

Strategic Transport Forum 26th January 2018

Agenda Item 5b: Great Western Franchise

Recommendation: It is recommended that the Forum:

- a) Consider the issues identified in Annex 1 and agreed that they form the basis of a response to the consultation
- b) Agree that the Chairman be delegated to sign off the consultation response

1. Context

- 1.1. The current Great Western franchise was formed in 2006 by combining services from three separate franchises: Great Western Trains, Wessex Trains and Thames Trains. The franchise is now one of the largest and more geographically diverse on the national rail network.
- 1.2. Services currently fall into three distinct service groups as follows:
 - Thames Valley: primarily commuter services between London Paddington, Slough, Reading, Oxford Newbury and Bedwyn, as well as a number of branch lines in the Thames Valley and the Reading to Gatwick Airport service
 - High Speed: long distance services from London Paddington to Bristol, South Wales, Worcester, Hereford, Cheltenham, Gloucester and the South West
 - Western: local services within the South West, including the branch lines in Devon and Cornwall
- 1.3. The current franchise is due to expire in March 2019. This consultation is an initial stage in the process of letting a new franchise for these services.
- 1.4. The consultation document sets out the Government's intention to exercise its contractual option to extend the current franchise for a further 12 months and to begin discussions with the current franchise operator with a view to them continuing to operate the franchise for a further two years – i.e until 2022.

2. Strategic Issues: For Consideration

- 2.1. The breadth of the questions in the consultation document are understandably quite wide at this stage in the process. Annex 1 focuses on the more strategic issues that are directly relevant to the Strategic Transport Forum and it is proposed that these will form the basis of the Forum's response. Closing date for a response is 21 February.

Martin Tugwell
Programme Director

January 2018

Annex 1

Great Western Rail Franchise Public Consultation

Strategic Issues for the Forum to Consider

1. Franchise Objectives (Question 1)

1.1. The Government is proposing the following core objectives for the Great Western franchise in the 2020s:

- **Provide safe, punctual and reliable services** with enough seats and space for people who want to use them;
- **Focus on the needs of the travelling public** to provide an excellent and continually-improving customer experience for all passengers, whatever their particular needs and abilities;
- **Maximise the benefits for passengers** from the current transformational investment in the Great Western railway network;
- **Maximise the contribution of the railway to driving local and regional economic growth**, enabling planned growth in housing, and meeting the wider needs of citizens and society across the whole of the franchise area;
- **Be a responsible employer** who invests in the welfare and the development of its workforce, motivating staff and equipping them with the right skills to provide the best possible customer service;
- **Strengthen the connection between the railway and the communities it serves**, supported by strong relationships with all those who have an interest in the franchise and the services it provides;
- **Continue to improve the environmental performance of the railway** and support wider environmental objectives by providing an attractive alternative to more polluting modes, and improving measures such as energy and water consumption and recycling;
- **Develop close collaborative working with Network Rail and other partners**, bringing the operation of track and train closer together to deliver the best possible service for passengers and drawing in funding from the widest possible range of sources;
- **Work with the Government and other agencies to support the development and delivery of other major rail investment schemes**, such as the proposed western rail link to Heathrow, East-West Rail and the interface with HS2 at Old Oak Common; and

- **Operate efficiently, providing best value for taxpayers' and passengers' money,** thereby ensuring the maximum possible resources are available for further service improvements.
- 1.2. Overall the strategic objectives seem appropriate for the franchise moving forward, although greater emphasis should be given to the role of rail services in acting as an enabler of economic and housing growth.
 - 1.3. The National Infrastructure Commission's final report emphasised the critical role of connectivity in realising economic potential. In developing the specification for the franchise there is a need to ensure the importance of this role for the Heartland is given greater emphasis.
 - 1.4. Linked to this, the explicit recognition that there is a need to improve the environmental performance of the railway is strongly supported. The National Infrastructure Commission advocated the need to embed the principle of 'net gain' in seeking to realise the economic potential of the corridor. The on-going investment in new rolling stock – particularly electric trains – is a positive sign in this regards. The ambition to continue this trajectory is welcomed.
 - 1.5. The explicit reference to support the development and delivery of other major rail investment schemes is welcomed: the identification of the western rail link to Heathrow, East West Rail and the interface with HS2 at Old Oak Common are all strongly supported by the Strategic Transport Forum.
 - 1.6. In addition there should be explicit recognition of the need to develop and deliver proposals that enable the role of Oxford as a rail hub to be realised. The announcement of the Oxfordshire Rail Study in the Budget 2017 reflects the opportunity for rail services in/around Oxford to play a major role in enabling economic and housing growth. This should be reflected in the strategic objectives.
 - 1.7. The strategic objectives should also include explicit reference to the need for the franchise operator to work with Network Rail, the Strategic Transport Forum and local partners to develop proposals that will address the capacity constraints that exist on the Didcot to Oxford section of the network. This is of national significance not just in terms of supporting the ambition for the Heartland but also in terms of supporting longer-distance rail movements – both passenger and freight.
 - 1.8. As part of its work to develop the overarching Transport Strategy for the Heartland region the Strategic Transport Forum has established an baseline database of information. It is also developing a policy scenario modelling tool that it will use to explore the implications of alternative scenarios on future transport demand. These form part of the evidence base for the overarching Transport Strategy: both are available to the Department for Transport to support their work in developing the future franchise requirements.

