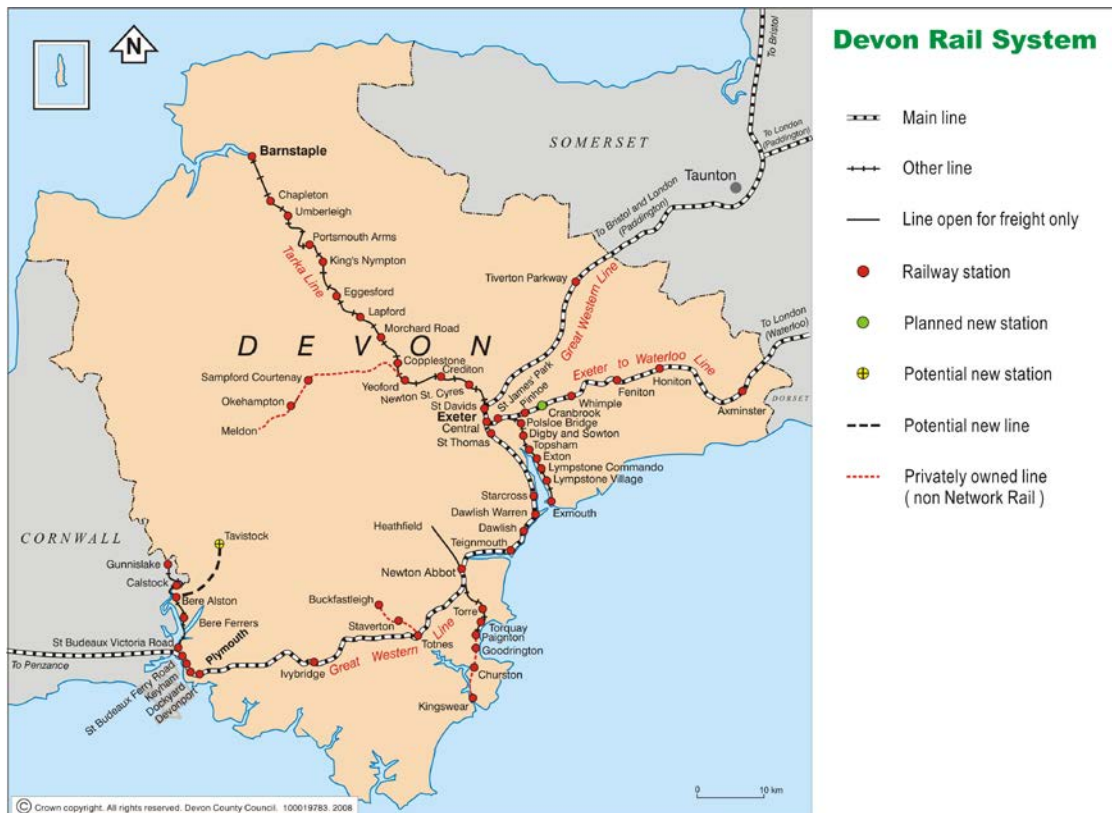
⁸ ATOC, ‘Train companies confirm fare changes for 2011’ <http://www.atoc.org/media-centre/latest-press-releases/train-companies-confirm-fare-changes-for-2011-100526> 23/11/2010

⁹ BBC News: ‘Rail fares up by average 6.2% in new year’ <http://www.bbc.co.uk/news/uk-11818904>

the very effective Oyster card in London. There needs to be further discussion with other rail stakeholders on just how realistic this could be.

3. How does Devon County Council work with the Railway?

- 4.1. The South West area is the largest region in England with the longest road network, which is just less than 50,000 km.¹⁰ The Office for national statistics estimates population growth in the SW of 8.4% from 2008 – 2018 putting considerable additional pressure on an already stretched transport system.
- 4.2. In 2007 – 2008 South West residents travelled an average of 7,736 miles, 84% of which were by car. Only 7% of this distance was by public transport, which is below the national average.
- 4.3. The map below shows the rail routes through and across Devon. The railway network across the region extends from Exeter to Penzance in the far South West, Exeter to Barnstaple across Devon, Exeter to Bristol and Cardiff going North and Exeter to London Paddington in the East. In addition there are several freight lines that connect to the mainline and branch lines.



