

Northern Rail and Trans Pennine Express re-franchising

Campaign for Better Transport briefing

June 2014

Summary

This briefing summarises what's happening to railways in the North of England. The Government has issued a consultation prior to letting new franchises to run the Trans Pennine and Northern rail services, covering the big cities in the north as well as many smaller towns and rural areas. The consultation talks about new trains and other investment but also suggests fares increases and hints at service cuts and "trade offs". We're concerned that the North won't get the better and extra trains and services it needs, and that the Government is ignoring the wider economic benefits of rail investment. We are working with others to promote a strategy for railways in the North that is led by investment, leading to higher quality and greater use, rather than dictated by cost reduction.

Introduction

Northern Rail and Trans Pennine Express are rail passenger franchises responsible for operating most of the train services in the North of England.

The two franchises are highly significant both in their size and in the terms of the places they serve. Services stretch from Nottingham at the southern end to Edinburgh and Glasgow at their northern extent. Northern Rail alone manages over 460 stations which serve 15m people and support 25 per cent of the country's economy.

The main cities served by the two franchises are Liverpool, Manchester, Leeds, Sheffield and Newcastle. Between 2002 and 2012, rail demand across the North of England grew by 66 per cent to 114m journeys, 90m of which were taken on Northern Rail. This represents long-term annual passenger growth of around 3.5 per cent.

The Government has started the process to re-let the franchises. A public consultation on priorities for the franchise runs until 18th August. A formal Invitation to Tender setting out what companies wishing to run the franchises in future will need to deliver will be published by the end of the year. Existing franchise contracts run until 2016, with the new franchises due to run for 8 to 10 years.

What are the big issues for rail in northern England?

Trains

Trans Pennine Express has one of the newest fleets of trains on the network, with the average age of rolling stock being under 8 years. However, 9 of its trains have recently been re-leased to Chiltern Railways from April 2015, and replacement rolling stock has yet to be secured.

At the opposite extreme, Northern Rail runs trains an average of 24 years old. Little of Northern's rolling stock is under 20 years old and 87 per cent is diesel. A large proportion of this is made up of unpopular 'Pacers' trains which, along with some 'Sprinters' fail to meet European law on accessibility and will have to be withdrawn from service by 2020 at the latest.

Passenger satisfaction

According to Passenger Focus's National Passenger Survey, Northern Rail has the second lowest level of satisfaction across the network. The biggest reasons for this are unhappiness with the age and condition of rolling stock, facilities at stations and delays to services.

Although Trans Pennine Express scores similarly to other long-distance franchises, passengers are unhappy at levels of overcrowding.

Costs

Overall, although subsidies are falling for Northern Rail, fares revenue represents just 36 per cent of annual turnover. The consultation talks a lot about "improving efficiency" as a key focus of the franchises, and highlights fare-dodging, which is said to be high on some parts of the network, and what it claims are low ticket prices in Leeds and Manchester, and urban areas. It also raises issues of staffing, suggesting driver-only trains and reviewing ticket office opening at stations.

Investment

Overall investment in the rail network is organised in 5-year Control Periods. The current Control Period began in March 2014 and will see the £600m Northern Hub project being delivered. This consists of a number of linked projects around Manchester which will increase rail capacity across the north of England by around 700 services per day. There are also a number of electrification projects in the North West and electrification of trans-Pennine routes due to be completed by 2017.

What changes is the Government proposing?

As a consultation, the document is not particularly prescriptive. It does, however, offer overarching objectives for the franchises, which can be summarised as:

- Help the economy of the north of England through good quality rail services which are appropriate to demand and affordable. For Trans Pennine, offering competitive inter-regional rail services between urban centres and expanding rail's mode share
- Improve journey times, frequency, reliability and connectivity of services along with customer service
- Make the operation of the franchise more affordable by working in partnership across the rail industry

- Support local communities to help deliver local transport integration, local regeneration and investment at and around stations
- Improve social and environmental sustainability to reduce carbon emissions, use resources efficiently and build skills and capability within the business and supply chain

All these are welcome, but the consultation also raises the following specific themes :

- The need for 'tough choices' around increasing fares to pay for improved services
- The option of transferring some weaker performing lines from Trans Pennine Express to Northern Rail (changes to timetabling cannot be made before December 2018).
- The new franchise holder to have more control over services including the making it easier to increase or reduce service frequency, reduce the number of stops at stations used by few people, adjusting the times of first and last services, changing station staffing and improving or reducing weekend services
- Increase the use of community rail partnerships on some lightly-used parts of the network

Issues raised by Government's plans and approach

Many organisations including Campaign for Better Transport are concerned about the approach in the consultation document and are working to improve the plans for rail in the north. Media work and other campaigning will be carried out to draw attention to:

- Absence of clear plans to significantly reduce the average age of rolling stock over the next franchise period
- Plans being based on low expectation of growth in passenger numbers (2.5 per cent p/a) coupled with an expectation of reduced subsidy from raising fares, closing some ticket offices and reducing services at quieter stations.
- A lack of a clear relationship between Government objectives for rail in the north and the wider economic and social strategies and investment priorities set by local authorities, Local Economic Partnerships and others.
- Absence of scenarios for maximising future growth in the railway and the economy through investment in trains, track and stations. This is a counterpoint to the investment-heavy approach to growing the railways used in the South East.
- Whitehall-led process which does not promote local decision-making or increased powers over transport
- Need to support people's door-to-door journeys and better integration with other public transport across the region through wider use of smart ticketing
- The great opportunity available to use the franchising to maximise previous investment in the Northern Hub and electrification with investment in a rail network that can help promote the economy of the North

Above all, we and others want to promote a strategy for railways in the North that is investment-led, leading to higher quality, rather than dictated by cost reduction.

What happens next?

The consultation runs from now until 18th August.

There are three stakeholder consultation events

- Edinburgh 25 June 2014 at 10.30am
- Preston 3 July 2014 at 10.30am
- York 9 July 2014 at 10.30am

The outcome of the consultation will be used to inform the formal Invitation To Tender, which sets out the requirements that formal bidders for the contract will be assessed by.

Details of the consultation can be found on the [Department for Transport website](#).

For further information on the Campaign for Better Transport and the campaign for rail in the north please contact Andrew Allen, Campaign for Better Transport andrew.allen@bettertransport.org.uk, 020 7566 6494

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Campaign for Better Transport

Campaign for Better Transport's vision is a country where communities have affordable transport that improves quality of life and protects the environment. Achieving our vision requires substantial changes to UK transport policy which we aim to achieve by providing well-researched, practical solutions that gain support from both decision-makers and the public.

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