2. Should Great Western be retained as a single franchise? (Question 2)

- 2.1. The consultation document raises the question of whether the franchise should be retained as a single franchise or split in two. The document illustrates a way in which the franchise could be split.
- 2.2. One franchise could concentrate on the intercity markets between London and Bristol, South Wales and the Cotswolds, outer suburban and branch line services in the Thames Valley, airport services and potentially future services using the proposed western rail link to Heathrow;
- 2.3. The other franchise could provide long-distance services between London, Wiltshire, Somerset, Devon and Cornwall (including the Sleeper), together with regional and local services across the central and south-western parts of the franchise area.
- 2.4. The opening of the Elizabeth line later this year will result in significant changes to suburban and outer-suburban services operating through the Thames Valley and onwards to Oxford. Delivery of East West Rail will also create both the opportunity, and indeed the need, to review the operation of rail services in/around the Oxford area and onwards across the Heartland.
- 2.2. This Forum has already identified the need to review whether the current rail passenger franchise map is the most appropriate for enabling the step change in the economy identified by the National Infrastructure Commission.
- 2.5. It is highly likely therefore that some form of change is both desirable and appropriate moving forward.
- 2.6. At this stage it is not possible to take a view as to whether the proposal to split the franchise put forward in the consultation document is the most appropriate. The Strategic Transport Forum will look to work with the DfT on this particular issue as it takes forward work on the overarching Transport Strategy.

3. Future Train Service and Timetable Development (Question 6)

- 3.1. The consultation document identifies the work of the North Cotswold Line Task Force as an example of the work underway to develop and deliver improvements in rail services through collaborative working. The Strategic Transport Forum supports the ambition of the North Cotswold Line Task Force.
- 3.2. In taking the franchise forward there is a need to be explicit about the work being taken forward through the Oxfordshire Rail Study, and in particular the opportunity to develop local rail services in/around Oxford in support of economic and housing growth identified by the Oxfordshire Growth Board.

4. Direct Links and Connections (Question 8)

- 4.1. The Strategic Transport Forum extends to Swindon, reflecting the strong economic linkages that already exist between Swindon and the rest of the Heartland.

4.2. The Forum has already identified the need to address capacity constraints on the Didcot to Oxford section of the rail network. In addition it has identified the opportunity created by the delivery of EWR to review the operation of local rail services.

4.3. This should also be used as the opportunity to consider the potential to restore direct rail links between Swindon and the wider Heartland area. Opportunities to improve or restore rail connectivity with other communities to the west of Didcot should also be explored as part of that conversation.

5. Seasonal Train Services (Question 9)

5.1. Experience with the Chiltern franchise which provides a limited Boxing Day service shows the demand exists for rail services over the Christmas period. In taking the franchise forward there is a strong need to consider the need to provide services on Boxing Day.

6. Freight (Question 11)

6.1. The London Mayor's draft Transport Strategy identifies his desire to see rail freight movements that currently use the London rail network redirected onto alternative routes in order to provide additional capacity for passenger services. His draft Transport Strategy specifically identifies the opportunity to make use of East West Rail as an alternative.

6.2. The current proposals for the Western Section of East West Rail only make provision for existing rail freight services, however the ability to provide additional capacity for rail freight is not precluded in the design being taken forward.

6.3. The need to address the capacity constraints on the Didcot to Oxford section of the network have already been identified – not just to the benefit of the Heartland economy but also the wider UK economy. This need is in part driven by the demand for rail freight, whose option as an alternative to road haulage along the A34 corridor should be improved.

6.4. Taken in combination – the delivery of East West Rail and improvements to the Didcot to Oxford section – offer opportunities for rail freight that need to be considered as part of the Forum's overarching Transport Strategy. Such considerations will need to be included within the development of the franchise moving forward.

7. Stations (Question 14)

7.1. The consultation document identifies the need to develop proposals for better co-ordination with other transport modes. This is strongly supported by the Strategic Transport Forum.

7.2. Provisions under the Bus Services Act 2017 enable local transport authorities to work with public transport providers to improve the integration of services. In taking the franchise forward there should be a requirement on the franchisee to actively seek out opportunities to work with local transport authorities and other

public transport providers, with the specific aim of improved integration of services. The initial focus for such an approach should be the largest stations and those identified through the overarching Transport Strategy as 'hubs'.

8. Fares and Ticketing (Question 15)

- 8.1. The future franchise should include an explicit requirement to develop and promote the use of smart ticketing solutions. The Strategic Transport Forum is looking to build on the experience of the GLA/TfL on smart ticketing with a view to extending this convenience more widely across the Heartland area. The franchisee should be required to work with the Forum in achieving this ambition.

January 2018