- 4.4. Devon County Council is the largest democratic institution in Devon and the Local Transport Authority and has a duty to represent the needs of its residents and business. This point is made succinctly in a report by the South West Observatory and the South West Regional Development Agency:

‘It is generally agreed, however, that the mobility of passengers, freight and information has a positive impact on the development and welfare of a population. An efficient transport network is, amongst other factors, essential in

¹⁰ ‘Increasing Passenger Rail Capacity’ The Public Accounts Committee, 27.10.10
<http://www.publications.parliament.uk/pa/cm201011/cmselect/cmpubacc/471/47102.htm>

*allowing economic and social opportunities to arise by providing better access to markets, employment and additional investments.*¹¹

The Local Transport Plan (LTP) for Devon and Torbay identifies the vision and aspirations for planning transport in Devon over the next 15 years. It recognises the role that travel plays in achieving the goals and priorities for Devon across all the County Council's activities and interests. The key priorities include strengthening the economy and protecting and reducing carbon.

The LTP3 vision is:

*'By 2026 a sustainable transport system helps to make Devon and Torbay economically successful evidenced by a more prosperous and healthy population living in an attractive environment.'*¹²

The LTP is supported by a significant amount of research including the 'Delivering a Sustainable Transport System' (DaSTS) study, which assessed the impact of growth across the South West peninsula on the strategic road and rail corridors. The study made recommendations to enhance economic growth and to sustain transport links with the rest of the country.

- 4.5. Considerable priority has been accorded to rail services by the County Council in recent years including investment funded from LTP 2 and Public Service Agreement Reward grants. This investment has enabled improvements identified in the Devon Stations Strategy including shelters, seats, information displays, ramps, low height ticket office counters and dedicated parking spaces to assist disabled passengers.
- 4.6. The County Council has contributed to major schemes in partnership with the rail industry at Barnstaple and Axminster and just commencing at Honiton stations and is also helping with schemes under the DfT National Stations Improvement Programme at Exeter St Davids and Exeter Central for 2011. DCC is coordinating the development of the station for the new Cranbrook Community and also working closely with developers on the proposal to reopen the railway to Tavistock.
- 4.7. The County Council also provides approximately £200,000 a year in revenue support to secure enhanced rail services principally on the Tarka Line and into Dartmoor on Summer Sundays and works jointly with the District Councils through Exe Rail in the regular promotion of rail services which is coordinated by the Devon and Cornwall Rail Partnership which Devon funds with Cornwall CC and FGW. The very strong year on year growth of over 10 % in passenger trips on all the lines in Devon over the last decade can be attributed in no small measure to this high and sustained investment by the County Council.
- 4.8. Devon County Council also works in partnership to inform and contribute to the activities of other rail stakeholders. The Council is consulted by Network Rail, The Department for Transport, and the Train Operating Companies on major developments. DCC also has a role in contributing to strategic documents such as the Route Utilisation Strategy (RUS) produced by Network Rail as well as the franchise service level contracts (SLC) for the TOCs.
- 4.9. Despite these very positive developments, the task group have concerns that there is still more to be done to secure continued priority for and investment in the rail network in the South West:

*'There remain concerns that the relative quality of rail provision in the far South West will reduce the attractiveness of businesses relocating and investing in Exeter and the other SSCTs to the West.'*¹³

It is this concern that underpins RECOMMENDATION 1 and this theme runs throughout the report

¹¹ SWO and SWRDA: Transport in the South West – does it matter for the performance of the economy?

¹² Local Transport Plan 3

¹³ Executive summary DaSTS study <http://www.devon.gov.uk/efswg-dasts-phase-1-report.pdf>

- 4.10. The task group were also shocked to discover that the South West region does not have and has never had MP representation on the Transport Select Committee. Is this why the region has consistently fallen behind in terms of rail investment?

4. What is the future of Rail in the South West?

- 5.1 The task group have concerns over the vulnerability of the rail network in the South West. In particular maintenance of the line at Dawlish against coastal erosion.
- 5.2 However at the same time there are some exciting projects that Devon is part of which seek to improve the Rail service. This section of the report will be split into the concerns encountered by the task group, and the welcomed positive developments.

