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Network route utilisation strategy sets out 30-year traffic forecast

NETWORK RAIL is engaged in a consultation process to assess the likely demand for passenger and freight services on trunk routes in a period stretching into the mid-2030s. The methodology used would be recognised as similar to a PEST analysis identifying potential political, economic, social and technological change although the later is not considered in any depth.

No assessment of high speed line impact

There is also an omission of any assessment of the impact of new high speed lines which are likely to be in operation within the timescale considered.

The passenger market factors that could bear on demand are seen as economic growth, population trends, the cost of energy, lifestyle choices, and the prosperity of London and the Regions. The assessment of these changes leads to the growth assessments of between 30 and nearly 100% with the expectation that where there is comparatively low market share passenger numbers will grow more strongly. This is seen as having a significant impact on Cross Country and Trans Pennine routes. The variation in expected growth relates to whether the UK continues to be a major economic global player driven by either a sustainable agenda or unabated consumption, and the effect of a more decentralised economy operating within a regime of sustainability or profligacy.

The draft RUS goes on to predict flow by flow volumes between major population centres in 2036 on a very high level basis that ignores how rail will respond in product terms to changes in market behaviour. Forecasting market size might be regarded as the simple bit it is assessing market share where the judgements are needed. For freight, it has proved difficult in the past to predict long term trends in both the market and rail activity. What the RUS offers is a view that coal volume will range from

a steady state volume to a 70% decline if sustainability is followed. Growth for inter-modal containers ranges from 60 to 300%, the latter figure applying to the UK remaining a global player. In this latter scenario, hope is held out that domestic distribution traffic will return to rail in substantial volume.

Forecasts fail to reflect power station closures

The prospects identified for freight markets look wide of the mark particularly for coal movement to power stations. None of the existing coal-fired base load stations will be operating by 2036. A limited number of new coastal installations have been proposed that will use imported coal where rail haulage will not be required. A forecast that suggests significant volumes will be available in 30 years time looks unlikely in the extreme.

Deep sea intermodal growth is a realistic expectation but the competitive position of rail is not discussed which represents a considerable threat as 'super lorries' with a GLW of 80 tonnes are a likely prospect for

use on motorways and trunk roads in the foreseeable future. As it is, Government subsidy is required to allow the existing operators to match road prices. Up to now the rail product has not been competitive compared to throughout road movement given high terminal costs, and continuing improvement in road haulage productivity.

Low expectation of Channel Tunnel traffic

The use of the channel tunnel doesn't receive the prominence expected and again rail operators are finding that beating throughout road haulage is a very tough nut to crack. The integration of European systems will help but significant use is only likely to happen if a sustainability agenda forces up to cost of using heavy goods vehicles over long distances. The assumption gaps will no doubt be addressed during the consultation period but we can be sure outcomes will be a long way from what we expect. As Network Rail says the only certainty is that we don't know what the future will hold. ■



Intermodal container operations are underway at Freightliner's Southampton Maritime terminal which serves the second largest port for deep sea rail traffic in the UK. Network RUS forecasts predict that demand for this type of service will grow by up to 300% in the period to the mid-2030s. Gordon White

YourTrainTicket.com

This company is a new entrant in the provision of internet ticket purchasing and is currently well advanced in securing the necessary technical approval from ATOC to provide services that comply with industry standards. FCP is one of a number of investors in the business which is expected to launch at the end of November. In 2007/8 the turnover of tickets sold online was £700 million and this number is increasing within total sales of £5,500 million through all channels. The promoter of the company is Asseris Limited who has in-depth knowledge of rail retailing systems and web technology.

Feonic Transport Limited (FTL)

FCP is the largest shareholder in this company which seeks to exploit the use of new audio technology in rail applications throughout the World. The product has recently received formal approval by Network Rail for use at stations and other locations and a number of trial installations are underway. The benefit of the technology is that much less telecoms infrastructure and customer premises equipment is needed to provide public address facilities whilst at the same producing better sound quality. The equipment can also be used for providing media display and a demonstration of this was given by Knorr-Bremse Rail Systems at the recent Railtex exhibition. The business is led by Neil Atkins as Managing Director.

