

Strategic Transport Forum

26th January 2018

Agenda Item 5a: Connecting People: A Strategic Vision for Rail

Recommendation: It is recommended that the Forum:

- a) Welcome the publication of the Strategic Vision for Rail
- b) Agree that the issues identified in this paper are taken into account in the development of the overarching Transport Strategy

1. Context

- 1.1. In November 2017 the Secretary of State published his strategic vision for the rail sector. Although a high level document, the vision includes a number of themes that are relevant to the work of the Strategic Transport Forum.
- 1.2. The document includes a summary overview of the vision – reproduced as Annex 1 for information.

2. Network Rail: the System Operator

- 2.1. The document sets out how in a world where there is greater autonomy for individual routes, the role of the System Operator becomes all the more critical in terms of network-wider capacity analysis, timetabling and longer-term strategic planning.
- 2.2. As the Forum moves forward with its work to develop the overarching Transport Strategy for the Heartland so the relationship with the System Operator function will become ever more important.
- 2.3. The System Operator is responsible for developing options and strategies to inform funders about change and investment choices, with a focus on maximising the economic benefit of the whole railway. It is also leads work to integrate new rail schemes with the rest of the network, to allocate capacity fairly and to design robust and effective timetables that deliver good performance and work for passenger and freight operators.
- 2.4. The Strategic Vision document sets out that in future these network-level functions within Network Rail will be regulated separately.
- 2.5. As the emerging Sub-national Transport Body for the Heartland area it will be important to strengthen the working relationship with the System Operator function within Network Rail, potentially with a view to developing a similar working arrangement to that which underpins 'Highways Heartland'.

3. An Expanded Network

- 3.1. The Strategic Vision sets out the challenge of capacity facing the rail network. It notes that notwithstanding the scale of current levels of investment, this will not be

enough to meet the future demand for capacity nor the Government's ambitions to improve connectivity between communities.

- 3.2. It is in this context that the document goes on to set out that as well as investing in the network to keep people moving, there is also a need for Government to invest to develop the projects of the future. It continues by stating that the Government will make the most of rail as part of the wider transport system to unlock housing developments by providing the links to work, services or education that make them attractive places to live.
- 3.3. Such an approach is seen as an necessary support for the Government's Industrial Strategy, making sure that businesses have access to the infrastructure that they need to move goods and that individuals have access to a broad range of opportunities.
- 3.4. The Strategic Vision identifies that expansion of the network needs action on three fronts:
 - a) Expanding commuter capacity in line with expected demand
 - b) New routes which can provide strategic transport links or unlock significant housing or economic development regionally; and
 - c) Schemes to meet the biggest capacity challenges for the coming decades.
- 3.5. A number of schemes within the Heartland region are identified as examples of this approach being taken forward, including the commitment to deliver East West Rail (including specific reference to the opportunities at Bicester Garden Town) and to deliver the new Cambridge South Station.
- 3.6. Moving forward the proposal to build Crossrail 2 will – if taken forward – have implications for the network in Hertfordshire.
- 3.7. Key issues for the Strategic Transport Forum moving forward will include:
 - Ensuring that proposals to improve rail capacity are considered as part of the overarching Transport Strategy – whilst there is undoubtedly a need for investment in additional capacity on the rail network, there is also a need to ensure that the development of the transport system as a whole is consistent with the 'net gain' principle as identified by the National Infrastructure Commission in its final report.
 - The development of the rail network in Victorian times has left a legacy of a predominantly radial network with London at its heart. Improved east-west connectivity is an essential component of providing the step change in connectivity across the corridor that is necessary to realise its economic potential. In addition, as the Forum's work in relation to the East Midlands passenger franchise has demonstrated, there is a need to ensure that investment in the rail system (both infrastructure and services) supports the re-balancing of the economy.

4. Delivering Passenger Services

- 4.1. The Strategic Vision sets out the Government's ambition to develop a new commercial model for future rail franchises that supports longer term and more integrated partnerships.
- 4.2. This is welcomed. It reinforces the key role that the Strategic Transport Forum has in ensuring that the franchising programme overseen by the DfT supports the strategic objective of improved connectivity across the Heartland as a means of enabling the acceleration of planned growth (economic and housing).
- 4.3. An overview of the current franchises across the western half of the corridor:
- Great Western – the introduction of Crossrail (Elizabeth Line) services requires the transfer of some train paths in the Thames Valley to Transport for London – leaving a mixture of longer distance (inter-city) services and 'semi-fast' services: consultation on the requirements for the next franchise is now underway (see agenda item 5b)
 - Chiltern – the current franchise (which was uniquely a long-term 20-year franchise) will shortly come to an end.
 - East West Rail – with work on delivering the Western Section shortly to begin there is an urgent need to consider how the provision of new services might relate to existing franchises.
 - West Coast Main Line – the Strategic Transport Forum is engaged in dialogue with prospective bidders for this franchise, specifically with regards to its priorities for the use of capacity on the West Coast Main Line in the post-HS2 world.
 - London Midlands – inter-linked with the need to develop a position on the use of capacity on the West Coast Main Line, mindful that within the current franchise period services on the southern half of the West Coast Main Line will operate as a discrete business unit within the overall franchise
 - East Midlands – the Forum continues to press the need to ensure that the next franchise better reflects the strategic priorities of the corridor, including consideration of how the delivery of East West Rail, and the enhanced role of Bedford as a 'hub', will impact on subsequent franchises.
 - Cross Country – initial consultation on the requirements of the next franchise is due to begin shortly.
- 4.4. The National Infrastructure Commission identified the delivery of the 'multi-modal spine' as a 'once-in-a-generation' opportunity, transforming connectivity across the corridor.
- 4.5. It is increasingly clear that as part of the work to develop the overarching Transport Strategy there is an urgent need to consider whether the current rail franchising map is the most appropriate for enabling the step change in the economy identified by the National Infrastructure Commission.