Future Concerns

- 5.3 Several witnesses made representation to speak to the task group because of their concern over the future of the railway running along the seawall at Dawlish. The track follows thirteen miles of tidal path, which is threatened by climate change and a predicted rise in sea levels as well as being vulnerable to extreme weather. The line is pivotally important to all rail connections west of the track as there is no other rail line into the South West of Devon, Plymouth, Torbay and the whole of Cornwall.
- 5.4 The picture below demonstrates the proximity of the line to the sea. To maintain the line it is necessary to spend £500,000 a year on maintenance.



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- 5.5 The task group has not been reassured by Network Rail's assessment that there is no immediate risk to the rail line at Dawlish for the next 20 years. No significant building or development is currently planned.
- 5.6 Nor it would appear has Anne Marie Morris MP for Newton Abbot, when she secured a Westminster Hall debate on the Exeter to Plymouth Railway on the 10th November 2010. This was done with the intention of seeking support for continued investment. After a recent House of Commons inquiry had found that creating an alternative inland route would cost in the region of £100million and was therefore not deemed to be viable.
- 5.7 At this debate, the Parliamentary Under Secretary of State for Transport, Norman Baker MP for Lewes went on record to state the following:

'I welcome the opportunity to reassure (Anne Marie Morris) that the issues she raised about the route's long term resilience are being taken seriously by the rail industry and the Government...'

¹⁴ Picture taken from: <http://www.therailwaycentre.com/Sea%20Wall%20Guide/Index.html>

...The Department for Transport is funding a major research project with Network Rail to understand the impact of climate change on the railway...

...The next phase of the project will provide the quantified evidence needed to decide where and when investment may be needed to maintain the resilience of the railway to increasingly extreme weather...

...To meet her (Anne Marie Morris') suggestion that we direct Network Rail and the Environment Agency to find a solution, I will be happy to write to them following the debate to stress the importance of maintaining the line to the economy of South Devon.¹⁵

- 5.8 Whilst considering the situation in Dawlish, representation was made about the condition of the station and the need for refurbishment. In general the task group have not considered specific stations and are therefore not in a position to recommend works to one station above others. The group do however accept that the station is in need of a major upgrade and recognise that this will require significant cooperation of the County Council, Teignbridge District Council, First Great Western and above all Network Rail. Any future work will need to balance conservation of existing buildings with the need to improve customer facilities.

Positive developments: Devon Metro

- 5.9 The 'Devon Metro' refers to a programme of improvements across the rail network in Devon. Some of these improvements work within the existing constraints and some recommend infrastructure investment. The scheme is particularly focused on the radial routes serving Exeter to improve cross City connections. This concept is being developed and the task group welcome the outcomes, some of which might be:

- | | |
|-------------|---|
| Short Term | - 4 car trains in the peaks |
| | - New station on the Exmouth Line |
| | - New station at Marsh Barton |
| | - 30 minute local service frequency on the Paignton Line |
| | - Cranbrook Station |
| Longer Term | - 30 minute frequency to Cranbrook, Honiton and Axminster |
| | - Further new stations on the Exmouth line |
| | - 15 minute frequency on the Exmouth line |
| | - 15 minute frequency on the Paignton line |
| | - |

Potential developments: Freight

- 5.10 The task group believe that the freight market for rail could be improved in Devon and welcome any endeavours to do so. Dartmoor Rail testimony has given insight into their future plans to become a train operating company as Devon and Cornwall Railway and to operate trains for both passenger and freight markets. This could potentially see the transportation of 300 million tonnes a year.
- 5.11 The potential for developing freight markets as outlined in the DaSTS study is summarised below. In particular in the South West the potential growth should be noted for the automotive industry and Aggregates, which already performs well. It should be highlighted that the potential for growth column below is the view of the DfT,

¹⁵ Hansard Westminster Hall debates 'Exeter to Plymouth Railway'
<http://www.theyworkforyou.com/whall/?id=2010-11-10b.135.0>

Freight Potential Markets

Market	Current Rail position	Potential to Grow	Potential in South West
Coal	Dominant	Limited	Movements are limited
Aggregates	Strong for long distance	Moderate	Already high mode share
Metals	Strong for certain markets	Moderate	Market is small
Petroleum	Strong for high volume flows	Limited	No access (short sea shipping)
Automotive	Low	Considerable	Potential (e.g. Marsh Barton?)
Waste	Low	Limited	Low – impact of move to recyclables?
Intermodal	Significant share of deep sea	Very Considerable	Increased use of rail by supermarkets?
Channel Tunnel	Very limited	Very Considerable	Most Cross Channel flows already by boat