William Barter is appointed IRO Fellow

William Barter, FCP's Head of Operations Analysis is to become a Fellow of the Institution of Railway Operators. As well as his standing within the operations profession, this reflects William's contribution to the growing IRO education programme and work in tutoring degree students on the operations planning, economics, and managing operations modules. Working with Glasgow Caledonian University a BSc degree is now offered for students who successfully study the knowledge required to become a railway manager.

FCP had a very successful 2008/9 year securing both a range of new clients and making investment in rail related products and services

Stockholm Metro concession

THE MTR CORPORATION has won an eight-year concession to run the Stockholm Metro replacing the existing operator Veolia and being chosen ahead of four other international consortium bidders. FCP provided the bid director, Carolyn Halbish, to lead an international team of MTR experts and other specialists including consultants from FCP.

Working in Sweden and producing a Swedish language bid with a multi-national team using several languages including Chinese was a significant challenge and the result reflected Carolyn's experience in rail franchise and concession bidding since 1999. The team worked together to produce robust proposals for the customer-focused and efficient operation that the Stockholm Traffic Authority (SL) was seeking. The bid emphasised MTR's key strengths of process efficiency and operational performance seeking to leverage the Hong Kong operations 99% punctuality record to bring service reliability and improvements in the context of a growing market for rail in Stockholm. Production of bid documentation was a significant element of the bid, made complex by the amount of translation required. Drawing on Carolyn's previous experience, MTR used a number of visual and information aids including bidding tools derived from the EFQM Business Excellence Model. This enabled SL bid evaluators to easily navigate within the documentation to find pertinent information. ■



Carolyn Halbish



The new Stockholm Metro concession will be operated for eight years from November 2009 with the option of a six-year extension. The network comprises 100 stations and 108 kilometres of track on three lines carrying 1.2 million passengers daily between central Stockholm and the suburbs. Storstockholms Lokaltrafik owns the track and station infrastructure, and is responsible for maintenance of the assets. It will also retain ownership of the rolling stock. A train formed of the newest C20 stock is seen here about to call at Gamla Stan (Old Town) station. Piotr Przybyla

No case for gating East Coast stations

WRITING IN *Transit Magazine* John Nelson has criticised the contentious plans to introduce ticket gates at Newcastle and York stations. Among the key issues is that unlike commuter routes where most passengers make regular journeys and there is a hard core of devoted cheats who will take advantage of an open system, most long distance passengers make few journeys and are unfamiliar with the railway. Often they have luggage, are elderly, and travel as families which means considerable delay as the manually operated part of the gateline has to be used. The end result is that more time has to be allowed to access the train with the inevitable congestion that occurs at busy times. There is also an adverse effect on station retailing activity in sharp contrast to continental practice where stations are bustling thoroughfares. It is stated that 'meeters and greeters' will be allowed inside the barriers at the discretion of a member of staff – a recipe for confrontation if ever there was one.

John is urging Local Authority Planning Committees to intervene and if not that English Heritage involves itself in an unnecessary restriction to public access which at York involves the National Railway Museum. There is also the issue that operators that sell tickets on board trains will find their customers inconvenienced and in the extreme denied access to services. ■

Hail Caesar! (both of them)

RICHARD GEORGE WRITES...

I WROTE AN ESSAY at university once about the geography of Britain in Roman times. As I was going for brevity, I condensed several arguments and confidently pronounced in mid-essay that Britain could be divided into two parts - a relatively prosperous, cultivated south eastern bit and a wilder, less populated, less cultivated northern and western bit. All seemed very plausible to me and allowed me to finish said essay in double quick time. Apparently Julius Caesar had done this sort of essay too and had pronounced 'Britanniam in tres partis est' (or something like that). Unfortunately my Geography tutor was a smartarse, knew his Caesar and chose to believe Julius rather than me - so he put said quote into the margin of my essay. Other more classically trained students pointed out that this translated to 'Britain is divided into three parts' or alternatively 'you've just got a D for this essay mate'.

South East remains bedrock of prosperity

I mention this only as it provides a perfect link to three points I want to make about high speed rail in the UK (stay with me, we will get there).

