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October 2012



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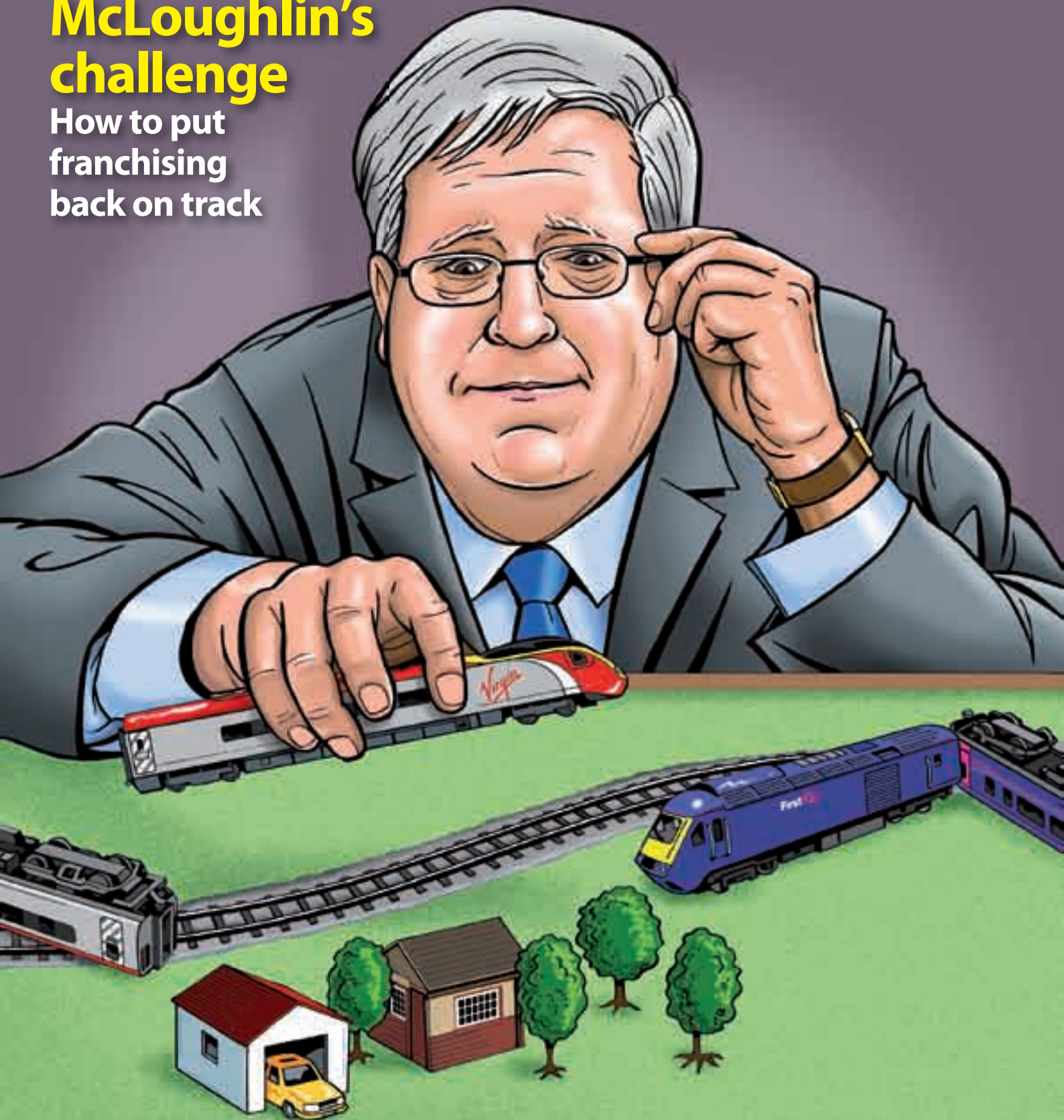


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franchising  
back on track



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## Franchise inquiries face thorny problems

If the former government chief whip, Andrew Mitchell, conjures up the “Nasty Party” image of the Conservatives, then his predecessor as chief whip and new Transport Secretary, Patrick McLoughlin, gives the very opposite impression. He is likeable, decent and straight talking. These are important qualities as many of the key tasks in his in-tray will need him to win the support and trust of others.

To maintain and increase transport investment he requires the support of Numbers 10 and 11 Downing Street. For a more sensible aviation strategy he will need the support of his Labour shadow, Maria Eagle, with whom he has a good relationship – look out for Ms Eagle becoming a member of the Davies Commission.

His priority is to sort out the mess he has inherited on rail franchising. He has been right to reject calls for bringing the train operators back into public ownership. Railways in this country are an unmitigated success story. Since privatisation in 1995 we have more than doubled patronage. While the rest of Europe has mainly stuck with public ownership, which has resulted in a very modest growth in patronage of 1.5% annually over the past 15 years, the UK's growth rate has been more than three times as high. In a meeting I attended last week in Brussels at the offices of the European Transport Commissioner, his staff were very concerned that the debacle over the West Coast franchise would lead to an over-reaction and a move back to public ownership. They told me that the private sector competitive tendering model saved up to 30% in operating costs, which is why they supported the rest of Europe adopting the UK model.

It is ludicrous to say that train operators are profiteering at the expense of the passenger. Their average profit as a percentage of revenue is 3%. The pertinent ques-



**I would be surprised if he recommended a revolution in the franchising model**

tion is, have they brought more than this to the table in efficiency gains, innovation, marketing, fare collection and risk transfer?

To move on quickly from the West Coast mess the Laidlaw Inquiry into DfT must be transparent and robust. If DfT is to be in charge of franchising in the future then Laidlaw must address a number of thorny issues: the separation between rail policy and franchising; the quality and skills of the people in charge of franchising; and the resources that have been earmarked for consultancy. I'm not as concerned as others are about the separation of the rail policy team under Steve Gooding – which determines what railway the DfT wants to buy – from the franchising procurement team under Peter Strachan. This separation makes sense.

Would this cock-up have happened if Mike Mitchell was still in charge of rail at DfT? It's difficult to form an opinion on this from the outside. Dr Mitchell was brought in because of private sector experience and he was paid a salary higher than the then permanent secretary. The rush to push down salaries at Whitehall leaves the public sector exposed

to the criticism that it doesn't have enough people of the right calibre to manage large-scale procurement.

What can be said with certainty is that the TOCs bidding for franchises look to be much better resourced than the franchising team at the DfT. It is surprising that the first audit of the franchising model by PwC was not carried out until Virgin pushed the button on judicial review. Was this a result of the policy of cutting back on the amount that was spent on consultants? We need to be careful that what looks like a thrifty approach does not end up costing the taxpayer a lot more!

The appointment of Richard Brown from Eurostar to head the inquiry into franchising is the right one. He is experienced, knowledgeable and widely respected. I would be surprised if he recommended a revolution in the franchising model. My own view is that it is not the model that is broken but the competence of its implementation.

The evolutionary changes that Richard Brown may want to look at are distinguishing between franchises where premium payments are high, such as intercity routes, and franchises with high subsidies such as Northern Rail and Scotrail. For the latter it makes sense for the risk to be left with public sector and for the TOCs to be on a performance contract with an incentive to maximise fare collection. For the former it would make more sense to go for longer concessions with more risk transfer. However, the more risk that is transferred to the private sector in the form of performance bonds the less money will be paid in premiums. We must get this trade-off right!

*David Begg*

**David Begg is publisher of Transport Times.**



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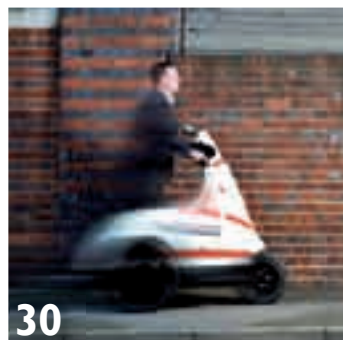
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# Franchises on hold till inquiries report

**T**ransport Secretary Patrick McLoughlin has published details of the terms of reference of the two inquiries into rail franchising launched after the cancellation of the West Coast main line award earlier this month.

The first, into the Department for Transport's handling of the bidding process, will report its initial findings this Friday (26 October) with a final report to follow by the end of next month. A second inquiry into the implications for the franchising process as a whole will report by the end of the year. And there will be a competition over the next year for the right to run services on the West Coast main line on an interim basis prior to a re-run of the full franchise competition.

Mr McLoughlin cancelled the planned award of the West Coast main line franchise to First Group after losing bidder Virgin Trains launched a legal challenge. Preparations for the court hearing unearthed "significant flaws" in the department's procurement process.

The entire franchising system, under which contracts for 80% of the rail market were due to be

renewed in the next five years, has been "paused" pending the inquiries, including three live competitions, for Essex Thameside, Great Western and Thameslink.

Meanwhile the DfT is negotiating with Virgin to continue running services for between nine and 13 months after expiry of the current franchise on 9 December. This will allow competition for an "interim agreement", open to all bidders, to be held prior to a full re-run of the process for a long-term West Coast franchise.

Mr McLoughlin told MPs that the cancellation decision was taken "as a result of the significant flaws found within the procurement process undertaken by my department. These made the continuation of the competition and the award of the franchise untenable."

He added: "This is a regrettable outcome caused by unacceptable mistakes made by officials in my department during a complex procurement process."

Three senior DfT officials have been suspended as a result.

The first inquiry is being led by Sam Laidlaw, Centrica chief executive, who is also lead non-executive director on government



procurement and lead non-executive director of the DfT's board. He will examine what happened during the West Coast procurement and why, and "establish the lessons to be learned".

The second review, led by Eurostar chairman Richard Brown, will consider lessons for the future franchising programme as a whole, whether changes are needed to the way risk is assessed and to the bidding and evaluation processes, and at how to get the franchise competitions back on track as soon as possible.

Mr McLoughlin stressed the Government's commitment "to ensuring we continue to have private sector innovation and investment in the railways" which he said brought "significant benefits to the country's economy and to the environment". As a result, he said, "I want this pause while the reviews are carried out to be as short as possible".

On the West Coast main line he said "I am committed to ensuring that passengers will see no impact as a result of these mistakes." A new competition for the franchise would be run as quickly as possible, "but we want to get it right

which will take time. In the intervening period we need to secure a deal which secures best value for money for the taxpayer, including continuing improvement in service quality."

Hence negotiations had commenced with Virgin Rail Group to remain as operator for nine to 13 months, while the competition for an interim agreement was run.

The initial reaction to the publication of the terms of reference for the Brown inquiry was that they appeared to envisage changes to the bidding and evaluation processes for franchises but not a deeper examination of what franchises were intended to achieve.

Leading industry figures approached for their views on how the franchising process should be reformed proposed solutions including full renationalisation, suggested by Aslef general secretary Mick Whelan.

At the other end of the scale RAC Foundation director Prof Stephen Glaister said that risks on 15-year contracts were "impossible to assess" but added: "The structure of the railway is workable. Leave it alone for once. Just do it properly."

## Franchising: options for the future

*Transport Times* asked a range of transport experts for their views on eight possible reforms (below) of the franchising process – many of which go significantly further than the terms of reference of the Brown inquiry. They ranged from transferring responsibility away from the DfT to a specialist organisation created to handle procurement or a reconstituted Strategic Rail Authority, to full renationalisation. For the results, see page overleaf.

- 1) DfT is absorbed in to the Department for Business, Industry and Skills
- 2) The Government hands responsibility to a new OPRAF-type body
- 3) The Government hands responsibility for franchising to a recreated SRA-type body
- 4) A central, cross-department procurement team is set up to cover all government procurement from rail franchises to power stations and IT systems
- 5) Renationalisation of rail services
- 6) Public sector companies are allowed to bid for franchises
- 7) A LOROL/London Overground concession approach
- 8) Make the current system work properly

## Keith Brown, Scottish Government Transport Minister

The Scottish Government's views are well known: we wish our Parliament to have full legislative control for rail, as the most effective way to ensure that Scottish ministers have the flexibility to consider the full range of options for rail services in Scotland, including public sector models.

The UK Government's handling of the West Coast main line is further evidence of why Scotland needs the powers of an independent Parliament so that it can take full responsibility for its own rail services.



## Professor Stephen Glaister, director, RAC Foundation



Rail franchising is, in a wider context, the wish to engage with private capital and service provision on a larger scale. This

demands predictability of policy, and more resources in procurement and contract management. The record is poor.

To overcome the "winner's curse" and "buying the work", larger performance bonds are essential. They will make explicit costs that are already present.

Fifteen-year tenure makes risks on bids impossible to assess (by either side) and contracts unmanageable. Five or seven would be better.

The structure of the railway is workable. Leave it alone for once. Just do it properly.

## Dr Adam Marshall, Director of Policy and External Affairs, British Chambers of Commerce

The difficulties currently facing the rail franchising process cannot and should not be considered in isolation from the need for wider procurement reform across Whitehall. There is a need to build up the procurement function in the civil service so that it is equal to or better than procurement in the private sector. Britain needs a cadre of professional and seasoned procurement practitioners and project managers that can achieve better results for the taxpayer and for the economy as a whole. In the short term, it is critical that the best procurement minds from across the Govern-



ment assist the Department for Transport to ensure that the franchising timetable does not slip any further.

## Maria Eagle, Shadow Transport Secretary

The Government's franchise fiasco is a disaster for taxpayers, but the Brown review is an opportunity for new thinking. It's disappointing ministers have drawn the terms of reference so tight that alternatives to franchising seem off the table. Labour's policy review is focusing on two issues: the scope for greater devolution of responsibility for local and regional rail services to partnerships of transport authorities which can then explore alternative models, including learning from the concessions operating in London and Liverpool; and the best model for our intercity



network, including tackling the costs of fragmentation and the scope for extending the not-for-dividend model from infrastructure to services, as already exists on the East Coast line.

## Stephen Joseph, chief executive, Campaign for Better Transport



There is a fundamental contradiction in franchising. It uses a detailed procurement process to buy specific services at the best price but also to supposedly give free rein to private companies to innovate. It doesn't achieve either, and the move to longer franchises is pushing it to breaking point.

For the old south-eastern and regional services, the London Overground or Merseyrail model is more appropriate. For intercity services, we need a new way for train companies and the Government to share revenue but which incentivises those companies to invest.

