

Mayor of London, Department for Transport and Transport for London Consultation on 'A new approach to rail passenger services in London and the South East'

18 March 2016

Introduction
This submission constitutes our response to the Mayor of London, Department for Transport and

Transport for London's consultation on 'A new approach to rail passenger services in London and the South East'.

Question 1: Do you agree with the principle of a partnership to better integrate the specification of rail passenger services across London and the South East?

- 1.1. The proposed partnership model provides a strong case for improving frequency of service, reliability and customer service. In every area of our industry stronger joint working is to be encouraged and we recognise that the proposed changes represent significant reform of the governance structure of inner city suburban routes within the capital.
- 1.2. The work currently undertaken in the North of England, where the new Northern and TransPennine Express franchises are jointly managed by the Department for Transport (DfT) and the Rail North consortium, are a good example of an effective partnership. Both organisations have radical and ambitious transformation plans which
- 1.3. We agree that by working together more closely we can create better solutions for the rail sector. However, we think that such collaborations are already happening and that publicising them further will help to drive further integration. DfT already holds an industry day once a year, which

allows the sector to share information; these should be encouraged further as they provide an extremely useful opportunity for suppliers to understand governance changes and to get a useful steer on the direction of travel proposed by the Government.

industry. To date the organisation has fostered transparency, ensuring that
1.5. supports the continued devolution of control over rail services, as long as there's effective oversight from Whitehall. In order to rebalance the economy it makes economic sense to put, where possible, decisions in the hands of locally elected officials. In London the proposed changes follow a similar model to the recent transfer to TfL of control over part of the Greater Anglia franchise, which on the basis of current evidence appears to have been successful. Bigger reforms will need significant time to embed before TOCs receive the confidence they need to bid for franchises without uncertainty.
1.6. Dialogue encourages innovation within our industry and can lead to strong partnerships between suppliers.
1.7. Procurement and modernisation of both rolling stock and depot facilities go right to the heart of this new partnership between TfL and the DfT. In practice we foresee a far greater and more formalised voice for LEPs, local authorities and other local organisations in providing feedback and influencing final decisions. This is a trend which wholeheartedly welcomes.
1.8. We believe in the importance of accountability in our sector and are proud to lead the industry in terms of reliability. Much of this is already being done through the procurement process for new rolling stock.

Question 2: Do you agree with the principles that the partnership will work to? Are there any specific issues that have not been captured?

- 2.1. We note that under the proposed plans Network Rail would retain control over the management of the infrastructure, similar to the current arrangement that exists on London Overground. Given the performance successes of the Overground, every opportunity should be taken to incorporate the most important lessons when establishing the London Suburban Metro.
- 2.2. We also note the importance of London's freight network to the capital's economy. While important progress has been made, such as through the London Gateway for freight, a significant number of additional paths are required through the capital over the next 10 years as demand grows. Given the scale of the task at hand, we note the importance of ensuring that stakeholders from this part of the industry are included in the partnership.
- 2.3. Decisions around procurement go right to the heart of the proposed transfer of responsibility from DfT to TfL. We note the importance of ensuring that any tender doesn't put in place punitive measures that risk stifling innovation or increasing costs in the long run. KPIs need to be reasonable

and proportional, striking the right balance between effective accountability and value for money. Dialogue with the industry and customers on KPIs is extremely important to drive forward this agenda.

2.4. This consultation is published at a seminal moment for the structure of the British rail industry. There have been no less than four separate investigations recently, including those conducted by Dame Collette Bowe, Sir Peter Hendy and the ongoing consultation on the ORR and the future of Rail Regulation. We also note the publication of Nicola Shaw's report at the 2016 Budget, which urged greater autonomy for local managers at Network Rail and increased flexibility in what has become a large and complex system. Given that the activities, functions, and organisational units of Network Rail are likely to be altered as a result of this report, this is a particularly choice time to drive forward change in London and the South East.

Question 3: Do you agree with the proposed governance arrangements?

- 3.1. We would welcome greater clarity on exactly what services are proposed to be transferred to TfL under the new arrangement. The consultation document describes those "inner suburban rail services that operate mostly or wholly within Greater London" as being targeted. We recommend the publication of the exact nature of this transfer at the earliest available opportunity and in ample time for the transferral of South Eastern services as set out in the consultation document.
- 3.2. The creation of a London Suburban Metro would benefit all Londoners, but primarily those living in the south of the city that rely heavily on National Rail services. We note the consultation document's claim that the preliminary goals are for services at least every 15 minutes for 80% of stations a significant improvement on the current provision.
- 3.3. While a new partnership approach is important, improvements can also be achieved within existing structures, such as by the faster deployment of state of the art rolling stock and signalling technologies (e.g. ETCS). Thameslink provides an excellent example of where progress has been made in this important area. From 2018 the line's spacious new trains will run through central London every two to three minutes during peak hours, providing a dramatic step change in capacity.
- 3.4. One of the most considerable challenges facing DfT and TfL is ensuring effective and consistent interfaces once responsibility is transferred. Important issues for passengers such as ease of boarding and alighting, journey information and ticketing will need to be addressed. For example, Thameslink services begin in Brighton and Sevenoaks in the South and Bedford in the North. Both are obviously firmly outside the Greater London area. Passengers beginning their journey in these locations will expect smooth integration when the London Suburban Metro service begins. DfT and TfL should work in partnership to ensure that the transition between outer and inner suburban routes and areas within the South East of England is seamless.

Question 4: What form do you propose the input from local authorities and LEPs could take?

4.1. Precommends the creation of a local community lead for each line that operates out of London Bridge, Cannon Street, Charing Cross, Moorgate, Victoria and Waterloo. This role would involve not only engagement with the commuters who use the line but engagement with local authorities, LEPs and other stakeholders who will be vitally important to the new relationship between DfT and TfL.

4.2. The opinions of LEPs and local authorities are crucial to fulfilling a successful tender.

Question 5: Do you agree with the safeguards for transfer of inner suburban services to TfL, as set out here?

- 5.1. agrees that the safeguards as set out in the consultation document are entirely appropriate. Ensuring fares are kept at a sustainable level and that regular services are maintained is a key goal for stakeholders across our industry.
- 5.2. To ensure the safeguards are achieved, one of the biggest challenges for both DfT and TfL to overcome will be the complexity of both the current model and the proposed partnership model. Numerous stakeholders will play a role in the partnership between DfT and TfL and the reforms suggested will require a considerable amount of industry education as well as a bedding in period.

Question 6: Are there other outcomes you might expect to see achieved?

- 6.1. The changes provide a real opportunity to place railways back at the heart of London's communities. We expect to see a greater level of interaction with local schools, ensuring children understand the benefits of the railway. Ultimately this is about encouraging the next generation of professionals within our industry, building upon the work the London Assembly and Government have been undertaking to push forward interest in STEM subjects.
- 6.2. We also expect to see considerable innovation in areas such as ticketing, which must be integrated right across the region. For example, the introduction of three day or five day season tickets or even a Carnet equivalent would be a welcome industry development and would lead to an improved commuter experience, for business travellers in particular.
- 6.3. believes that one of the primary benefits emerging from the transfer of responsibility from DfT to TfL should be the launch of new routes within Greater London. Clapham Junction (one of Europe's busiest railway stations) only serves two London termini at Victoria and Waterloo. With joined up responsibility for both London Overground and inner London suburban routes we envisage a number of new innovative routes delivering a more tailored service for Londoners.