Firstly, things don't change that much - since pre-Roman times as Caesar noted we had Britain's bedrock of prosperity in the South East and the further North or West you went the more difficult economic development was and the harder everyone had to try. In transport terms of course nothing much changed (other than several hundred years of dodgy road maintenance) for 1,300 years after the Romans left until the canals were created. A great push then existed to link the regions, the production points with the markets, the countryside with the cities, to create a network that made it all function as a whole and spread wealth around. Then came the railways and better roads, then the motorways, the regional flights and we have now had a solid 500 years of progressive and generally sustained improvement to the national transport network. Net result? Britain's bedrock of prosperity is still in the South East and the further North and West you go the more difficult economic development gets.

Secondly, if transport improvements are not helping to spread wealth and economic development in the way that successive generations of spin doctors have sold it, what is happening? Does the transport network at least stop it getting worse? Remarkably I had another tutor at University who was called Augustus Caesar (yes genuinely) - he was a lecturer in modern day economic geography - and 'Gus' had a neat line of argument that basically said that there are two ends to every principal transport artery - and that the dominant one when you start just gets more dominant when you improve the artery. The example he gave was that if you build a motorway from Birmingham to South Wales on the grounds that it will help 'open up development' in South Wales then you have missed the point. All that will happen is that

"High Speed Rail will not change the United Kingdom's economic balance"

Birmingham will be able to distribute goods into Wales more easily and therefore become even more concentrated as a manufacturing centre - it's the hubs that get stronger not the periphery. Various motorways have been built into Wales since that time - and guess what? South Wales is one of the few places in the UK that is an officially 'depressed area' worthy of special European support.

Thirdly, along comes the next generation of transport improvement, the new High Speed Rail network. Now don't get me wrong, I am all in favour - you don't spend 30 years on the railways and be against major investment. I can think of plenty of reasons why High Speed Rail is a Good Thing with capitals. Not least of which is that in France it appears to generate very good margins indeed! But like every other transport improvement before it I can confidently predict (with the benefit of 500 years of history to support me) that it will not change UK economic balance. In fact if 'Gus' Caesar was right it will just make London even more dominant as an economic entity.

A High Speed Network will also cost a very large shed load of money and all the evidence is that very large infrastructure projects that are a 'Good Thing' rarely (if ever) even come close to washing their face economically (I cite Panama Canal, Suez Canal, Channel Tunnel, The Pyramids, as examples and the full list is a very long one). So what is the big profit for TGVs in France about then? - I have no idea exactly how they do their accounting - I agree it's a great service, well run with proven and stable technology. But we will not do it that way - I'll bet we just go with the solution that offers the lowest competitive tender price (perfect!).

What happens to the routes left behind?

The Treasury will also be looking very carefully (I would) at how the High Speed Lines affect the economics of the ones 'left behind' - just what do the economics of a railway like the WCML look like if you take all the most profitable traffic off it? I can guess - and I could also guess that the regional railway lines, outside the P&L account of the TGV lines, in France look similar.

I never actually found out what the third part of Britain was that Julius Caesar spotted that I didn't. But I reckon it was the unseen bit, that we all feel but can't see - the historical/economic/political continuum that also appears to rarely change. Currently the spin doctors, the press, even the Government appear to all be in favour of High Speed Rail and the winners of the contracts to build them will no doubt write of their undoubted success. All I say is let's keep a sense of proportion shall we? High Speed Rail is a good thing, but it won't change the shape of the world. ■

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FCP continues to undertake wide-ranging advice in the transport consultancy market for customers that include the Department for Transport, Scottish Executive, Welsh Assembly Government, Office of Rail Regulation, Transport for London, overseas governments and railways, financial institutions, UK train operating and rail engineering companies. FCP is also retained by the DfT as the 'operator of last resort'.

Government looks to rail freight to combat climate change

IN A REPORT PUBLISHED by the Department for Transport aimed at 'Delivering a Sustainable Transport System' the adoption of policies to counter climate change examine what can be done to give rail logistics a greater share of the UK freight market.

This is driven by figures that show that in terms of CO₂ pollutants rail has an emission rating of 0.05kg per tonne km compared to a figure of 0.17kg per tonne km for road transport. An electrification programme of the type proposed by DB Schenker that would allow greater use of electric traction would widen the gap further. The main thrust of Government action is to ensure there is sufficient infrastructure capacity and put money into grant schemes that take account of the external cost of road use in terms of pollution, congestion, and specific costs related to accidents and damage to underground services.