5. Rail Freight Delivering for the Economy and Environment

- 5.1. The Department for Transport published its dedicated Rail Freight Strategy in 2016.
- 5.2. Rail freight is a significant issue for the Heartland area, not just in terms of the region's own business needs, but also in terms of the role the rail network plays in accommodating longer distance rail freight, particularly to/from ports on the east and south coasts.
- 5.3. The London Mayor's draft Transport Strategy identified his desire to see rail freight movements using routes through London redirected onto alternative corridors, including East West Rail.
- 5.4. The National Infrastructure Commission has an open call inviting evidence as part of its examination of the needs of freight more generally.

6. Digital Railway (and Infrastructure)

- 6.1. The Strategic Vision identifies – rightly – the use of digital technology as a huge opportunity for rail, with the potential to make better use of existing infrastructure and capacity.
- 6.2. Realising that potential will require investment in digital infrastructure. The National Infrastructure Commission has previously identified the opportunity for digital infrastructure provided along strategic rail corridors to also act as a catalyst for improved digital connectivity beyond the railway.
- 6.3. Digital infrastructure has been identified by the Strategic Alliance Leaders as a key priority for the Heartland if it is to realise its economic potential. The construction of the 'multi-modal spine' should be seen by all parties as an opportunity to create not just a physical infrastructure spine but a digital one too..

7. A Better Deal for Passengers

- 7.1. When the concept of Sub-national Transport Bodies was first mapped out by the Government one of the issues identified as requiring a strategic approach was that of smart ticketing.
- 7.2. This issue is one that has been identified previously as being where it would be advantageous to work closely with the GLA/TfL, building on their experience of smart ticketing and recognising that the extent of commuting, particularly by rail, between the two areas.
- 7.3. An initial meeting involving officers from all three strategic transport bodies – England's Economic Heartland, GLA/TfL and Transport for the South East – is taking place on 24th January: this will provide the opportunity to map out areas of common interest, on which there is a need to make progress.

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Programme Director

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Extract from
Connecting People: A Strategic Vision for Rail

Our vision for rail

Near term

Our near term priority is for **better customer service** and **delivering planned upgrades**, with the industry getting a grip on cost.

- **Modern customer service for passengers:** smart technologies for ticketing, improved compensation arrangements, a new ombudsman to resolve disputes, improved Wi-Fi and mobile connectivity, and better accessibility.
- **Committed network upgrades:** Thameslink, Crossrail, Great North Rail Project and others, and improvements delivered via franchises: new trains, upgraded stations and new services.
- **Improving efficiency, increasing value and tackling cost.**
- **Building on the railway's record of safety and security,** including emerging risks.

2019 – 2024 (Control Period 6)

A more reliable, efficient and modern railway delivered by joined up local teams

- **A step-change in renewals to maintain safety and improve reliability:** efficient asset stewardship on an increasingly busy network.
- **The next generation of passenger service contracts:** sustainable commercial contracts, securing joint working and quality for passengers.
- **A new generation of long-term integrated regional rail partnerships,** working to aligned objectives, focussed on passenger needs.
- **New connections and new capacity,** delivering today's projects and advancing the next generation of rail schemes.
- **New partners for infrastructure development, design and delivery** and encouraging and facilitating market-led proposals for rail enhancements.
- **New sources of funding and financing** unlocking improvements.

2024 – 2029

A step change for rail, with current reforms and HS2 delivering better journeys, better services and support for the economy.

- **HS2 Phase 1 reshaping the network,** with new journeys and new capacity, supporting the economy and unlocking housing.
- **'One team' models delivering results across the network,** with passenger operations and infrastructure management working seamlessly together.
- **Reliable services, more connections and a high-quality offer for passengers** across the national network.
- **Digital solutions, better technologies and good use of data** in

operations, analysis and decisions.

- **Rail freight sector** is growing and supporting our communities and economy alongside passenger rail.
- **An innovative sector investing at home and competing abroad.**

The railway beyond 2030

Today's policies are guided by **our vision for the future**: a world-class railway, working as part of the wider transport network, bringing new opportunities for the nation.

- **Railways leading the way for customer service** in the transport sector, responsive to customers' needs, offering integrated, accessible services across modes, for people to travel in the way that suits them best.
- **Advanced commercial, contractual and delivery models** refined for individual markets and circumstances, with integrated ways of working.
- **Rail fulfilling its full potential to move freight and goods**, relieving congestion on the road network and supporting a low-carbon economy.
- **New connections, more capacity and more journeys** across the network, with the complete HS2 network, **East West Rail** and other new links transforming journeys, supporting housing development and driving economic growth.