## Mick Whelan, general secretary, ASLEF

John Major privatised rail to provide competition, attract investment and reduce fares. It hasn't worked. There is no competition. There is no risk capital, and 20% of train fare costs leak out of the industry in sub-contractors, dividends and other unnecessary expenditure. And this January some fares will rise by 11%.

Last month we commissioned a poll (by GfK NOP) which asked, "Do you think UK rail should be returned to public ownership?". 70% said "yes". The public, like ASLEF, has lost any



faith it may have had in private railways. Only public ownership and accountability can deliver an efficient integrated rail network.

## Jim Steer, director, Steer Davies Gleave and TT columnist

This is what Richard Brown's review ought to consider: the differing needs over the nation's railway geography. The railways of Scotland, Wales and the north of England need high levels of subsidy and can be best managed by devolved authorities. Their challenge will be getting cost efficiencies while better integrating

local rail and bus services. This points to short-term franchises or concessions.

In the South East, the major projects – Crossrail, Thameslink and then Crossrail 2 – bring about huge interrelated changes to virtually all the commuter franchises. It's time we had a South East Rail Authority to

oversee these developments.

For the intercity routes, we can end franchises. These are profitable businesses that should be required to stand on their own two feet. A system of licensing can be used to protect the public interest. An initial auction of track access rights is all that is needed.





# McLoughlin seeks “constructive cooperation”

Patrick McLoughlin:  
bold ambitions



**T**ransport secretary Patrick McLoughlin used his keynote speech to the National Transport Awards to set out his aims as transport secretary and the approach he would take to the job.

He said: “It’s a job I wanted. It’s a job where there is much to do.”

This was not his first stint at the Department of Transport. He had been roads minister in 1989 and then minister for aviation and maritime under Cecil Parkinson. Much had changed since then. But one thing remained the same: “the crucial importance of transport links”, while the biggest change was “the way transport has gone to the top of the political agenda.”

“I have bold ambitions for the second half of this parliament,” he said. For example, High Speed

2 “was not just about taking 20 minutes off the journey to Birmingham but about transforming Britain for the next 200 years.”

Outlining his approach to the job and the principles he would adopt, he said: “I am not in the business of favouring railways over roads or maritime over aviation. I will be Secretary of State for all transport.”

He added: “I speak plainly, but I think big.” Transport networks were the arteries of any economy and when transport stopped, everything stopped.

His aim in the job was straightforward: “to reduce the hassle of getting around.” He summarised his approach as “constructive cooperation”. “I want to engage and work with the transport industry,” he said, seeking “workable solutions to the transport challenges out there.”

He prefaced his speech by repeating an apology for the “deeply regrettable and completely unacceptable” mistakes made by his department in the West Coast main line franchising process. But he added the purposes of the reviews he had set up were “not to rewind to a pre-privatisation past”. Instead the aim was “about learning lessons... so that future competitions are robust and deliver best value for passengers and taxpayers.”

He praised the performance of everyone connected with providing transport during the Olympics. “The transport networks were tested as never before and did brilliantly,” he said, adding “the biggest hiccup was Boris Johnson getting stuck on a tripwire.”

He also paid tribute to Transport Times publisher David Begg as “one of the most respected voices in transport”

and expressed his “personal gratitude for your contribution to transport down the years”.

• Responsibilities of the new DfT ministerial team have been announced.

Patrick Mr McLoughlin will take overall responsibility for transport strategy, including economic growth and climate change, plus transport security and high speed rail strategy.

Simon Burns, minister of state, will take responsibility for rail strategy (including fares); HS2; international and Europe; aviation; and corporate issues.

Stephen Hammond will take charge of strategic roads and the Highways Agency; motorway agencies; road safety and standards; freight and logistics; maritime; London; Crossrail; and better regulation.

Norman Baker’s remit is unchanged and includes rail, buses, local transport and sustainable travel.

## Ticketer and Reading Buses

**In the National Transport Awards shortlist supplement distributed with last month’s *Transport Times*, under the entry for Reading Buses in the Excellence in Technology category we incorrectly said that the company had moved over “to Wayfarer’s Ticketer ticketing system”:**

**We would like to point out that Ticketer has no connection**

**with Wayfarer – the two are completely separate companies – and we should have said that Reading Buses has changed over to Ticketer’s system, replacing its previous Wayfarer system.**

**Following successful trials Reading Buses has now introduced rapid online top-up for its ITSO commercial card scheme.**

**We apologise for any confusion caused by this mistake.**

# Use regulated model to improve roads, says CBI

**T**he CBI has called for the road network to be operated like a regulated utility to lever in private investment.

The proposal, in a report *Bold thinking: a model to fund our future roads*, is a response to a call by David Cameron in March this year for innovative mechanisms to attract private funding.

The CBI says the regulated asset base model used in other utilities has a proven track record of generating investment. For example the water industry has generated £98bn of private investment since the 1980s, with capped charges on customers.

The Treasury is facing the

prospect of declining fuel duty revenue in coming years as vehicles become more fuel-efficient (*TT*, June). At the same time, the report says, “a gear change in investment, performance and efficiency is needed to upgrade our road network.”

Under the regulated asset base model the network would be divided into regions which private companies would be licensed to operate with oversight by an independent regulator.

A proportion of vehicle excise duty would be deemed to be a user charge and channelled to the regulator to provide a funding stream to the private operators.

The CBI adds that in the long

term this alone might not be sufficient to attract the level of investment needed to finance bigger capacity projects. “Private operators would have to finance such project through long-term borrowing, which could require additional revenue streams, such as tolling.”

However, “the regulator would cap charges and manage the overall cost burden on drivers”.

The regulator would also be responsible for ensuring that performance standards improved and that the private operators improved efficiency.

The report says: “A regulated model would address the insufficient investment and uncertainty

caused by current short-term funding cycles by taking the road network out of the government’s budget” to secure “a well-funded, high-performing network that works for users and investors”.

The government should “examine the most suitable elements of existing regulated asset base models in the UK,” the report recommends.

“It’s clear we need a gear change in how we manage and pay for our road network in the 21st century,” said CBI director-general John Cridland. “A lack of investment means we are really struggling to increase road capacity, let alone adequately maintain what we already have.”

# Heathrow should move west, says thinktank

**T**he problem of airport capacity in south-east England could be solved by effectively moving Heathrow immediately to the west of its current site, according to a report by thinktanks Policy Exchange and Centre Forum.

The report argues that this would allow hub airport capacity to be increased while solving the inherent contradiction that an airport built close to centres of population is convenient but noisy, and airport that is distant is inconvenient but less of a nuisance.

*Bigger and quieter: the right answer for aviation*, by Centre Forum chief economist Tim Leunig, rules out the proposed Thames Estuary airport as too hard to get to for too many people, and also poses environmental and construction challenges that are much harder to overcome than at Heathrow.

The ideal modern hub airport needs four runways, the report argues. Its preferred solution is to build four new parallel runways, arranged in two pairs, immediately to the west of the existing Heathrow site. The runways would run above the M25 and



Wraysbury reservoir. The Poyle industrial estate and "a relatively limited amount of housing" would need to be demolished.

Identifying the primary problem of Heathrow as noise, it argues that moving the runways west reduces noise over west London, since the aircraft will be higher over any given place. This would be reinforced by banning the noisiest planes. "This is not possible in the short run, but could be achieved by 2030, a plau-

sible date for the airport to open," the report argues.

In addition, narrow bodied planes would be required to land more steeply, as at London City airport. There would also be an absolute ban on night flights (between midnight and 6.15am).

The new airport would have three terminals, with parallel piers from which aircraft would depart. Passengers with hand baggage only would not need to enter the terminal but could

instead take a shuttle straight to the pier. People travelling on business could thus be at the gate within 20 minutes of arriving at the airport perimeter.

All the existing terminals except Terminal 4 would be re-used, and the Heathrow Express, Crossrail and Piccadilly lines would be extended to reach the new terminal. All existing air traffic control, refuelling lines, maintenance and engineering facilities would remain. This would make this solution "the lowest cost way to provide a hub airport of this size", estimated at around half that of the Foster estuary airport.

The second best location for a new hub would be just south of the current Luton airport, with a terminal about the Midland main line railway, providing a frequent 20-minute journey to London. This approach is not as good, because it would require the closure of Heathrow to be viable, and of Stansted on air traffic control grounds. This means the net increase in capacity is smaller, and a second runway at Gatwick would be required to cope with leisure traffic displaced from Stansted.

## Highways show puts practicality to the fore

**A** unique exhibition of innovation for highways professionals, their consultants and contractors takes place next month at Bruntingthorpe Proving Ground in Leicestershire.

Seeing is Believing combines an indoor exhibition hall with outdoor demonstrations using Bruntingthorpe's test track.

It is the only industry event to showcase the latest products, systems and technologies for the highway maintenance and construction industry alongside live demonstrations. Running till 6pm on 20-22 November its unique feature is the ability to run demonstrations in conditions of daylight, dusk and dark.

Exhibitors include manufacturers of signs, safety equipment,



surfacing products, specialist contractors and professional bodies. Companies exhibiting include 3M, Peek, mechanical retexturing specialist Klaruw, and safety equipment specialist Findlay Irvine.

The event is free to attend and is accredited as one day's continuous professional development by the Institute of Highway Engineers.

Integrated highways technology expert Peek is using the event



to emphasise its commitment to all on-street technology project activities, including public lighting, traffic signals and telecommunications, supported by live demonstrations.

Seeing is Believing's platinum sponsor, 3M Traffic Safety Systems, is running a wide range of live demonstrations during daylight, dusk and in the dark to show its products, especially at night when product performance is critical.

A workshop programme will include presentations ranging from innovation in traffic management to cycle-friendly streets (with Sustrans), road safety audits, and road surfacing plus case studies including Northamptonshire's highways maintenance initiative and stepped speed limits.

Steve Spender, IHE immediate past president & highways manager at Hampshire County Highways, said: "Seeing is Believing provides local authority highway engineers with a great opportunity to keep abreast of ever-changing and improving materials and equipment. I would recommend all authorities consider encouraging attendance during the three-day event."

[www.sib.uk.net](http://www.sib.uk.net)



# Armitt to lead Labour infrastructure review

**S**ir John Armitt, chair of the Olympic Delivery Authority, has been asked by the Labour party to undertake a review of long-term infrastructure planning, decision-making, delivery and finance and how it can be radically improved.

Sir John will report to Ed Miliband and Ed Balls next summer.

Speaking at the Labour party conference, shadow chancellor Ed Balls said: "We need a comprehensive long-term plan to rebuild Britain's infrastructure for the 21st century, and a cross-party consensus to deliver it. At a time when government budgets are tight, we must think innovatively about how we can finance these vital projects over the coming decades, drawing on the private sector and long-term pension savings. Sir John has agreed to lead this work and to draw up plans for a commission or process, independent of government, that can assess and make proposals on the long term infrastructure needs of our country over the coming decades and help build that consensus."

Among other things, the review will consider:

- Whether and how, building on the model of the Davies review of aviation capacity, there could be a commission or body independent of the Government to assess and make proposals on the long-term infrastructure needs of the country over 25 to 40 years

- How the process of cross-party consultation and agreement could be designed

- How and in what circumstances the government could agree or reject proposals

- How the planning system could be streamlined so that decisions can be implemented

- What timescale the commission should work on: for instance whether it should report once in each parliament or more regularly


- What innovative financing mechanisms are needed

- What lessons can be learned from the Olympic and Paralympic Games.

Transport issues that the proposed independent body should consider include the need for high-speed rail and improving regional rail links, a modern, sustainable road network and a globally competitive aviation policy.



Sir John Armitt

 A policy forum, Anticipating the Passenger Experience of HS2, will take place in London on 6 November.

A great deal of work is going into preparing the engineering and legislation for HS2, but the experience of high-speed rail projects around the world has illustrated the importance of recognising the needs of the passenger in the early stages of the planning process.

Plans to run up to 14 trains an hour from 2026 mean a train

will leave the station roughly every four minutes. What impact does this have on the type of service passengers can expect? And what sort of modern yield management could create a fare structure that is accessible to people?

The forum, organised by West-horne Communications, will ask how to put the passenger at the forefront of the design.

To reserve a space, please email [nicola.minford@westbourne-coms.com](mailto:nicola.minford@westbourne-coms.com).

## IT systems are 'the magic ingredient' in increasing capacity

**S**marter transport is the key to meeting ever-increasing transport demand, according to a new paper published by IBM.

Shifting Gears: Building a Smarter Future For Transport, published to coincide with the 2012 IBM Start Summit 2012 on Sustainable Infrastructure for Smarter Cities, notes that the populations of most cities, in the developed world and in emerging economies, continue to grow.

Unconstrained demand for mobility puts pressure on infrastructure and creates a growing gap between infrastructure planning and provision. The result is that most transport networks today are struggling to cope.

Demand for public transport is growing at an unprecedented rate. The appetite for unfettered use of motor vehicles appears to be waning. But planning is not keeping pace with demand,

and existing infrastructure is "resistant to significant physical modification".

At the same time most journeys use more than one mode of transport, but multi-modal transport can be difficult and complex to navigate. Travel information is "provider-centric" and fragmented.

IBM argues that smarter solutions will be made possible by better data. For example monitoring transport in near to real time will allow actual transport demand to be assessed.

As sensors and monitoring systems become more widespread on every type of transport, information is generated as "a by-product of every transport activity imaginable", from roadside traffic monitoring systems, bus tracking, railway signalling and ticket systems.

The transport industry needs to capitalise on passenger data

as retailers have done through ex-commerce. Integration and analysis of data will have huge potential benefits, the company says.

"IT systems are the magic ingredient which will significantly increase the capacity of the system, even if we can't increase the capacity of any individual piece of infrastructure," said Paul Campion, IBM UK and Ireland industry executive for travel and transport and one of the authors of the paper.

Better information can break down barriers to public transport by making it easier to use, and promoting multi-modal journeys "that were once too complex to contemplate". And by providing information about the status of services, real-time information bolsters passenger confidence.

It will become possible to influence passenger behaviour through real-time advice

and personalised incentives. Establishing personalised relationships with travellers via dedicated apps and social media will allow operators to target information and services, allowing real time updates to individuals' travel plans.

