

# Letter to the Transport Secretary

Dear Grant

I enjoyed hearing your enthusiastic presentation of railway reform. I agree fully with the aims you have set for the new railway. It must indeed be passenger focussed, concentrating on the basics of punctuality, comfort, cleanliness and great service. I also agree that you need to harness more private capital and ideas, and allow more competitive challenge to ensure innovation and rising service standards.

Your example of extra cost and wasted effort concerning attribution of blame for delays was well made. 400 people in the train operating companies and Network Rail arguing over who had caused a delay and who should therefore compensate is not ideal. It also illustrates the need to remodel the railways under leadership who wish to reduce these kinds of costs. The danger will be that the train companies will still keep people ready to dispute their responsibility for delay, as presumably their new contracts to run the services will contain penalty clauses for poor punctuality, whilst Great British Railways may keep the transferred staff from Network Rail and still engage on the other side arguing that it was not their fault. Simpler contracts with more objective data to quantify risk and blame would obviously help but will not eliminate all disputes with contractors.

As Great British Railways take over responsibility for timetables, there is a need to ensure they wish to challenge past patterns in a pro passenger way. Various Councils and local communities will be lobbying for faster and more direct routes, and for more frequent services. There needs to be a fair way of evaluating these bids, assessing value for money and likely demand levels. There also needs to be a good review method to examine line capacity. Network Rail tended to a cautious approach on line capacity, with a reluctance to expand it to accommodate new services. There are various ways of increasing the capacity, including the faster roll out of digital signalling which allows more use of the lines safely, and more by pass track sections to allow more fast trains to dodge the stopping trains on the same line. Faced with demands for more and different services there may well need to be decisions taken to expand some line capacity to allow competitive challenge. How will such decisions be taken?

It will also be important at this time of massive change in work patterns and travel needs for the railway to adapt to the new train travel demands, not to defend out of date service provision geared to five day a week commuting. Budgets need to allow changes to services and timetables, to permit improved capacity where needed, but to avoid subsidy for little used services which once commanded a decent number of passengers.

As they take over responsibility for service standards there will need to be decisions about how companies are rewarded for service innovation and good quality. How much can they expect to make by way of return from innovation? When and how will good new developments be rolled out across the network

through other companies? Will there be any innovation franchise payment or one off contribution to the development costs for the innovator?

As they take over responsibility for routes will there be easy methods by which communities and rival companies can offer to provide a more frequent or more direct or faster service to a named town or area than the current Railway offers? If so, how will this be assimilated and used? The Hull Trains service is a good example of a challenger company delivering a better service for Hull passengers, but it was all too rare under Network Rail when potential service providers often faced a variety of obstacles which defended incumbents.

One of the areas where Network Rail often blocked progress was in property. The large Rail estate is suitable for joint ventures and development attached to the rail lines. The large central City stations have now received attention with several undergoing extensive mixed use redevelopment, but the large bulk of stations, sidings and yards on the network have not. Worst still Network Rail can be a problem for others seeking developments on their land nearby, as in my constituency where Network Rail wanted a substantial payment from the Council for wanting to place a bridge across the railway line to cut risks at the level crossing and to allow more housebuilding in the area.

None of this is easy. It will require a good constitution and objectives for Great British Railways, the choice of flexible and imaginative leadership and strategic Ministerial supervision to carry it off.

Yours etc