- 5.12 The market potential is one strand of increased use of rail freight but there are some significant infrastructure constraints, which may limit what can be done. These include the following:
- ◆ Weight constraints on structures
 - ◆ Gauge clearance – 9’6” high cube container issues
 - ◆ Curvature and gradients
 - ◆ Lack of flexibility on network. High usage between Exeter and Plymouth
- 5.13 The task group would also like to see opportunities for supermarkets to use rail extended. From testimony received there is already some interest from large retailers in the South West. However infrastructure and the lack of intermodal connections has been a barrier to date. There needs to be wider industry buy in to promote the freight market.
- 5.14 The task group believe that as a catalyst to support this, there should be requirements from central government reflected in planning guidance to require consideration of delivery by sustainable transport.

5. Conclusion

The rail system is a multifaceted series of interactions between public and private organisations. Achieving outcomes for local people is complex. The task group recognise the limitations of influence that the County Council alone may have, but through this work hope to unite other local authorities and train stakeholders to come together to fight for the best possible service for the residents of Devon and the South West.

The value of undertaking an investigation such as this one has been to improve communications across organisations to identify ways in which it is possible to improve rail availability and experience for passengers and in turn promote cleaner travel and enhance economic growth in the region.

There are a number of opportunities that must be fully grasped, these are outlined in the first appendix. In addition Sir Roy McNulty’s final report is due to be published in April 2011 which will have significant ramifications for the rail industry.

6. Sources of evidence:

Expert Witnesses

The task group heard testimony from a number of sources and would like to thank the following for their involvement and the information that they have shared:

Witness:	Reason for inviting:
First Great Western: Julian Crow, Regional Manager Matthew Golton, Director of Projects	To understand the perspectives and challenges facing the rail industry including electrification and new rolling stock, franchise constraints and requirements, service development, partnership with Local Govt.
Network Rail: Claire Burch, Planning and Development directorate	To look at the specifics of the routes in and to Devon in respect of track and signalling capacity, upgrading infrastructure ,line speeds etc
Devon and Cornwall Rail Partnership: Richard Burningham, Tarka Rail Association and FGW's Customer Panel.: John Phillips	Information on the challenges facing the partnership in promoting Community railways and developing opportunities for rail
Passenger Focus: Mike Greedy	Passenger view and Train Operator Performance
Dartmoor Rail Graham Isom, Chairman Mark Westfield, Director, Access and network operations	To explore the situation and plans in Okehampton in more depth
Teignbridge District Council: Cllr Rosalind Prowse	Volunteered to make representation over concerns of the longevity and safety of the rail Service in Dawlish
Devon County Council: Cllr John Clatworthy	Volunteered to make representation over concerns of the longevity and safety of the rail Service in Dawlish
John Hartley	A member of various organisations including Devon Conservation Forum
Travel Watch South West Gordon Edwards, Director and Company Secretary, Chris Irwin, Chairman	To understand the process of lobbying and activities currently underway and the as well as to seek collaborative working.

The task group was also assisted by a number of Devon County Council officers and would like to thank the following for their support:

- ◆ Tim Davies, Rail Officer
- ◆ Mathew Barnes Transportation Planning Team
- ◆ Jamie Hulland, Transportation Manager (Studies)

Supporting Information

- ◆ Office for Rail Regulation: 'Increasing Passenger Rail Capacity' <http://www.rail-reg.gov.uk/server/show/nav.2520>

- The Public Accounts Committee, *Increasing Passenger Rail Capacity*, 27.10.10 <http://www.publications.parliament.uk/pa/cm201011/cmselect/cmpubacc/471/47102.htm>
- Association of Train Operating Companies <http://www.atoc.org/media-centre/latest-press-releases/greater-role-for-train-companies-would-drive-down-costs-and-improve-services-100534>
- DfT Rail Industry Review Statement by: The Rt Hon Philip Hammond MP Date delivered: 07 December 2010
- 'First Great Western crowding getting worse': <http://www.bbc.co.uk/news/uk-england-london-11493830> 7.10.2010
- SWO and SWRDA: Transport in the South West – does it matter for the performance of the economy? <http://economy.swo.org.uk/publications/special-economy-module-publications/>
- Local Transport Plan 3
- DaSTS study <http://www.devon.gov.uk/efswg-dasts-phase-1-report.pdf>
- Hansard Westminster Hall debates 'Exeter to Plymouth Railway' <http://www.theyworkforyou.com/whall/?id=2010-11-10b.135.0>