For example, an app on a mobile device could pinpoint the movements of individual passengers within transport networks and would be able to create a personalised travel plan. Applied on a large scale this would make it possible to avoid a mass response to disruption, compared with the limited options that can be included in today's station announcements, for example.

Capturing data from critical systems will make it possible to increase capacity; predict and manage demand; improve multi-modal journeys; and optimise the efficiency of operations, the paper concludes.

# Franchise review must take a diverse approach

Whatever emerges from Richard Brown's study will need to reflect the differing challenges, priorities and needs for subsidy of the railway network in different parts of the country



**T**he organisational alternatives set out on page 5 in response to the West Coast franchise debacle represent a set of classic British responses to a problem. Something's gone wrong – so let's reorganise, just like we did back in 2004. While it may yet be judged a political necessity to do so, make no mistake: reorganisation is costly and time-consuming – and may not solve the problem.

The real question is whether franchising as we know it has run its useful course. After a few attempts, most bidders learn what is likely to constitute a successful bid. The procurement agency (DfT) has an irresistible urge to specify ever more tightly. Choosing between bids gets harder, with the margins between tenders very close. Fresh ideas are largely absent, worthwhile productivity ambitions are dropped, and even with extended franchise length equity investment in rolling stock and infrastructure is virtually non-existent. Tackling these weaknesses is the real challenge of the day.

Franchises are businesses, but no longer of an appealing type. A test of good regulatory design in public transport, where there is a continuing need for subsidy, is whether "real businesses" are created, and that clear accountability for investment decisions as well as for day-to-day service specification is vested either in private sector entities and their shareholders or in public agency stakeholders. If this is not accomplished, the number of regulatory sticking plasters required to protect the

"public interest" quickly grows into a restrictive plaster-cast.

The original franchises were let with no expectation of growth in passenger numbers. In 2012, it could hardly be more different. Today's franchises are let with not only an expectation of growth; they also have to survive a period of unprecedented levels of investment in the network. The disruption involved attracts a costly overhead.

There is an alternative. It is to transfer responsibility for bringing about change and for investment back to the franchisees. Some may offer to bite the bullet, as Virgin Trains did with their original West Coast bid. Others may not plan to do so. But that is a productive discriminator between franchise bidders.

**The real question is whether franchising as we know it has run its useful course**

This cannot be about turning the clock back, either to a nationalised system or to Mark I franchising. And what would work well for profitable intercity franchises would not be so good for regional service providers; while the requirements of the wider south-east of England are different again.

This is what Richard Brown's review ought to consider: the differing needs over the nation's railway geography. The railways of Scotland, Wales and the North of England need high levels of subsidy and can be best managed by devolved authorities. Their challenge will be getting cost efficiencies while better integrating local rail and bus services and adopting cross-modal electronic ticketing. This points to short term franchises or concessions (London Overground style), with the latter ever more relevant as

ticket retailing gets modernised.

In the South East, the major projects – Crossrail, Thameslink and then Crossrail 2 – bring about huge interrelated changes to virtually all the commuter franchises. It's time we had a South East Rail Authority to oversee these developments. TfL London Rail might form the nucleus of the team, with suitably devised wider accountability.

For the intercity routes, we can end franchises. These are profitable businesses that should be required to stand on their own two feet. A system of licensing can be used to protect the public interest. An initial auction of track access rights is all that is needed. The East Coast is the obvious first candidate. And this brings a quicker cash return to the public sector account, not a dubious escalating promise of increasing returns towards the end of a 15-year contract.

Rather than the half-privatised model applied to every part of the passenger national rail network, we need a devolved structure, in which responsibilities are placed without the ambiguities and compromises of the current arrangement. Franchise, concessions and access rights will be let mainly by devolved authorities.

Meanwhile, however, there is an urgent need for a transition plan that provides for a progressive move away from the one-size-fits-all franchise model. There is nothing wrong with planning to let the next few franchises on a "conventional" basis, but with the term kept down to seven years.

There is nothing more wasteful than the premium payable to the private sector for "political risk". A clear and firm programme built on lessons learned is needed to get the industry back on track. And quickly.

**Jim Steer is a director of Steer Davies Gleave and was responsible for strategic planning at the erstwhile Strategic Rail Authority.**



# Councils must do more to exploit public assets

Building transport infrastructure in advance can help encourage development and boost economic growth. But both public and private sector lack the confidence to take the necessary steps

One of the biggest challenges facing local government over the next few years will be how best to kick-start economic growth through infrastructure-led development at a time when the flow of public funding is drying up rapidly. Part of the solution will demand a rethink over the way in which councils view their substantial assets and exploit them to raise new funding for transport infrastructure and services. The public asset base of property, land and roads is enormous and the trick will be how to realise the value locked away in this portfolio through innovative new mechanisms.

The total value of public assets is estimated to be of the order of £385bn in England alone. Of this, some £250bn falls under the responsibility of local government. Even a modest one or two per cent commercial return would raise a revenue stream worth around £50bn over the next ten years, according to a recent report published by the New Local Government Network.

Councils need to do more to find ways to exploit new funding sources of this kind in much smarter ways than raising one-off capital receipts by selling them. The development of asset utilisation strategies that lever in funding to improve localities has risen up the agenda.

Investment in local transport infrastructure and construction is the key which will need to find its place alongside much-heralded national schemes like HS2, for example. Local authority spending on transport fell to only £8.5bn in 2010/11 and there are increasing fears that this will drop further as the next spending review takes hold. It is already understood that planned expenditure on maintenance will be cut by almost 29% by 2014/15 and it would be unsurprising if the proposed capital funding stream for local major

schemes suffered a similar fate.

It is recognised that transport assets can increase land and property values, and the road network is the single biggest asset that is held by the public sector (£282bn). Until now the thinking on how this could be sweated to raise revenue has been restricted to charging for the use of road space. This has difficult political ramifications and public resistance, which is why not a great deal of progress has been made.

However, there is no reason why local authorities could not use their powers to become sole or joint developers, or enter partnerships using their property and land assets as collateral to help pump-prime infrastructure construction in advance of developments.

**We seem to be in a vicious circle which must be broken if we are to build our way out of the economic crisis**

Similarly, there are a large number of private sector companies using the nation's roads to great advantage, and at very little financial cost, whether these are utility companies or even, for example, the providers of internet mapping services. If the true cost of these services could be captured, if only in part, and reinvested in local infrastructure then local authorities' financial problems would be virtually over.

In the face of £5.1bn of cuts in central government funding to local councils, new ideas and innovative means of maximising locally-raised funds by authorities are already on the increase, but not so much in the transport sector. Large pots of money, such as pension funds, are being looked at closely to help support infrastructure projects. However,

a recent survey of local government finance officers revealed a reluctance to expose these funds to secure private equity and infrastructure projects.

It would seem that more attractive returns are paramount and that little or no account is taken of the value of potential social and growth benefits to local communities. Moreover, the appetite of the private sector to take risks on upfront delivery of new transport schemes seems equally low.

We seem to be in a vicious circle which must be broken if we are to build our way out of the economic crisis. Central to making a step change in attitude towards risk and trust is confidence among the key stakeholders, whether in the public or private sector. Local government should take comfort in the latest figures which demonstrate the importance accorded by the public to transport infrastructure and services.

In addition, the latest annual British Social Attitudes report shows a shift in favour of more spending on public services, even if it means increased taxation (36% in favour in 2011 to 31% in 2010).

Other recent research shows that more than two-thirds of businesses are concerned about the condition of local roads and blame a lack of investment as a contributor to a downturn in local economies. Business confidence in our ability to invest in local projects seems to be on the decline. The time is ripe for a new approach – it's what business and the public want – so councils should be confident and be less risk averse.

**Tony Ciaburro is corporate director for environment, development and transport at Northamptonshire County Council.**



# Norman Baker is right: road charging is inevitable

Declining fuel duty receipts and growing congestion will have to be tackled eventually. The transport minister's intervention to kick off a much-needed debate is welcome



**N**orman Baker, the transport minister, skirted with danger at last month's Liberal Democrat conference in Brighton by predicting that a national system of road pricing was inevitable whichever party was in power.

Thank goodness at last we have a front-bench politician who is willing to discuss openly the need to move from a Soviet-style road economy to one that is determined by market forces. As he pointed out: "Every government of every colour will get there, whatever they say now."

The rapid take-up of hybrid, electric, and more fuel-efficient cars is driving an unstoppable change in how we pay for roads.

The current system of motoring taxes will become unsustainable over the next 30 years. At present, fuel duties raise £27bn annually and vehicle excise duty an additional £6bn – about 6% of all UK tax revenue. But ultra-efficient petrol and diesel engines have already reduced modern car fuel consumption by a third, and this trend will accelerate as new technologies, including competitive electric cars, come on stream. By 2030, the Office for Budget Responsibility forecasts fuel tax receipts will halve.

The Treasury cannot be expected to stand by and watch a major source of the nation's tax base disappear. Fuel duties could be increased to match the disappearing revenue, but there is a limit to how far that policy could be pursued. Motorists using old, gas-guzzling cars would justifiably feel aggrieved if they were asked to pay disproportionate amounts to shore up the nation's finances.

Britain, of course, is not alone in being affected by this coming revolution. In the US, Oregon has been testing a new tax based on car mileage actually driven, rather than fuel consumed. The state's legislative assembly recently considered applying a mileage tax to electric vehicles. The technology to achieve this is not the problem. But the political hurdles in the path of change are formidable.

They will not be overcome without open debate, which is why Norman Baker's decision to tackle the subject should be welcomed. But even his courage has limits. He failed to mention that the compelling argument in favour of accelerating the change to charging for road space is not fuel-efficient engines, but the need to deal with congestion.

**⚡ Congestion is responsible for five times all the other environmental costs of motoring put together**

The Institute for Fiscal Studies in a recent study notes that congestion is responsible for five times all the other environmental costs of motoring put together, such as pollution, accidents, noise and climate change. The economic costs of congestion are large, about £30bn a year. The Department for Transport estimates that a road pricing scheme varying charges by place and time of day to reflect congestion levels could bring benefits by 2025 of £28bn annually, about 1% of national income.

These are big sums. As the IFS points out: "The scale of gains is enough to persuade us that further steps towards road pricing must be a priority."

One of the problems of charging for road space which politicians are reluctant to address is

that the impact of charges would vary greatly. Norman Baker says he favours a revenue-neutral system of pricing in which there would be no difference in overall costs for the average motorist. But in practical terms, there is no such thing as the average motorist. Those who drive in crowded city streets would face sharp increases; others, particularly rural motorists, would pay much less. Department of Transport estimates suggest that marginal external costs, including congestion and pollution, for about half the journeys driven in the UK are less than 5p per kilometre. But the external costs, for instance, of driving down Piccadilly in London at rush hour are roughly 50 times that.

Some drivers will have to pay a great deal more, and the change is bound to be painful. But the potential gains of quicker, more reliable journey times are significant for all drivers, particularly those who drive in congested areas.

In the end, it comes down to a simple question: queue or pay? Until recently, drivers have tended not to blame politicians for congestion. They have accepted it as a fact of life, comforted by the fact that there is, at least, equality of misery. But how long will this continue?

Even in recession, peak-hour traffic conditions in many of Britain's urban areas and on many of its motorways are near paralysis. Politicians who prattle about "other ways" of tackling congestion will become more and more exposed, because there is no painless solution. The long-term solution has to be traffic restraint, and that is best achieved by charging for scarce road space.

**Adam Raphael, a former executive editor of *The Observer* and transport correspondent of *The Economist*, is the associate editor of *Transport Times*. He is a former presenter of BBC's *Newsnight* and an award-winning investigative journalist.**



# Bus service cuts needn't be a disaster

Reductions in services can significantly affect people's lives – but research by Passenger Focus found that an imaginative approach by local authorities can potentially soften the blow

**“We** can't go out for Sunday meals. Because my grandson works in Taunton, I can't see him. We can't go anywhere on a Sunday. We're stuck here.”

This is a typical passenger comment from our new research *Bus service reductions – the impact on passengers*. They are not life changing-impacts, not the end of world – just subtle and diffuse changes to the way people live, and the choices they have. They find themselves relying more on others, paying more to get round and having less spontaneity.

We did this research because there has been much talk about the effect of bus service reductions. But bald statistics about the number of routes or services cut do not tell you very much. The passenger numbers involved are relatively small and will not figure in any economic statistics. We do not know how many passengers were using many of these services. So we set out to find out a bit more about the effect.

There is very little research of this sort done. Mayer Hillman, the famous social researcher, did some work in the 1980s on the social impact of rail closures but there has been little done since then. Devising a methodology required a pilot study – we looked for affected passengers in Ipswich market, among parish councils where there have been service removals, and we knocked door-to-door in villages.

The last proved the most effective method. In the end over 340 interviews were carried out in West Sussex, Suffolk, Derbyshire and Somerset.

Although their lives were disrupted, most people were still able to go about their daily and personal business. However, there is a sense that people are having to make greater efforts to

travel, or are obliged to sacrifice certain activities altogether.

Alterations to bus services affect people's time. Curtailment of social and leisure activities elicits dismay at not having public transport when and where needed. This affects all ages from teenagers to the elderly.

What these stories underline is the need to consult effectively when service changes are contemplated. Passenger Focus is under no illusions about the challenges facing local authorities, which face unenviable decisions over spending. However, in an attempt to help with effective consultation, and following a recommendation from the Transport Select Committee, we have just published a Bus Service Changes toolkit. This aims to spread best practice on consultation.

**People are having to make greater efforts to travel, or are obliged to sacrifice certain activities altogether**

The cynic might say that this will only produce better quality cuts! However, what is clear is that around the country radically different approaches are being taken by different local authorities.

As people suspect, some authorities are cutting in a crude way with predictable effects. There seem to be glaring differences in the knowledge, skills and attitudes of local authority transport officers, and some alarming gaps in knowledge about what powers exist under the various pieces of transport legislation.