Growth in container traffic is seen to represent the biggest opportunity for rail. On a world-wide basis movement has been growing at three times the increase in world GDP. This has been mirrored by the increase in traffic at UK ports which has risen from 3.5 million TEU (20ft equivalent units) to 9.0 million in the period from 1990 to 2007. Felixstowe and Southampton dominate the statistics for deep-sea traffic and by 2030 are expected to handle 9.4 million and 4.9 million

TEU respectively out of a total of 19.7 million. New quays at Harwich and Thames Haven are under construction and will offer alternative facilities as will Thamesport (Isle of Grain) and new capacity at Teesport.

To reflect the external cost of road operations that is not reflected in the haulage rate charged to customers the grant regime to make rail competitive for carrying containers over shorter distances will continue. In 2007 freight operating companies qualified for £17.5 million on grant of the basis of removing 880,000 lorry journeys that would otherwise have generated 120,000 tonnes of CO₂ emissions. Funding for freight facility grants has returned. The availability of funds growing to £25 million per annum by 2013/14 will allow a range of rail freight promoters to develop proposals for joint funding of terminals and equipment required for rail use.

Encouraging private investment in rail infrastructure is another plank of the new policy and where developers can identify the benefit of rail use shared cost arrangements will be encouraged. Stakeholders have complained for decades about the lack of an economic level playing field when comparing the way rail and road use was measured. At last the pendulum has moved to a realistic assessment of the modal benefit rail offers. ■

Network Rail's 'Control Period 4' delivery plan is finalised

NETWORK RAIL has published a delivery plan setting out business policy and expenditure for the five year period between 2009 and 2014. This coincides with the recent budget agreed with the Rail Regulator which with third party funding included will allow NR to spend £35 billion. Operations and Maintenance takes the bulk of the money but Government funded enhancements will amount to £8 billion with a further £3.7 billion from third parties.

NR enhancement plans reflect growth forecasts that have been made for the 23 strategic routes into which the network is divided (excluding Scotland) which is dealt with separately under the devolved Government arrangements with the Scottish Parliament. The busiest route in terms of passenger kilometres is the East Coast Main Line where journeys that made up 6.4 billion kms in 2008/9 are expected to grow by 15% over the five year period of the plan. Similar growth is expected on the WCML which has annual usage of 5.7 billion kms. The Great Western Main Line with the Berks & Hants added has similar demand on capacity with 5.5 billion kms of current traffic. A slightly lower growth rate is expected on this route.

In terms of passenger numbers, growth up to 44% is anticipated which represents a considerable challenge in providing infrastructure given high present utilisation. Of note is that higher than average rates of growth are expected in the Leeds, Birmingham, and Manchester conurbations. The delivery plan



Hardware to implement Network Rail's 'seven-day railway' plan is becoming available. The first trestle wagon pair to carry pre-fabricated pointwork for on-site installation has arrived in the UK from Germany. Ian Allison

specifies where new capacity will be created and the largest amount of money at £2.9 billion is allocated to the Thameslink programme. Additional and lengthened platforms are planned at many locations including Cardiff Queen Street, Peterborough and Finsbury Park as well as restoring double track in locations such as the Cotswolds.

Signalling improvements are often the cheapest and quickest way to enhance capacity and NR has identified many small scale changes to provide four-aspect signalling and change interlocking systems to provide more flexibility. There will also be a number of signalling renewal schemes that include Cardiff, Newport, Water Orton, East Kent and the Erewash Valley. In the past signalling renewal went hand in hand with capacity reduction and simplified layouts that reduced pathing

headways and created conflicting movements. Fortunately this era is past and new schemes are being worked up with an assumption that more rather than less traffic will be handled during the lifetime of the asset.

NR is also committed to investment that will reduce the disruptive effect of possessions. All main line routes are currently the subject of review based on what infrastructure is required to allow single line working while renewal is being undertaken on the adjacent running line. The principal requirement is for more bi-directional signalling and a greater number of crossovers. The aim is to remove the need for the current level of substitute bus services and offer a seven-day railway for passengers. As well as changes to track and signalling, investment in high output relaying machinery is to take place. ■