7. Contact

Members of the task group were as follows: Councillor Gordon Hook (Chair); Councillor Roger Giles; Councillor Paula Black; Councillor Jerry Brook; Councillor Andrew Eastman; Councillor Nick Way

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APPENDIX 1

Key dates for Rail investments in Devon

In looking to improve and deliver investment in Devon's rail network there are key dates that provide us with the opportunity to deliver significant improvements. These would also act as enablers for some of our other schemes. To take advantage of these opportunities requires us to deliver a strong unified message and build momentum and so is very relevant to the findings of the task group.

The key timescales include:

1. **Electrification to Oxford, Didcot and Newbury** **2016**
 - The government confirmed, on 26th Nov, that electrification of the outer suburban services from Paddington to Oxford and Newbury will take place by 2016. This will see the existing fleet of 57 Class 165/166 Thames Turbo Diesel Multiple Units become available for cascade elsewhere.
 - They will be restricted to cascade to services somewhere west of London, the South West or South Wales as they are designed with the clearances of former Great Western lines in mind (these are slightly wider than elsewhere in the country). This gives us a good

opportunity to try and get them sent to Devon as we will only be competing with Bristol, South Wales and Cardiff - Portsmouth for them rather than the whole country.

2. Greater Western Franchise re-letting

2013 or 2016

- Depending on First Great Western's negotiations with the DfT over whether to extend the franchise for the optional 3 years a new franchise will either be let in 2013 or 2016.
- Franchise letting provides an opportunity to persuade the DfT to build in investment in Devon through the franchise specification as happened with the commitment of South West Trains to an hourly Waterloo - Exeter service as part of their franchise.
- Regardless of when the franchise is re-let it is the DfT's intention to let a new franchise of at least 15 years. The new longer franchises are intended to allow TOCs to invest more in their services and longer franchises will include investment as part of the franchise specification. This provides a good opportunity to tie in franchisees to making investments in stations, rolling stock and infrastructure. This could be in a similar way to the Chiltern franchise which has delivered huge amounts of investment through their 20 year franchise (Chiltern were the only long franchise let previously with investment included as part of the franchise. They are also the example held up by the industry and government of how things should be done.). **Devon County Council should take an active part in cooperation with partners to drawing up the new franchise specification.**

3. Re-signalling of the Exeter and Plymouth Areas

2016 – 2018

- Re-signalling of the Exeter and Plymouth Areas is currently scheduled for 2016 to 2018. Exeter and Plymouth signal boxes control the majority of routes in Devon with the exception of the Barnstaple and Axminster lines.
- Re-signalling schemes provide an opportunity to deliver investments and improvements DCC would like using railway money by simply influencing the design of the new scheme to be implemented.
- This is of particular relevance therefore to resolving signalling capacity issues and some infrastructure constraints such as at Exeter St Davids and Exeter Central as it can be done at no cost to us or the railways, or at least much lower cost to the railways.

4. Paignton Half hourly local service frequency

2016

- The Great Western Main Line RUS established that a Paignton local service half hour frequency would achieve a suitable level of benefits in 2016. It therefore recommended the implementation of a Paignton – St James Park service each hour (alongside the Paignton – Exmouth service) in 2016.

In addition to the rail industry timescales there are several other relevant local considerations:

Lead time on new stations

- New stations are a key part of the development strategy for Exeter, to minimise the impact of development, and will be delivered as part of Devon Metro.
- We are at the start of the process of demonstrating their business case and developing their design and delivery through Network Rail's Guide to rail Investment Projects. As such the lead time on building the first (excluding Cranbrook which should happen very soon as it has gone through this process and is just waiting for house building to start) must be assumed to be several years.
- New stations may also be dependent on the better performance of cascaded rolling stock to fit them in services and so may be delivered alongside cascaded stock and also, in the case of Marsh Barton, alongside increased frequency. It therefore seems that new stations could be delivered in a similar timescale around 2016.