Although it is already struggling to reconcile a range of different priorities in the face of the cuts, perhaps the Lo-

cal Government Association could play a greater role here? Transport planning, along with many other disciplines, has not been in favour for years. Skills decline, and are not passed on. Perhaps the Association of Transport Co-ordinating officers should benefit from some of the Better Bus Areas money – it might help raise the quality of bids and outcomes and improve supported services.

Interestingly, despite all the talk of decentralisation, central government usually gets the blame here because it is seen as the author of the cuts. What is forgotten is that the lottery of outcomes has many contributing factors, one of which is a lack of good practice and knowledge.

The other side of the picture is the great work done by some authorities that have used the opportunity to think carefully about how they tender services. A fresh look at routes and passenger numbers combined with talking to bus companies has, in some places, produced better route patterns at lower cost.

Transport for Greater Manchester's Vendor Rating, developed with Greater Manchester Bus Operators Association, has done this. Better quality bids and lower costs, with smaller operators involved, seems like a win all round.

Norfolk County Council has done some clever things in partnership with operators to maintain and improve services. Also, given the recession, bigger operators seem more interested in tendering as some commercial routes become less attractive. Declining subsidy can focus the mind, as British Rail found repeatedly.

More examples of best practice can be found in the toolkit, available on [www.passengerfocus.org.uk](http://www.passengerfocus.org.uk).

**Anthony Smith is chief executive of Passenger Focus.**



# Roads: not just a choice between queue or pay

Last month, Adam Raphael criticised a report by the Campaign for Better Transport for its rejection of privately-finance roads. Here, **Stephen Joseph** defends his organisation's stance and argues that there are better ways of raising funds



Stephen Joseph: "A clear and positive alternative proposal"

**A**dam Raphael's article in last month's *Transport Times* looked at the future of transport planning and how it should be paid for. It was certainly a provocative piece, but one which was highly selective in its evidence and overly narrow in its scope.

In opposition to the case we set out in our report *The Problems of Private Roads*, Mr Raphael speaks glowingly of a future where private finance pays for the maintenance and expansion of the UK's road network. The mainstay of his argument concerns the profitability of the M6 Toll motorway, which he regards as, at least in part, a model for future road transport planning. By focusing on one road, he fails to tackle important points about the wider public policy failure that the M6 Toll represents, or the implications for funding future projects.

It is crucial to remember that the aim of allowing 27 miles of the West Midlands to be dug up for the construction of the M6 Toll was not to provide an opportunity for private profit. Rather, it was to achieve the public policy goals of reducing congestion on the M6.

Furthermore, focusing only on profitability ignores some much more serious failures. For example, in the years since its opening in 2004, the M6 Toll has experienced a dramatic decline in the number of cars and lorries using it. Anyone wondering where all that traffic has gone should look no further than the £436m of public money now being spent on additional congestion measures on the M6 – measures that the toll road deal was supposed to render unnecessary.

There is also much more to our report than criticism of a proposed revival of tolling. The prime minister and chancellor have been making speeches for

more than a year in which they have floated a wide range of different options for attracting private investment into road-building. These have included the use of PFI-style shadow tolls to keep any spending off balance sheet, and the privatisation or semi-privatisation of the strategic road network. There has even been talk of hypothecating vehicle excise duty to fund new private road operators.

Our report takes a wide-ranging look at each of the Government's proposed approaches. The key findings concern the extreme difficulty inherent in devising private funding arrangements that simultaneously

**Our key findings concern the extreme difficulty inherent in devising private funding arrangements that benefit all the different groups**

benefit all the different groups affected. Each option sacrifices the interests of one group against another. If you want substantial profits for investors, then these must come at the expense of either individual drivers or the public purse as a whole.

Shadow tolls in particular offer an extreme example. Using the M1 widening at Peterborough as a model, we estimate that a potential £1bn project on the A14 in Cambridgeshire would eventually cost more than £5bn under the same terms, far more than if the budget were found from normal government borrowing.

Hypothecation of VED into a private or semi-private Highways Agency would also be highly problematic. Here, the risk comes from poor and biased decision-making generated by

a body with a vested interest in increasing road use for its income. The public and political problems that would come with this approach seem to have been acknowledged by former transport secretary Justine Greening, who was reported by the *Financial Times* to have called it "an impossible political sell".

We made a clear and positive alternative proposal. In public transport, clear existing revenue streams from fares can remove the need for complex guarantees or politically difficult hypothecation of tax revenues to make them attractive to private investors and pension funds. Among our suggestions for projects that would be ideal for this approach are railfreight terminals (several of which are already sitting on full planning permission) and transit-oriented developments of businesses and homes around railway stations, as well as railway line reopenings.

On the roads, we endorsed a policy of "fix it first", starting with replenishing budgets for maintenance and repair, which experience in the US shows is one of the most effective ways of stimulating the wider economy.

We would agree with Adam Raphael's view that tackling road congestion requires investment. But, crucially, this does not have to mean ever more roads, no matter how they are paid for. What people want is to be able to travel to their destination in a timely and affordable manner. The above examples show that the question is not, as Mr Raphael argues, "queue or pay". As with most questions of transport policy, taking a wider, more integrated view of the issues can lead to better ideas with more benefits for the long term.

**Stephen Joseph is chief executive of the Campaign for Better Transport**



WINNER



# UK National Transport Awards



**Winner:** Most Effective Road Safety, Traffic Management & Enforcement Project category.

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**Scottish Transport Local Authority of the Year**  
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# What next for train franchising

Can flaws in the tendering system for train services be fixed with minor tweaks – or will a complete overhaul be needed? **Stuart Thomson and Francis Tyrell** and (opposite) **Marc Woolfson** consider the implications for the DfT and the industry

**V**irgin's challenge to the award of the West Coast Main Line franchise to First Group did not even have to be heard by the High Court. Late in the day, the Government recognised that a problem existed in the process followed and put its hands up. In itself, this places the Government at more danger of legal challenges going forward – because, quite simply, a challenge to the process has been seen to work. However, the problem appears to have come to light only as a result of external examination by PwC. There are clear legal and political implications from the situation that the DfT now finds itself in.

Legally, rail franchises are Part B services contracts under the Public Contract Regulations 2006. Their procurement is undertaken under the franchising provisions of the Railways Act 1993. An array of European and UK procurement and competition rules applies, which set out a number of procedural steps which must be followed. With any procurement exercise it is not uncommon for complaints and claims to be brought on procedural grounds.

However, it appears that the Government's concession in this case is due to insufficient or incorrect data having been used in the franchising process for passenger growth or inflation. The first of two inquiries launched to look into the matter, which will be conducted by Sam Laidlaw (DfT non-executive director), will consider whether this is the case and also whether the issues applied to all or just some of the bids.

The second inquiry, by Eurostar chairman Richard Brown, will look in more detail at the implications for the rail franchising programme. Terms of reference for the inquiry appear to envisage changes to the bidding and evaluation processes for franchises but not a deeper examination of what franchising is for and what it should achieve. There are also few details about what resources will be available to either inquiry. The current situation offers the chance to consider what franchising is for.

There is also a question over how each inquiry relates to the other. If the first suggests "human error" or a slight tweak to the model, then surely the second cannot be too radical in its recommendations?

The "do minimum" option, the one with least political impact, is to say that the system works well and that it was



**There is a lack of clarity over the Government's priorities from franchise bids**

merely a problem with data input. This is the line that the Government is currently using. This could lead to some tweaks to the system but no major overhaul.

However, the problem has already been used as a basis to argue for reform by unions and rail campaigners, most notably for the railways to be brought back totally under the control of the public sector by renationalising. Nevertheless, there is nothing intrinsically wrong with the franchising system and nothing wrong with long franchises being offered. Just look at Merseyrail and Chiltern – two well-performing railways, reflecting local needs, which both run on long-term franchises and from which lessons could be learned. Although these are largely self-contained, the original South West Trains franchise was also offered for 20 years.

If the first inquiry concludes that there was a data-input error then it will be more difficult for the second to start considering major changes to the franchising system, or indeed a move away from franchising altogether. If the Government can place the blame firmly at the door of officials then it saves the franchising system and allows ministers to move forward with suggested reforms of the civil service.

At the beginning of the summer, Cabinet Office minister Francis Maude launched the Civil Service Reform Plan. Though criticised by some as the first step towards the politicisa-

tion of the civil service it went largely unnoticed. Even the Labour Party did not seem to mind the suggestions too much. The West Coast problem has, it could be said, provided ministers with a clear justification for moving ahead with reform.

If, however, we look at the fightback from one of the officials suspended and consider the way in which the decision was made, then it starts to look as if the problem is that a more effective system of checks and balances is required, with clear lines of responsibility and, most importantly, civil servants equipped with the expertise necessary or technical matters outsourced.

Additionally, there remains some confusion about the Government's priorities regarding franchise bids. The procurement documents themselves indicated that the franchise was to be awarded to the bidder who offered the "best, robust proposition, in terms of price and reliability, for operating the base service specification... this proposition will need to be affordable, and represent an acceptable level of value for money".

The guidance states that ministers need to be satisfied that the processes are fit for purpose and produce the right outcomes but that they are not involved in prequalification of bidders or the award of contracts. The West Coast franchise gave a weighting of up to 15% for bids that set out improvements to profit-sharing. The suspicion

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Dyson Bell**



# chising?

ul be required? **Stuart**  
wider government procurement

remains that the Treasury's view is that sizeable repayments are required while the DfT is looking at services, punctuality, and the like. If you then add in a sizeable dose of localism and stakeholder engagement, you have a lack of clarity about what the franchises are meant to deliver and issues of comparability. This lack of clarity comes from politicians and shows that there can be tension between the politics and the legal process.

The role of the Treasury and its expectation of an income stream also needs to be looked at. If the emphasis is seen to remain on payments to the Government then the potential number of bidders could decline, especially if the franchise periods have to shorten and the guarantees required in case of default increase. In the worst case scenario, a franchise system that works economically may not work commercially.

What this episode puts into focus is the need for a full appraisal of national transport requirements. It remains the case that, currently, each part of transport stands alone. Bidders for rail franchises have to estimate (over a 15-year period) economic growth to inform their passenger numbers, but without an indication from the Government as to how road, airports, ports and urban transit systems will develop. That adds to the risk and uncertainty in an already complex process.

There are choices on offer to the Government. Is the model to be railways operated directly, a fully-specified franchise or one that allows operators to demonstrate innovation and share any proceeds with the Government?

Questions have also been raised about the future of the DfT itself. It undoubtedly requires additional expertise to deal with franchises but this could be moved to a more specialised body (akin to the former Strategic Rail Authority). Neither is its recent policy-making record impressive. A decision regarding aviation has been outsourced to an independent review and we still await a National Networks National Policy Statement (originally due in Autumn 2009). The question is: what is the DfT now for?

Tackling the present problem quickly cannot wait for the creation of new bodies or deeper soul-searching. If a solution is not found soon then market, and passenger, confidence in rail will be lost.

## Another failure of Government procurement

by Marc Woolfson

**T**here is a discernible sense among British political commentators that the Government seems incapable of running successful procurement processes. From ID cards and IT support at the Child Support Agency, to the NHS IT programme and strategic spending at the Ministry of Defence, it is a truism that the Government's acquisition of significant services is inevitably scuppered by ministerial interventions, indecision and flawed processes.

On the face of it the latest debacle at the DfT seems no different. Ever since Justine Greening announced that FirstGroup would be taking over the West Coast main line franchise, the spotlight has been placed firmly on the DfT's bidding process. When Virgin Trains launched legal proceedings against the company, questions kept flying.

Was this nothing more than a PR stunt by the indefatigable Sir Richard Branson? Or was the DfT's convoluted and opaque process indeed flawed?

At the time of writing, some questions have been answered. The GDP resilience model created to determine the riskiness of franchise bids seems to have failed. The capital protection put up by bidders to protect taxpayers in the case of franchise failure was inadequately calculated. However, there remains an abundance of questions yet to be answered.

First, the failed competition has renewed public and media interest in the sometimes confused relationship between ministers and their civil servants. In theory, civil servants are accountable only to their ministers, who are, in turn, held responsible for their department's actions by Parliament, the prime minister, and the public.

However, due to the complex technocratic nature of many departmental decisions, ministers often avoid blame by citing unreasonable expectations. With relationships between ministers and officials becoming increasingly fraught, who will, and who should, face the ultimate blame for the department's failure?

Second, the decision to terminate the competition will have deeper political ramifications. As yet, we don't know for certain who will be running the franchise from the 9 of December. Negotiations are under

way with Virgin, despite the possibility of European legal action, because if the Government decides to commission Directly Operated Railways to run the route, there will be a renewed focus on renationalisation.

Third, and perhaps most importantly for the rail sector, are questions relating to the impact of the decision on franchising. Already, the three franchises up for renewal in 2013 – Great Western, Essex Thameside and Thameslink – have been suspended. With 11 bidding opportunities expected in the next eight years, the West Coast decision will have inevitable ramifications for the whole franchising system.

Eurostar's Richard Brown has been commissioned by Government to investigate the weaknesses of the franchising system, and his recommendations could be game-changing. One idea mooted as a possible remedy is the creation of a central, cross-departmental team to cover all government procurement; another is the creation of a new devolved arm's-length agency tasked with handling franchise procurement independently of government. The rail sector will need to keep a keen eye on the findings of Brown's report, as well as parallel developments, to keep abreast of changes in the way train operating companies interact with the Government.

Whether or not this latest incident will be a moment of fundamental change in the DfT remains to be seen. It does, however, present a damaging blow to the department's reputation, and places a heavy burden on the new Transport Secretary, Patrick McLoughlin. With HS2 continuing to be a politically difficult policy for the coalition, and the contentious issue of aviation capacity once again causing tensions between DfT, No 10 and City Hall, Mr McLoughlin may wish he could return to the comparatively cushy position of chief whip.

For the moment, there is little to do but wait. A Transport Select Committee hearing on 31 October, and a potential inquiry from the Public Accounts Committee, as well as the publication of investigations by Sam Laidlaw and Richard Brown, will hopefully shed more light on the failed processes. Let's just hope this latest example of large-scale Government procurement does not fail as spectacularly as so many of its predecessors.

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Advisers



# A triumph of collaboration

Transport was seen as the potential Achilles' heel of the 2012 Olympics and Paralympics. Instead, targeted investment and unprecedented cooperation successfully realised the goal of a public transport Games, says **Hugh Sumner**

## The following organisations are represented in the TCC

- British Transport Police
- Department for Transport
- Olympic Delivery Authority
- Highways Agency
- London Operations Centre (Greater London Authority)
- London Organising Committee of the Olympic Games and Paralympic Games
- London Rail (Overground, Docklands Light Railway and Tram)
- London Underground
- Main Operations Centre (the Games coordination centre for sporting events)
- National Rail (including Javelin)
- Surface Transport and Traffic Operations Centre
- Travel Demand Management (responsible for public messaging)
- Transport for London communications

“**O**bsolute” was perhaps not the word we would have wanted to hear to describe London's public transport system – but it was the language used by the International Olympic Committee as it shortlisted the cities bidding to host the Olympic Games in 2012.

Back in 2004, it was a big negative for what were often derided as London's slender hopes of staging the Games, “obsolete” becoming the stuff of newspaper headlines.

But as we all now know, fears of a transport meltdown proved wholly unfounded. The Games were remembered for the sporting excellence on display in both competitions, with transport not registering much on any radar – inside or outside London. Chaos correspondents found themselves out of work

This was chiefly due to planning, testing, and excellent coordination, coupled with a truly integrated approach to delivering the world's first “public transport Games”. The challenge was huge.

We began by taking on board les-

sons learned from previous Olympic and Paralympic Games and other events that required movements of large numbers of people. From Atlanta it became obvious that drivers of cars and coaches needed to know where they were going; Athens taught us that Games Lanes were largely self-enforcing.

The 2006 Olympic and Paralympic Games Act enshrined in law the Olympic Delivery Authority's (ODA) responsibility to put into practice the transport plan for London 2012. Working to a goal of 100% of people travelling to their events by public transport required upgrading and introducing new infrastructure, creating extra capacity (some through temporary measures, like park-and-ride) as well as creating a Transport Coordination Centre to provide a strategic, real-time overview of all the UK's transport operations.

To achieve these aims required cooperation between different organisations that had never before worked so closely together. We knew that transport planning and operations for London 2012 would only succeed



if all those involved worked together. Succeeding meant being clear from the outset about success and also the costs of failure – embarrassment not just for those stakeholders involved, but for UK plc too.

Using this as a starting point helped to focus minds and entrench within the transport community a togetherness that exists to this day. Achieving our aims demanded a flexible and collegiate approach that was gained through the implementation of dynamic governance structures.

In 2009 a top-level Olympic and Paralympic Transport Board was established to provide a platform for cooperation between delivery partners, operators and government agencies. It drew together all transport partners, with supporting focus groups and sub-boards as appropriate. It was headed by an independent chair to provide added reassurance to the Secretary of State for Transport about preparations.

Just as important were relationships with transport organisations that were not London 2012 delivery partners, such as Crossrail and Thameslink. Working groups identified issues and risks occurring at the interfaces between the projects, and measures were developed to manage and mitigate them, using formal agreements where necessary.

The TCC continued this unprecedented level of integrated transport coordination and communication by establishing a single coordination centre in preparation for and during the 2012 Games – including the torch relays, live sites, cultural events and all non-ticketed sports events. Organisations represented in the TCC included British Transport Police, National Rail and the Olympic Delivery Authority (see box for full list).

The chosen investment strategy supporting the operations was to make the best use of all existing transport infrastructure and services. This meant building new infrastructure only where it was essential and would leave a strong and accelerated legacy. Wherever possible, cost-effective temporary operational solutions were used to meet temporary peaks in travel demand generated by the Games.

Ahead of London 2012, across the UK £6.5bn was spent on transport schemes relevant to the Games, including new lines, bigger stations and extra services. These improvements include added capacity on the Jubilee and Central lines, Department for Transport-funded projects at Stratford International station and adding new Class 395 rolling stock (the Javelin trains from St Pancras to Stratford), the new East London line and extensions to the Docklands Light Railway.

Out of this package, the ODA funded £429m of transport capital projects including:

- £120m towards the £200m cost of increasing capacity and improving accessibility at Stratford station (formerly Stratford Regional).
- £109m to improve capacity and frequency of services on the North London Line, with new signals, extra tracks and longer platforms;
- £80m towards the cost of two extensions to the DLR, with longer trains, ensuring better links for spectators as well as a long-term legacy for local people.

A number of these projects were already part of the long-term plans of the transport delivery partners – Transport for London, Network Rail and central government – such as the new DLR extension passing through Stratford. These were completed well in advance of the Games.

As a result, connectivity to East London has been transformed, with 10 railway lines serving the Olympic Park. It is important, however, to look beyond the physical enhancements: the social aspects of improving access to a previously poorly-served area of the capital are immeasurable. Improved access will drive inward investment and enable people to move around the area more easily. Indeed, big-ticket items such as the improvements at Stratford Regional Station were as much about increasing accessibility as providing extra capacity: the installation of new lifts, wider concourses and an all-new step-free platform for the Central Line are testament to this.

## Campaigning MP hails legacy

East Ham MP Stephen Timms, who has long championed the regeneration of London's East End, said: "Transport was always going to sway people's interpretation of the Games, and of the country as whole. It's a testament to meticulous planning, led by the ODA but with numerous partners, that – despite the extraordinary challenge – the Olympics and Paralympics passed without a hitch.

"Improving connectivity in this part of London has long been an imperative, in particular to attract inward investment. That was the key motivation for the campaign for the international station at Stratford which I started as chair of Newham's planning committee 25 years ago. The success of that campaign made the bid for the Games possible. That there are now ten lines serving Stratford station is a tangible legacy for Newham – and the rest of East London."

Improvements were not limited to London – they were nationwide and covered all types of transport, from cycling at Eton Dorney, to accessibility at Slough and roads in Weymouth.

Discussions are under way about continuing Games Transport Board meetings, which included representatives from boroughs, Highways Agency, and TfL among others, to ensure the integrated approach to transport delivery that worked so well during the Games remains as a legacy.

By anyone's measure we delivered. The motto emblazoned across the magenta tabards of travel ambassadors staffing stations during the Games – One Team Transport – tells you the reason why, and how.

**Hugh Sumner is director of transport for the Olympic Delivery Authority**

**Fears of a transport meltdown proved wholly unfounded**

**Transport minister Norman Baker, with Hugh Sumner at the Olympic Park during The Paralympics**



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# Hitting new heights



Record entries, a sold out awards ceremony – the 12th National Transport Awards demonstrated that innovation is alive and well in the transport sector

**F**or all the economic difficulties at present, if the National Transport Awards is any guide the transport industry is in vigorous health.

The 12th NTAs attracted a record number of entries, while buoyant demand for tickets to the awards ceremony earlier this month meant it sold out well in advance.

The event was attended, moreover, by a full complement of transport ministers. In his keynote speech to the 600-strong audience Transport Secretary Patrick McLoughlin said that, following the recent reshuffle: "One thing remains the same: the crucial importance of transport links." What had changed was way transport has gone to the top of the political agenda.

## Transport District/Unitary Award

A change to this year's awards was a new approach to the key Transport Local Authority award in which the single award was replaced by separate categories for Transport County, City, and District/Unitary.

The district/unitary award, sponsored by Conway Aecom, was won by **East Riding of Yorkshire Council**, which is aiming to build on its track

record of long-term planning and a second Local Transport Plan rated "excellent".

Its third LTP is split into two sections – a long-term framework for improvements over the 15 years to 2026, and a shorter-term, four-year implementation plan with specific schemes, budgets and timetables.

The council's transport policy team also developed individual transport strategies for each of the 14 main settlements in the East Riding, with the main aim of promoting more walking, cycling and public transport use.

## Transport City of the Year

**Nottingham City Council** was named Transport City of the Year in recognition of its ambitious, long-term view of the future coupled with stability in leadership and consistent decision-making.

For over 10 years Nottingham has been working towards the creation of a high quality, integrated public transport system. Its network carries 765 million passengers annually and there has been a resurgence in bus use.

Line one of the Nottingham Express Transit tram network opened in 2004 and is considered the most successful light rail project in the UK. Phase two

gained final approval from the Government last December and construction is now under way, with opening scheduled for 2014.

Perhaps its boldest innovation is the workplace parking levy, introduced this year, which is designed to influence behaviour and tackle congestion at the same time as raising funds for NET phase two and the £7m redevelopment of the city's station as an integrated transport hub.

## Transport County of the Year

The award for Transport County went to **Hampshire**, sponsored by RedRay Consulting. The county has forged a number of successful partnerships for developing transport initiatives and behaviour change campaigns.

Transport for South Hampshire brings the county together with Southampton and Portsmouth city councils, and provides a mechanism for developing cross-border solutions. TfSH has close links with the local bus operators' association which has supported the partnership in successful bids to the DfT's Better Bus Area fund.

The first phase of the Eclipse bus rapid transit scheme between Gosport and

**Nottingham was named Transport Local Authority of the Year**

**One thing remains the same: the crucial importance of transport links**

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Fareham, which runs on the route of a disused railway line and is designed to beat congestion on the A32, opened in April, and had carried 100,000 passengers within a month.

Six Hampshire towns have been designated sustainable transport towns.

## Transport Local Authority of the Year

The winners of these three categories, with the addition of the winners of Scottish Transport Local Authority and London Borough of the Year from this year's Scottish and London Transport Awards – **Aberdeenshire** and **Ealing** respectively – formed a final shortlist from which the judging panel chose the overall Transport Local Authority of the Year, sponsored by Atkins. Of this list of star-performing local authorities the judges awarded the top prize to **Nottingham**.

## Rail Operator of the Year

Turning to public transport, the award for Rail Operator of the Year, sponsored by Bombardier, went to **c2c**. The operator of services from between London, Tilbury and Southend topped the UK operators' punctuality league table for 2011/12 with a punctuality record of 96.9%. Its annual average in February was more than five percentage points above the industry average of 91.63%.

c2c recorded an overall customer satisfaction rate of 92% in the National Passenger Survey.

ScotRail and Serco Docklands were highly commended.

## Bus Operator of the Year

**Metrobus Surrey, Sussex and Kent** won the Bus Operator of the Year award, sponsored by Amber Valley

Developments In the ten years since the Go-Ahead subsidiary took over the Crawley bus network, patronage has grown by 105%. In the first two years after taking over the Horsham network patronage grew by 19%. Gatwick is one of the key destinations on the network; in 1997, only 5% of Gatwick staff living near the airport caught the bus to work – now the figure is over 30%.

In last year's Passenger Focus survey of Go-Ahead companies, Metrobus received a satisfaction rating of 93%.

## Integrated Transport Authority of the Year

**Transport for Greater Manchester** was judged Integrated Transport Authority of the Year. With its City Deals agreement with the Government, Greater Manchester has secured a national first: an earn-back deal on local benefits generated by its unique transport investment model, the Greater Manchester Transport Fund. Greater Manchester will receive a portion of additional local tax receipts – up to £30m a year – generated by local economic growth, nurtured by the £1.2bn invested to date through the GMTF. This model has unlocked a self-sustaining funding stream for major projects.

In the last year TfGM has launched its first statutory quality bus partnership scheme. The Metrolink tram network is three years into an expansion that will triple the size of the system; much of the funding for the Northern rail hub has been secured.

## Transport Consultant of the Year

In a new category, **Steer Davies Gleave** was named Transport Consultant of the Year.

SDG was central to securing over £1bn of investment in projects that sup-

port economic growth across the UK. It supported the promoters of nine major public transport projects announced in last autumn's National Infrastructure Plan, including East-West Rail, Leeds rail growth package and Bristol bus rapid transit.

The firm works in close partnership with clients to shape funding bids and identify benefits. It helped Centro win approval for the £128m Midland Metro extension. The £102m Blackpool tramway upgrade opened at the beginning of April; SDG was involved from the start of the 12-year project. It has worked with TfGM for nearly 20 years.

Last year, SDG helped clients secure £20m from the Local Sustainable Transport Fund.

## Airport of the Year

In another new category, **Birmingham Airport** took the accolade of Airport of the Year. Birmingham currently handles nine million passengers, but has facilities for twice that number. A longer runway and other improvements will allow passenger numbers to grow to 36 million by 2030.

In February last year, the £14m project to transform the existing terminal layout was completed. The two existing terminals were merged into one with improved and enlarged passenger facilities.

The £33m runway extension will become operational in spring 2014, allowing aircraft to take off with a full payload and making possible direct flights to the US west coast, the Pacific rim and the Far East.

**Stansted Airport** was highly commended in this category.

## Rail Station of the Year

**Transport for London** was winner of the Rail Station of the Year for its project to improve Green Park. In August 2011, Green Park became the first step-free station on the Underground network in the Circle Line, a milestone in preparations for the Olympics.

The improvements also created a larger station entrance on the south side of Piccadilly and a new ramped entrance from the park. Three new lifts have been installed and platform humps have been added to remove the step on to trains.

A key challenge was constructing the main lift shaft in the space between the Victoria line escalator shaft and the northbound Victoria line tunnel without disrupting services. The project was completed ahead of schedule and under budget.

**Lancashire County Council** and **Northern Rail** were highly commended for the new sustainable "Eco station" at Accrington, as was **Southern Railway** for improvements to Balham station.

Simon Burns presented the Airport of the Year award



## Transport Team/ Partnership of the Year

The award for Transport Team/Partnership of the Year went to HM Government's teams at **High Speed 2 Ltd** and the **Department for Transport** for their work on developing a high-speed rail network for the UK.

Since the formation of High Speed 2 Ltd in early 2009, it has developed detailed plans for an initial London to West Midlands high speed line and taken these through a major public consultation exercise. It is now developing them further to underpin a hybrid Bill.

It has developed and assessed options for a national high speed rail network, submitting advice to the Government earlier this year on routes and stations for a second phase. The pace and dedication with which HS2 Ltd has taken forward this work, with a team of fewer than 100, is unprecedented.

Highly commended were **Centro**, for the Coventry Bus Network Partnership and **London Underground Asset Performance Directorate's Lifts and Escalators Refurbishment Team**.