Start of 2nd 5 year Implementation Plan of LTP3

- LTP3 covers the period 2011 – 2026. The implementation plans will cover 5 year periods running 2011 – 2016, 2016 – 2021 and 2021 – 2026. It therefore seems logical that the 2nd

five year period could be launched, in 2016, alongside the implementation of considerable rail improvements as a focus for it.

It is therefore possible to see that there are key dates for the rail industry that can be targeted. If these are approached with a strong unified voice we may be able to secure many of the improvements we would like at a similar time. This timescale would fit in well with LTP3 and provide the vast majority of the basic improvements we would like to see in Devon and thus act as a foundation for delivering further more ambitious improvements.

This means that focusing on these dates and opportunities provides the best means of delivering significant improvements for Devon. This would be best approached using a strong and focused local message from across Devon and the peninsula as has been proposed by a number of witness's to the task group.

APPENDIX 2

'Increasing Rail Capacity', Conclusions and recommendations, Public Accounts Committee

- 1. All but one of the fifteen English rail franchises have no requirements for the operator to meet demand without excessive overcrowding, and so the taxpayer usually has to provide additional funding for extra carriages.** For future rail franchises the Department should impose clear obligations on operators to avoid overcrowding, and to bear the costs of meeting that obligation themselves.
- 2. The current round of planning relied heavily on buying extra carriages and on extending platforms to accommodate longer trains but this approach cannot go on indefinitely. Clearly, alternatives must be found to meet the capacity challenge in the future.** The Department should vigorously pursue and promote smart ticketing and other demand management techniques to reduce the inefficiencies of overcrowding in peak hours and underused rolling stock at other times.
- 3. The Department's knowledge of how many people use which parts of the rail network and when is inadequate, sketchy and so gives a poor basis for decision-making.** The Department should require all new train carriages, whether procured by the Department itself or by franchisees, to be fitted with automatic passenger counting equipment to show how many people are travelling on what trains and when. It should require franchisees to provide useful and verifiable data from that counting. It should also report back to the Committee on progress to establish a computer system to capture, analyse and report on this data.
- 4. It is not clear to passengers where the money from increased fares has been spent.** For example, passengers in some parts of the Southeastern franchise are paying premium fares to support new services which do not stop at their stations and do little to alleviate overcrowding on the trains they use. The Department should provide transparent information on how many new passenger places it is delivering, on which trains, and at what cost to taxpayers and fare payers.
- 5. The Office of Rail Regulation does not have a grip on Network Rail's efficiency and appeared remarkably relaxed about the continuing gap in performance between Network Rail and international comparators.** It is surprising that the Regulator, which has been in operation since 1994, accepts that there is still a "very large potential" for Network Rail to improve its efficiency (for example a potential to reduce costs of platform lengthening by 25% compared to European peers), yet does not have a detailed bottom-up and complete understanding of Network Rail's costs. Particularly given that Network Rail is the monopoly provider of the rail infrastructure, there appears to be marked complacency in the

Regulator's approach and he should do much more to challenge the underpinning reasons for existing inefficiencies. The Department should take any steps which are necessary to enable the Regulator to do this.

6. The unique and complex structure of the rail industry makes it inherently cumbersome and expensive, and provides little external challenge to its vested interest in its own growth. The Department should conduct a fundamental review of the rail industry's structure, to ensure better accountability and value for money, with the aim of reducing conflicts of interest, aligning efforts on maximising efficiency, and restraining the tendency to seek solutions through growth.

7. Governance arrangements for the railways do not provide enough independent scrutiny and transparency to drive value for money relative to the sums of taxpayer money involved. The Department should take the necessary steps so that the Comptroller and Auditor General becomes the auditor of Network Rail, including full access rights so that he can report on value for money to Parliament.

8. It is unacceptable for Accounting Officers to challenge the findings of a National Audit Office report in evidence to this Committee, having previously agreed the accuracy of the report prior to its publication. The Permanent Secretary must in future satisfy himself that facts and their presentation within National Audit Office reports are accurate before their publication, and not wait until the committee hearing to reveal new evidence. Such late presentation of evidence also prevents the NAO being in a position to provide us with independent validation of new material. The Treasury should reinforce to Accounting Officers the importance of providing supplementary material in time for the Committee to consider it and for the NAO to validate it.