## Excellence in Technology

**Transport for London's Legible London** mapping database took the honours in the Excellence in Technology category.

Legible London's maps present information on a human scale (with five and 15-minute walking radii), oriented in the same direction as the user is facing, with 3D representations of buildings of other places of interest.

Working with cartographic partner T-Kartor, last November TfL completed the development of a Legible London database containing all the data required to produce maps over all Greater London (an area of 1,600km<sup>2</sup>). This combines GIS data from Ordnance Survey Mastermap, Point X from Landmark and UK Map from the Geoinformation Group stored in an Oracle database, with GIS software for cartographic editing.

The database was used to create maps for the 2012 Olympics travel demand management strategy.

**Masabi, Atos and Chiltern Railways** were highly commended for their mobile phone ticketing project.

## Most Innovative Transport Project

**Cambridgeshire County Council's Guided Busway** won the award for Most Innovative Transport Project, sponsored by Go-Ahead. The guided busway opened in August last year to international interest. By its first anniversary the busway had carried over 2.5 million passengers, far more than initial projections. The busway has helped reduce car use on the local road network. It links education, employ-

ment and housing areas, and will serve the residents of 25,000 planned new houses, and the holders of 15,000 new jobs expected in the corridor.

Highly commended were **Mace and Transport for London** for the Emirates Air Line cable car, and **Ultra Global PRT** for the Heathrow Pod system.

## Travel Information and Marketing

Having successfully risen to one of the UK's biggest-ever transport challenges, **Transport for London** was considered a deserved winner in the Travel Information and Marketing category for Travel Demand Management for the London 2012 Olympic and Paralympic Games.

Forecasting showed that at some locations and times, demand would be considerably greater than capacity on both the public transport and highway networks. In January, the Olympic Delivery Authority Transport Demand Management team, working with Transport for London, the Department for Transport, Network Rail, the Association of Train Operating Companies and local authorities, launched the Get Ahead of the Games awareness campaign.

The campaign covered the impact of the Games and the transport choices available. It provided information on the busiest parts of the network with travel advice for regular users, while encouraging people to plan their journeys and travel differently.

The campaign visited companies with over 500 employees on any site, and ran workshops for smaller businesses. During the Games fears of congestion, overcrowded trains and worse failed to materialise, and transport networks ran smoothly despite carrying record numbers of passengers.

**Traveline Scotland and Traffic Scotland** were highly commended for their Traveline Scotland smartphone apps.

## Contribution to Sustainable Transport

The Contribution to Sustainable Transport award, sponsored by Heathrow Airport, went to **Southern Railway**. Its environmental strategy has 16 objectives aimed at minimising the company's environmental impact. Aims include engagement with staff and customers to support its initiatives; to create an environmental management system which is robust but supports the business; to reduce carbon emissions and energy use.

Innovations include installing regenerative braking on the class 377 train fleet. A voltage reduction in depots and stations from 240 to 220V has reduced electricity use by 10%. Station travel plans are encouraging passengers to cycle or walk to stations.

## Dedication to Access for All

**South Yorkshire Passenger Transport Executive** and the **DfT** team won the

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**Transport for London's travel demand management campaign**





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award for Dedication to Access for All. SYPTE has sought to improve accessibility of the 29 railway stations in South Yorkshire, following the release of the Railways for All strategy in 2006. Funding has been won every year since the strategy's release.

SYPTE tailored bids to focus on individual routes and with Northern Rail has made around £3.5m of improvements on six routes, with approximately £2.7m from local funding. Improvements have included consistent signs, improved shelters, handrails and anti-slip or tactile paving.

## Excellence in Walking and Public Realm

**Living Streets** claimed the prize for Excellence in Walking and Public Realm with its Fitter for Walking project. The project was part of the Active Travel Consortium funded by the Big Lottery in five areas across England, chosen for their high obesity and low activity levels. A project coordinator in each area working with the local authorities decided which communities to work with. Each community chose which area of their neighbourhood they wanted to improve, focusing on barriers to walking to local destinations, and made proposals to the local authority for improvements.

In all, 150 communities were helped in 12 local authority areas with 30 neighbourhoods achieving the Living Streets Award. Over £450,000 worth of street improvements were made.

## Achievements in Cycling

The Achievements in Cycling award went to the **London Borough of Ealing's** Direct Support for Cycling programme. The programme is a set of associated schemes integrated with infrastructure measures. Elements include on-road cycle training, parent/teacher advice sessions and after school bike clubs. Bike buddy commuter escorts go beyond basic adult training to accompany trainees with particularly challenging conditions for everyday cycling.

**Sheffield City Council** in partnership with **Get Cycling** were highly commended for the Bikeboost workplace cycling project.

## Improvements to Bus Services

**Reading Buses** took the award for Improvements to Bus Services, sponsored by National Express. Buses have been colour-coded according to the route they run on, making it easy for passengers to spot the right one. Buses have next stop information and carry colour-coded timetables for that route. Stop displays have adopted the same colour-coding.

Over the past 18 months the company has invested in 31 hybrid double-deckers, reducing carbon dioxide emissions substantially. The average fleet age is less than four years and the whole fleet is fully accessible.

Offers such as £1 short-hop fares on key parts of routes, such as to the local shops, have been introduced.

A move to Ticker's ticketing system has allowed Reading to be more dynamic in its ticket offering. Following successful trials it has introduced rapid online top-up for its ITSO commercial card scheme. It is now able to capture ticket sales revenue in real time. This allows route planning to be based on actual passenger counts, broken down to each individual stop.

The company has a Twitter feed to provide up to the minute information, and 90% of queries raised by passengers are resolved through social media. Wi-fi is provided on longer routes.

Highly commended were Merseytravel's **Merseyside Bus Board**, the **Greater Bristol Bus Network**, and **Transport for Greater Manchester's** punctuality and reliability monitoring service and code of conduct.

## Road Safety, Traffic Management and Enforcement

**Aberdeenshire Council** won the Road Safety, Traffic Management and Enforcement award, sponsored by FirstGroup, for a range of initiatives.

**Aberdeenshire, Aberdeen City** and **The Moray Councils** have combined their road safety plans and in 2011 adopted an innovative cross-boundary five-year Joint Road Safety Plan for the Grampian area.

Aberdeenshire is leading partnerships covering issues such as route safety studies, safety cameras, school travel plans and motorcycle safety. Initiatives include the Operation Zenith motorcycle safety campaign, and the Bus Stop! awareness campaign for schools.

## Frontline Employee of the Year

**Stephen Jessup-Peacock**, an assistant group station manager for c2c, was named Frontline Employee of the Year for his actions during the riots in Barking, east London on 8 August last year.

Mr Jessup-Peacock volunteered to lead c2c's presence at Barking station. He liaised with the police to keep the station open for as long as possible, and organised the safe evacuation of passengers and staff when the station was forced to close. He acted as a figurehead, showing staff they were being supported through a difficult event. As a result of his efforts, Barking station suffered no damage despite extensive damage being caused to neighbouring premises in the town centre.



Philip Pank receives the Media Campaign award from ministers Stephen Hammond and Norman Baker

## Special awards

A number of special awards by the judging panel were announced at the awards evening.

## Outstanding Contribution to Transport

The award for Outstanding Contribution to Transport went to the **Olympics Transport Coordination Centre**, made up of Transport for London, the Department for Transport, rail and bus providers and Team Heathrow.

The judges said: "After years of meticulous planning a brilliant atmosphere and experience was created at Heathrow throughout London 2012. While our athletes achieved a record haul of gold medals, those who ensured London's transport system achieved outstanding punctuality and reliability, while carrying one third more passengers than normal, deserve gold medals themselves. The transport legacy that has been left by the Games has made London a better city. Team Heathrow also performed magnificently."

Presenting the award, chair of the judges David Begg said: "The winners proved all the cynics and preachers of doom wrong. At a time when our transport system was tested like never before this team exceeded all expectations."

## Media Campaign of the Year

An award for Media Campaign of the Year went to **The Times** for its Cities fit for Cycling campaign. The judges said: "The Times has elevated the importance of cycling safety at all levels of government. Its transport correspondent, Philip Pank – himself a keen cyclist – has written numerous stories and editorials which have painstakingly highlighted the dangers faced by cyclists on Britain's roads and the extent to which they are vulnerable."

Transport minister Norman Baker, presenting the award, said "The campaign has been a fantastic help to me and Stephen Hammond in taking forward our work in improving cycling."

## Tom McCarthy Infrastructure Project of the Year

The Tom McCarthy Infrastructure Project of the Year, sponsored by Bechtel and awarded in memory of the company's head of global rail, who died suddenly last December, went to **King's Cross station**.

The judges said: "The station's redevelopment has been a catalyst for one of the largest regeneration schemes in Europe, in which 26ha of brownfield land has been redeveloped to create eight million sqft of offices, retail and new homes. The new concourse structure was completed at the end of 2011, opening after a significant retail and facilities fit-out in spring 2012, in good time for the Olympics." Presenting the award transport minister Stephen Hammond said it was "a project that works for everyone who uses it".



# Corridors of power



Bombardier's Primove system eliminates overhead electric cables and could be used to supply energy to a range of vehicles.

**Charging can take place at regular stops without disrupting the timetable**

**A** new wireless charging system is demonstrating its potential for powering electric vehicles of all sizes from trams to MPV-sized road vehicles.

For trams, the system has the advantages of eliminating the need for overhead electric catenaries to supply power, allowing transit schemes to be used in heritage sites without visual intrusion.

For buses, it offers quiet operation without the engine noise of a diesel bus, and produces no local emissions.

Demonstrations of Bombardier's Primove system, a key element in the company's Eco4 portfolio of green and energy-saving technologies, are in progress or getting under way in Augsburg in Bavaria and Lommel in Belgium. Funding for the first electric bus project for commercial operation using the technology, in Braunschweig, Lower Saxony, was announced by the German Federal Ministry of Transport in May this year. At Germany's international commercial vehicle show in Hanover in September Bombardier offered demonstration rides on a 12m electric bus developed with manufacturer Vison along a 1.8km test track.

**The low-maintenance system is equally suitable for trams and buses**

The system uses inductive power transfer and allows electric vehicles to be recharged in motion or at rest, without affecting how they are driven or journey times.

Primove was originally conceived as an alternative to catenaries for trams. Running the length of the route corridor but buried in the ground and only energised when a tram was directly above, it would avoid the visual intrusion of overhead wires. However, with advances in battery technology the focus has shifted to having a number of discrete charging points at intervals along the route, with batteries used to store the charge in between.

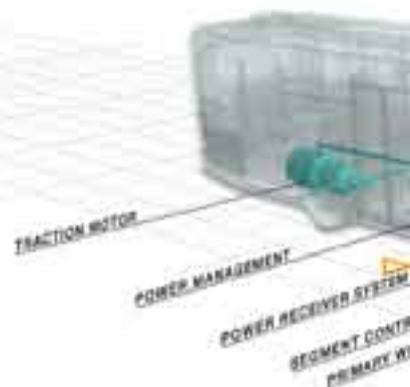
"Originally it was envisaged that there would be no batteries," says Bombardier Transportation business leader for Primove, Jeremie Desjardins. "At the time no battery was able to take the power, but technology has since evolved." The company started work on applying the system to buses three years ago, and at that point looked again at the possibility of using batteries. Now the new approach is being transferred to tram operation as well.

Vehicles can recharge quickly enough to avoid lengthy waiting periods – regular stops can be turned into charging opportunities

without disrupting the timetable. This means the bus or tram needs to carry a smaller battery pack, which makes it lighter, reduces energy consumption and maximises the number of passengers that can be carried.

Energy consumption can be further reduced by up to 30% when the system is combined with regenerative braking using Bombardier's supercapacitor-based Mitrac system.

Primove is simple to install. It has no moving parts and only a small number of components, all





## ange of transport modes. David Fowler reports

and improving reliability.

An intelligent vehicle-detection function energises the underground components only when a bus or tram is above them and makes the charging process fully automated, requiring no training for the driver.

Energy is transferred at surprisingly high efficiency – over 90%, says Bombardier – and is unaffected by adverse weather conditions. M Desjardins admits he was initially surprised at the efficiency figures but adds: “It’s not rocket science when you know how to do it.” For commercial reasons he is unable to divulge more.

The fixed components are supplied as prefabricated modules

which can easily be installed in any ground surface. The system can be fitted to new or existing rail or road infrastructure.

Primary cable segments provide the actual power transfer to the vehicle and are installed just under the road surface. Magnetic shielding under the primary winding prevents electromagnetic interference. The vehicle detection cable senses when a Primove-equipped vehicle is above the segment and switches the power on.

On the vehicle, the Primove power receiver system consists of a pick-up and compensation condenser installed underneath the vehicle. They convert the magnetic field from the primary

winding into alternating current. This is then converted into direct current to power and charge the vehicle.

At the design stage, an energy simulation is carried out along the route to decide the most suitable points to install charging stations.

The system also has potential for use in automotive applications such as delivery vans and taxis. In the case of delivery vans, charging points would be installed underground at loading docks to enable recharging while vehicles were being loaded and unloaded. With taxis, inductive segments could be integrated beneath taxi ranks at railway stations and airports to allow vehicles to be charged while queuing for their next customers.

In September 2010, Bombardier installed Primove on an 800m section of Augsburg’s line 3 to the city’s trade fair centre, in a project co-funded by the federal ministry of transport and carried out in cooperation with the Augsburg Transport Authority. One Primove-equipped tram has been operating since then. The 750V DC power supply network has demonstrated its reliability under all conditions.

In the second phase beginning in autumn last year and lasting

till this summer, buses and a Vito van underwent tests to demonstrate the multi-modal nature of the system.

In October 2010, Bombardier joined the Flanders DRIVE research project in Lommel in which a consortium of industrial companies and R&D specialists came together to research the potential of inductive charging for electric road vehicles. The project demonstrated high power transfer in both dynamic and stationary use.

The focus has now changed to bringing the technology to market. The first Primove bus project for passenger operation has been launched in the city of Braunschweig. A 12km section of the bus network will be served by two Primove-equipped buses. The federal ministry of transport is granting Bombardier and its project partners, the public transport operator Braunschweiger Verkehrsbetriebe, the local energy company BS Energy, and the Technical University of Braunschweig €2.9m to fund the initiative.

The two Solaris buses are due to start operating in summer next year. A commercial pilot for car or taxi use, with a logistics provider, is expected to be announced soon.





### Wireless in Milton Keynes

The buses will be recharged in the time scheduled for driver breaks



**W**ireless charging is coming to the UK in a project launched last month in Milton Keynes. Eight organisations led by Mitsui Europe have signed a five-year collaboration agreement which will lead to the replacement of diesel buses on one of the city's main bus routes by next summer.

Milton Keynes's route 7 carries 775,000 passengers annually. Eight electric buses will replace diesel buses on the route seven days a week.

Because the buses will be able to recharge their batteries wirelessly throughout the day, the electric buses will be capable of the same duties as a diesel bus.

The trial is being planned and managed by a joint venture between Mitsui and Arup, MBK Arup Sustainable Projects, with the aim of collecting data to demonstrate the economic viability of low-carbon transport. This could help to launch similar projects in towns and cities worldwide.

The charging technology supplier is Germany's Conductix-Wampfler. The other partners in the trial are Mitsui subsidiary eFleet Integrated Services, Milton Keynes Council, bus operator Arriva, bus manufacturer Wrightbus, Western Power Distribution, Chargemaster, and Scottish & Southern Electricity.

Conductix-Wampfler's charging technology is based, like Bombardier's, on the principle of induction.

Ten minutes parked over a coil will be enough to replenish two-thirds of the energy consumed by the bus on the

route. The primary coils will be placed at three points on the route, and the buses will charge in the time scheduled for driver breaks at the end of the route.

In an earlier field trial conducted with Daimler using two Mercedes-Benz buses the system achieved an efficiency of 90%, which the company says is close to cable charging if all the components from socket to battery are taken into account.

Conductix-Wampfler has developed all components of the charging system while Daimler provided a driver assistance system to allow the bus to be stopped above the charging coils in the correct positioning for optimising charging efficiency.

John Miles, who initiated the trial from Arup, said: "The Milton Keynes buses will be able to cover a heavily-used urban route because they are able to charge for 10 minutes at the beginning and end of each cycle without interrupting the timetable. This means that for the first time, an electric bus will effectively be able to do everything a diesel bus can do, which is a significant step forwards to a cleaner, quieter public transport system."

Noriaki Sakamoto, managing director of Mitsui Europe, said that the reduction in bus service operators grant would increase operating costs for diesel buses. "This, coupled with the anticipated reduction in the cost of batteries and electric drive systems for buses as well as the introduction of wireless charging, means that the electric bus is now a real contender in the future of public transport."

# Green technology

**N**early 2,000 visitors came to see the latest in low carbon technology displayed by 150 exhibitors at the fifth Cenex Low Carbon Vehicle event at Millbrook Proving Ground last month.

Highlights of LCV2012 included the launch of a communicating charging point billed as a step towards the smart grid, inauguration of a hydrogen fuelling station at Millbrook and the announcement of the winners of the Low Carbon Vehicle Partnership's Urban Mobility Technical Challenge (overleaf). Exhibitors included vehicle manufacturers such as Jaguar Land Rover, Ford, Nissan and Vauxhall as well as a range of technology suppliers.

Electric vehicle charging company Pod Point's communicating charge point is said to be the first in Europe and is designed to turn the charging location into a smart energy hub, by providing local energy management.

POD Point technical director Steve Large said the Solo2 represents a bridging technology that brings the smart grid closer. "The communicating charge point is a smart energy hub that can be programmed to initiate the charging cycle when the carbon mix of the grid is at its lowest, or synchronise charging cycles according to the availability of locally generated electricity. It can

also improve energy efficiency by using the spare energy from buildings to charge parked cars."

The Solo2 contains a GPRS system that allows two-way communication between the charge point and a smartphone or web-based account, allowing remote control of the charging cycle. The most immediate benefit to many drivers will be the ability to remotely set the time for charging, so they can make the most of the lower cost of off-peak electricity. Businesses and corporate charge point owners will also benefit by being able to cap the amount of electricity supplied to individual users, and produce automated expense reports detailing the amount of electricity supplied to each user.

Millbrook, in partnership with Air Products, took the opportunity at the event to launch the UK's first commercially available hydrogen fuelling station at an automotive engineering and test site. The SmartFuel station was opened by the newly appointed business and enterprise minister Michael Fallon, who also provided the keynote speech at LCV2012. The new fuelling station represents a step forward for the development of a hydrogen infrastructure. It can deliver hydrogen at either 350 or 700 bar, allowing it to refuel state-of-the-art fuel cell vehicles that store hydrogen at a higher pressure.



# Technology on show at LCV2012

To demonstrate its expertise in optimising fuel and energy consumption Millbrook ran a competition for visitors to drive a range of petrol, diesel and electric vehicles around its test tracks. Each vehicle was fitted with datalogging instrumentation to measure fuel or energy consumption and the most economical driver was awarded the Millbrook trophy at the end of the two-day event.

Two exhibitors at the event, consultant Ricardo and fuel cell specialist Intelligent Energy, announced that they are to work together in applying their respective expertise in advanced low carbon vehicle engineering and fuel cell power technology platforms. The new partnership will provide customers with a fully integrated design, engineering and implementation capability for fuel cell electric vehicles.

The two companies have a proven track record of successful collaboration in engineering and development programmes and believe that their combined capabilities will unlock synergy in undertaking fuel cell electric vehicle projects. Intelligent Energy's proprietary fuel cell power technology platforms are targeted at production automotive as well as stationary power and consumer electronics applications, and this will be the initial focus of the non-exclusive collaboration.

British hybrid and electric powertrain specialist Hyperdrive launched a new production-ready range-extender for electric vehicles which it showed in a demonstration electric car.

The Hyperdrive CUE-V is based on a standard family car. With the range extender fitted, overall powertrain weight is reduced by 50kg, at the same time eliminating "range anxiety" associated with electric cars.

The range extender is a single-cylinder four-stroke internal combustion engine optimised for this application but using proven, low-cost technology. In the CUE-V, the 60kg unit develops 15kW at 5,000rpm, sufficient to allow cruising at 60mph without depleting the batteries. In turn this allows a substantial reduction in the size and weight of the battery pack and associated systems such as cooling and power electronics.

The CUE-V also uses Hyperdrive's own battery pack, which the company believes offers the highest energy density of any comparable system on the market. It uses lithium-manganese-cobalt cells with Hyperdrive's battery management system.

Hyperdrive managing director Stephen Irish said that most electric vehicles are fitted with too many batteries, simply to reduce range anxiety. The average journey in the UK is around 20km, and 80% of journeys in Europe are less than 30km. "If batteries could be sized for the majority of journeys the cost and weight of electric vehicles would fall sharply," he said. There are other issues concerning batteries including the environmental impact of mining some of their constituent materials, end of life recycling, and the cooling and control systems needed.

Liquid fuels have an energy density of around 1000 times that of today's traction batteries. "That means that the most convenient way of travelling long distances remains an internal combustion engine, while the most environmentally responsible way of travelling average distances is using low-emission, night-time generated electricity. With a range-extender vehicle, you can do both," said Mr Irish.

Ashwoods exhibited its Light-foot in-cab fuel saving system, which it describes as like having a professional trainer sitting next to every driver every day. The system uses a red-amber-green dashboard display to give the driver real-time feedback on how efficiently they are driving, advising when to change gear and so on. It monitors performance and sends an email report to the fleet manager at weekly or monthly intervals. The company says that the system costs only £250 per vehicle to fit, and has been shown to save up to 18% on fuel consumption, giving a return on investment within the first month.

LCV 2012 was organised by Cenex, the centre of excellence for low carbon and fuel cell technology, in partnership with the Department for Business, Innovation and Skills, the Technology Strategy Board, and UK Trade and Investment.



Business minister Michael Fallon at the inauguration of the Smart Fuel hydrogen fuelling

## trueform

### Regional Sales Executives/Managers Passenger Transport Infrastructure Hardware

Position 1:- Southern / Central England & Wales

Position 2:- Scotland & Northern England

Trueform Group, a leading designer, manufacturer, installer and maintainer of technology enabled public transport infrastructure hardware – (bus stops, shelters, electronic displays, journey planning kiosks, CCTV and solar powered lighting systems) is looking to recruit two high calibre Sales Executives for the Southern/Central England/Wales regions and for the Scotland and Northern England regions.

The successful candidates must be able to demonstrate a proven track record of sales, sales management and tender preparation within the passenger transport industry.

An integral part of the sales and marketing team, you will be responsible for responding to new enquiries, generating new leads and business opportunities, preparing quotations and tenders for customers within the bus, rail, light rail, BRT & LRT passenger transport industry.

Self motivated, highly organised with excellent oral, written, communication and interpersonal skills you will assist in the continuous improvement of our products and services whilst maintaining and building upon our high quality market reputation.

A forward thinking, progressive company, Trueform is aiming for significant market growth both in the UK and overseas. Working primarily from the company head office in Hayes, Middlesex for the southern / central England position, and from the companies Leeds, Newcastle or Glasgow depots for the Scotland /Northern England position, the candidate is expected to have high levels of drive and commitment, a flexible approach and will be expected to travel in order to generate and service the geographical customer base.

Attractive package awaits the right candidate. Salary Band 28K - £40K

Applications, including CV should be addressed to:

**Hayley Russell – HR**

**Trueform Unit 12, Pasadena Trading Estate, Hayes Middlesex UB33NQ**

Or email:-

**Hayley.russell@trueform.co.uk**

**www.trueform.co.uk**





# Winners challenge

A competition to encourage innovations to reduce car...

**T**he Low Carbon Urban Mobility Technology Challenge was a competition to identify and promote ideas with the potential to cut carbon emissions and other environmental effects arising from transport in cities.

Winning proposals included a lightweight, driverless electric bus; a system to improve the efficiency of urban freight transport; a bus-taxi hybrid; a low carbon, community-managed car club; plus two variants of lightweight, single seat electric vehicles.

The winners were: Capoco Design, Ecospin, Esoterix Systems, Hugh Frost Designs, SusMobil, and WeatherVelo.

Judges included senior representatives of the Technology Strategy Board; the Transport Research Laboratory; the Institution of Mechanical Engineers; the Low Carbon Vehicle Partnership; and other leading industrial organisations and experts.

Capoco Design's Mobilicity system is a collective system that uses lightweight, electrically-powered, driverless pods to transport people more efficiently than existing transport systems. The current design can carry up to 24 passengers, and has 11 seats and 1 wheelchair space. Research for the system, which incorporates a number of advanced technologies, began in 2002.

## trueform

### Sales Executive - Rail

Passenger Rail Platform Furniture, Signage & Displays  
Network Rail, London Underground, TfL, Crossrail, TOC's

Trueform Group, a leading designer, manufacturer, installer and maintainer of technology enabled public transport infrastructure hardware – (platform signage, shelters, electronic displays, journey planning kiosks, CCTV and solar powered lighting systems) is looking to recruit a high calibre Sales Executive/Manager.

The successful candidate must be able to demonstrate a proven track record of sales, sales management and tender preparation within the Network Rail and London Underground rail passenger transport industry.

An integral part of the sales and marketing team, you will be responsible for generating and responding to new enquiries, generating new leads, order opportunities, preparing quotations and tender returns for customers such as Network Rail, London Underground, TfL, LOROL, Crossrail, TOC's, systems integrators and main contractors.

Self motivated, highly organised with excellent oral, written, communication and interpersonal skills you will assist in the continuous improvement of our products and services whilst maintaining and building upon our high quality market reputation.

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**www.trueform.co.uk**



Clockwise from top left: Ecospin's Raptor stand-on three-wheeler; SusMobil's low-carbon car club; and the WeatherVelo Prime cabin-scooter

# accepted wisdom

on emissions produced some impressive thinking

Capoco is seeking funding for technology demonstrators.

Ecospin has developed the world's first road-legal 3-wheel stand-on electric vehicle. The vehicle, called Raptor, is aimed at organisations such as the police, airport security, post office deliveries, paramedics and a range of private organisations.

Esoterix is a Bristol-based start-up whose flagship project, "Buxi", is designed to combine the efficiency of a bus with the flexibility of a taxi. Users book journeys at short notice and a buxi provides door-to-door transport at an agreed time. Passengers share the vehicle space, and cost, with others. The designers say the system is afford-

able, convenient and reliable.

Hugh Frost Designs entered three individual projects with a fourth that combines key elements. Freight\*Lift removes the requirement for pallets in freight transport (over a billion pallets are wasted annually).

Cool\*Run, combined with Freight\*Lift, allows transport of products of different temperatures in one vehicle without the traditional chillers and insulated body constraints.

Freight\*Bus uses surplus bus capacity at off-peak times to transport freight. Finally the company's "To-you it's local" model combines the three technologies into a unique system for businesses.

SusMobil presented a design for a low-carbon, community-managed car club specifically for short inner-city journeys. SusMobil proposes providing a fleet of cars and a network of charging points allowing local residents and business users access to low carbon vehicles for short-hop journeys, with hiring charged by the minute. A micro-factory would be established in each city, employing staff to assemble the vehicles, install and manage the infrastructure and train in engineering and technology skills.

WeatherVelo specialises in eco-vehicles for personal urban mobility, to bridge the gap between two-wheelers and cars. The WeatherVelo Prime cabin-

scooter is a pure electric single-seater, weighing under 150kg for optimal energy efficiency. It emits less than 8g/km of carbon dioxide well-to-wheel. It is a slender and manoeuvrable three-wheeler with a roofline equivalent to cars, for safety in traffic. The working prototype is nearing completion.

The competition was run by the Low Carbon Vehicle Partnership and sponsored by TRL.

**The Technology Challenges winning entries will be presented at an afternoon event on Monday 10 December (provisional date) in Central London. See [www.lowcvp.org.uk/events](http://www.lowcvp.org.uk/events) for more details**



Low carbon car club; Capoco Design's Mobilicity;





# Fringe benefits

*Transport Times* held lively fringe events at all three main party conferences – on bus, rail and aviation at the Conservative and Labour gatherings, and bus and rail at the Liberal Democrats' event.

A wide range of speakers included three out of four transport ministers alongside senior industry figures. Sponsors were Greener Journeys (bus), Siemens and Keolis (rail) and Birmingham Airport and Cubic (aviation). Here, we give a flavour of the debates that ensued. Overleaf, a personal view of the conference season from **John Lehal**.

## Britain's buses – Driving the Economy Forward Liberal Democrat conference, 24 September



Norman Baker: Greener Journeys report was "great ammunition"

“The Department for Transport will spend £2bn on buses this year”

**B**us was “the primary form of public transport”, with significantly more users than rail, said Liberal Democrat transport minister Norman Baker at the TT/Greener Journeys fringe event. Mr Baker praised the recent Greener Journeys report *Bus Policy: a five-point plan for growth* (TT, July) which he said had provided “great ammunition” for him in promoting buses and their role in supporting economic growth to ministers in other departments.

To encourage cross-departmental joined-up thinking, Mr Baker said he had sent the report to various departments including the Treasury. “You don’t have to convince me but you do

have to remind others in Government how buses can help them,” he said.

The Department for Transport would spend around £2bn on buses this year, Mr Baker said, and he outlined some of the policies he had introduced as transport minister, including the Better Bus Areas Fund.

There had been £600m investment in the Local Sustainable Transport Fund, which had the dual aim of reducing carbon emissions and supporting economic growth.

Mr Baker believed that there could be a “virtuous circle” in promoting bus use. Increased passenger numbers would lead to higher profits for operators, which would in turn enable them to expand and improve services.

Greener Journeys chief executive Claire Haigh, chairing the meeting, reiterated the findings of the research commissioned from Leeds University’s Institute for Transport Studies. This showed how buses “oiled the wheels” of the economy. Bus commuters generate over £64bn of economic output, she said.

Passenger Focus chief executive Anthony Smith asked whether we had fallen out of love with the bus. His organisation’s research gave the opposite impression, he said. However, choice was important. Consumers should not be forced to use buses because there was no other option, and buses should provide the right balance of cost and convenience. Punctuality and reliability were the two key factors in improving the levels of bus use, Mr Smith said.

Mr Smith asked how more people could be encouraged to use the bus. Research conducted by Passenger Focus in car-dependent Milton Keynes found that non-users’ perception of buses was divorced from reality. Some people had not used buses in 30 years, and were not aware of improvements in bus services in recent times, he said.

Dr Adam Marshall, director of policy and external affairs of the British Chambers of Commerce, said there was a need to improve the perceptions of comfort, reliability and punctuality of buses among business managers. Middle and senior managers would decide whether to subsidise travel for their staff or to provide season ticket loans.

He urged local businesses and the bus industry to join forces to combat some of the inconsistencies in the planning framework. Both their interests are served when new routes are opened up and services are expanded, he said. And the Government should sharpen up its methods of appraising the benefits of bus use in assessing the benefits of different modes of transport.

Go-Ahead managing director for bus development Martin Dean said the bus industry often felt marginalised and had just got on with things “under the radar”.

For those between the ages of 16-19, bus was the most popular mode of travel, and it was vitally important to business, Mr Dean said. He added that politicians are perhaps more focused on the more high-profile projects such as high-speed rail, but the importance of buses should not be forgotten.

He pointed out that local authorities had no statutory requirement to support bus services, so local bus services had been affected by cuts in their budgets. Bus services had been seen by local authorities as an “easy cut”, he added.

At the equivalent event at the Labour conference, shadow transport secretary Maria Eagle also praised Greener Journeys’ report as “a really good piece of work”. She added: “If you can get people around and moving, the bus is a driver for economic growth. If you can get it right, the bus can promote all kinds of benefits – for example cleaner, greener travel and congestion benefits.”

## How to sustain the growth in rail travel Conservative Party conference, 9 October

**T**ransport Secretary Patrick McLoughlin said the Government had to learn the lessons from the collapse of the West Coast mainline franchise process after the “difficult announcement” he had made the previous week, calling a halt to the award of the franchise to First Group and announcing it would be re-run. The Government had set up two inquiries at the Department for Transport to investigate the issues surrounding franchising, he said.

*Transport Times*’s David Begg, chairing the meeting, warned of over-reacting and said it was important to remain focused on the growth of rail patronage in the years ahead, despite the problems of the West Coast line.

Mr McLoughlin said the privatisation of the rail system had led to “a number of real achievements”. Capacity on the railways needed to be expanded. Meanwhile the Government had committed itself to restricting fare rises to 1% above RPI for the next two years. Mr McLoughlin said the Government needed to review the fares system “deeply,” but added there was not an easy answer to it.

On High Speed 2, the transport secretary drew attention to his ambition to reduce the journey time between London and Scotland to three hours by high speed rail. It was important, he said, to convince opponents of HS2 of the merits of the system.

In conclusion he said the future of the railways rested on “the ingenuity of the private sector”.

Keolis UK chief executive Alistair Gordon identified three criteria to ensure rail growth continued: maintaining privatisation; investment; and value for money. Railways should be kept in private hands because rail use and profit had risen every year since privatisation. The “energy and determination of private companies” had led to improvement, said Mr Gordon, though he conceded that the system was “not perfect”.

In particular, Mr Gordon felt the train operators had their hands tied on the fares structure. He called for greater investment in rail infrastructure, particularly through the introduction of HS2, electrification and new rolling stock.

Regarding value for money, Mr Gordon said it was up to the train operators to find efficiencies so that the



Patrick McLoughlin (centre) with Steve Scrimshaw (right)

burden of rising costs did not fall on the taxpayer or the consumer.

Siemens Rail Systems managing director Steve Scrimshaw said that Siemens, preferred bidder for Thameslink rolling stock, had been in the UK for 170 years and had 13,000 UK employees. Siemens had localised many key aspects of the Thameslink deal, he added, but testing had to remain in Germany because there was insufficient space in the UK.

Mr Scrimshaw said manufacturers had risen to the challenge of meeting sustainability and environmental criteria for new rolling stock. It was the role of government to set the policy and the role of business to innovate, he added.

**Rail use has risen every year since privatisation**

## The future of aviation Labour Party conference, 1 October

**S**hadow transport minister Jim Fitzpatrick said that the number of air passengers predicted in Britain by 2030 has been revised downwards from 500 million, a figure first produced by the Labour government only a few years ago, to 300 million. The current figure is around 220 million.

Mr Fitzpatrick pointed out that it was a Labour government that produced the last credible document to govern air transport infrastructure planning in the UK, the 2003 white paper *The Future of Air Transport*. The white paper had been clear about where capacity should and should not be added, and was specific about the environmental criteria that would have to be met in return, particularly at Heathrow. Almost nine years later, its successor will not make an appearance for another three years.

Birmingham Airport public affairs director John Morris argued that choosing where infrastructure should be built is an issue “bigger than aviation”, encompassing choices about rebalancing the UK economy. Mr Morris referred to a new brochure *Don't put all your eggs in one basket: A challenge*

*to aviation orthodoxy*, written by the airport's chief executive Paul Kehoe. One of the document's main themes is that the failure to respond to trends in global travel is harming the UK.

Lack of connectivity between city-regions such as Birmingham, Manchester and Leeds means that access to new national markets is being restricted and Britain is missing out on trade with the world's fastest-growing economies. A British Chamber of Commerce survey of 350 company directors from countries such as Brazil, India and China found that 67% were more likely to do business in countries like France, Germany and the Netherlands because their airports were better connected and easier to access. But the same proportion also said they would do business in Britain if flight connections improved.

The Birmingham paper also called for a review of the pricing structure used to regulate airports by the CAA, allowing regional airports to have a voice within the negotiations, exploring the idea of a system of congestion charging at congested airports and abandoning of the current mechanism.

Mr Morris made Birmingham's case



Birmingham Airport's John Morris called for a new airport charging system

that it can add up to an extra 10 million passengers annually without any additional infrastructure, relieving the London airports. As 75% of the UK population does not live in or around London, those passengers would primarily be from the UK regions, many of whom are forced to use the London airports – especially Heathrow – for lack of an alternative.

David Begg, chairing the meeting, asked whether Birmingham's proposal would entail the enforced direction of airlines away from Heathrow to other airports. The consensus of opinion seemed to be that measures, such as reduced regional levels of air passenger duty, would be preferable.

**Britain is missing out on trade with fast-growing economies**



# Bold ambitions may yet be thwarted

Politicians at all the party conferences called for urgent action on issues from high speed rail to aviation. But political reality militates against speed, says **John Lehal**



John Lehal

In the age of Isambard Kingdom Brunel and George Stephenson a new railway – such as the London to Birmingham line – could be planned, built and opened within just five years. At the Conservative party conference Transport Secretary Patrick McLoughlin attempted to rekindle the spirit of these great engineers for the transport challenges of today. His sense of scale and urgency was shared at all three party conferences, where the message on transport was clear: act boldly and act fast, or gamble away the nation's prosperity.

On the railways, the government's ambitions are certainly bold. Mr McLoughlin reminded the conference that we are experiencing "the biggest investment in the railways since the Victorian age". Crossrail is the biggest infrastructure project in Europe, and transport minister Stephen Hammond, speaking at a fringe event, said that it is already time to start thinking about a second, north-south Crossrail project.

High Speed 2 is, of course, the Government's biggest railway ambition, and it received much attention at each of the conferences, with Mr McLoughlin re-selling the high speed project to a sceptical Conservative audience. He announced that detailed plans for the route north of Birmingham will be published soon, and stated his intention for the completed line to extend to Scotland, cutting London to Scotland journey times to under three hours. Mr McLoughlin reminded the conference that the aim of HS2 is not merely to create faster journeys. His vision was that HS2 would free capacity on existing railway lines so that heavy freight can move from the M6 and M1 on to rail.

Fighting back at critics who say HS2 is too expensive, the transport secretary said "we can't afford not to build it", and argued that HS2 is necessary if Britain

wants to keep up with its international competitors. Stephen Hammond was even more urgent, stressing that the West Coast main line will reach capacity by 2015 rather than 2020 as originally thought. At the Labour party conference, shadow transport secretary Maria Eagle urged Mr McLoughlin to "get behind this project in a way your predecessors failed to do."

In aviation, too, there was a resounding appeal for urgent action. Stephen Hammond, at the *Transport Times* fringe event, said that we must look at what Britain's needs are on a 50 to 70 year time horizon when coming up with a solution, but stated the need

**Stephen Hammond stressed the West Coast mainline will reach capacity by 2015 rather than 2020**

for short-term compromises and keeping politics out of the issue.

Boris Johnson, who has been highly critical of the Government's lack of speed in making a decision pressed for urgency in his conference speech. "We are going to sort out our aviation capacity problem, aren't we?" he asked the conference. "Though we're not going to build a third runway."

There is no doubt that the Government has ambitions as big as those of those of the Victorian engineers of the past, but how swiftly can the political climate realistically allow action to be taken? HS2 may be Conservative policy, but the route from London to Birmingham cuts through Conservative heartlands, creating hostile constituents, and in turn hostile Conservative MPs.

Then there is the Heathrow issue. Whether or not HS2's route out of London connects with

Heathrow is tied to the debate over the future of London's hub airport, and with a decision on that unlikely to be made before the next parliament, the route details could be debated for some time. Finally, HS2 will have to withstand the test of Britain's planning procedure, and any legal action taken by disaffected residents. It is entirely possible that this big dream could become a pipe dream.

With airports, ministers may be fond of speaking in urgent terms, but the referral to the Davies Commission suggests they are content to kick the issue into the long grass. If the Conservatives were to back a third runway at Heathrow prior to the next general election, they would be accused of breaking a manifesto pledge. It looks unlikely that the Government will sign up to Boris Island, given that it has so far excluded the London mayor from the consultation process, as Boris's aviation adviser Daniel Moylan complained at a *Transport Times* event. The politics between the Government and the Mayor will undoubtedly become heated.

Where we may expect swift action is in rail reform. The debacle over the West Coast main line franchise took place during the conference season, and embarrassed the Government. But the West Coast bidding process is only the tip of the iceberg. Transport ministers are under pressure over rail fares, the ticketing system, and passenger refunds. Depending on what is unearthed in the reports, the franchise debacle could be the catalyst for the drastic reform of Britain's privatised railway.

Brunel and Stephenson can rest assured that great transport ambitions are still alive, but they would surely be baffled by the new Victorians' inability to take swift action.

**John Lehal is managing director of Insight Public Affairs**

# EDINBURGH



## SHORTLISTED

For the 'Achievements in Cycling' and 'Travel Info and Marketing' categories, National Transport Awards 2012

## SCOTLAND'S CYCLING FRIENDLY CAPITAL CITY

The Council is successfully attracting more people to cycling. Its ambitious plan of investment, improvements and initiatives is making cycling an attractive and practical choice for getting around the city.

First UK city to sign up to the Charter of Brussels with its target of 15% of all trips by bike by 2020.

More commuter trips by bicycle than any other city in Scotland.

Groundbreaking 'Active Travel Action Plan' is expanding the city's cycle network to attract cyclists of all ages and levels of experience.

Only city to commit 5% of its transport budget to cycling, increasing by 1% every year to 2017.

[www.edinburgh.gov.uk](http://www.edinburgh.gov.uk)

Winner: 'Best Travel to Work and School Scheme', Scottish Transport Awards, 2012

Winner: 'Excellence in Technology and Innovation', Scottish Transport Awards, 2011

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YOUR COUNCIL - YOUR ENVIRONMENT



# Nottingham Transport City of the Year 2012

## Nottingham City Council Transport Local Authority of the Year 2012

Nottingham's public transport carries 76 million passengers a year - a 13% increase in nine years

An innovative Statutory Quality Partnership Scheme is improving the standard of bus services

Integrated creative approaches developed in collaboration with local public and private sector partners

The first East Midlands city to introduce electric buses

The third least car dependent city in the UK

£570m expansion of Nottingham's tram network

£67m redevelopment of Nottingham's railway station into a 21st Century transport hub

Congestion levels held for the past six years

Lowest carbon emissions from transport of all the core cities

Record 15% increase in cycling levels between 2010 and 2011

Highest resident satisfaction for overall highways and transport services in the country (National Highways and Transport Survey 2012)

A successful start to the country's first Workplace Parking Levy – helping to fund Nottingham's public transport investment

