

Money's too tight to mention



OPINION

It's make-or-break season for the industry's finances. Passenger numbers are up; overall performance remains static. Paul Clifton asks the question: is rail worth the cost?

OUR ACQUAINTANCE MR D. LAY HAS BEEN HAVING quite an uncomfortable time travelling around the country. One in five trains still arrives late.

But even if the trains are rather less punctual than he would like, passenger numbers are at their highest level since 1961, and passenger kilometres travelled are greater than in any year since 1947 – when the network was very much larger.

Those figures suggest that the intensively-used railways are popular and successful. The achievement is remarkable. Most industries that have seen the number of customers jump by more than a third in 10 years would be laughing their way to the bank. What's more, the growth has been handled on existing infrastructure.

At the same time, the Freight Transport Association calculates that road congestion is costing the UK economy more than £20 billion each year. That's equivalent to £450 for every man, woman and child in the country. It is a colossal waste of money.

The Transport Secretary, Alistair Darling, has said that government policy will slow down the rate of growth of the congestion problem. In other words, the £20 billion problem is going to get worse – just less rapidly than previously predicted. By 2010 the traffic could be 'only' between 11 and 20 per cent worse than it is now.

Drive through the roadworks on the M25 near Heathrow, and you will quickly conclude that 20 per cent more congestion would be unbearable, whether you are driving to a business meeting, delivering supplies to a factory, or merely late collecting your children from a birthday party.

Looked at in this light, the railways should be on a roll.

It isn't. It is clear that the huge amount of money being spent on transport is not having the desired effect. The dilemma facing the Government is whether to increase spending further still, or follow the example of previous regimes, and leave it as a project for the next batch of ministers to sort out. Whatever extra they spend now will not have an effect visible to voters this side of an election – and there are plenty of other deserving good causes clamouring for the Treasury's largesse, which could bring a more rapid return on the political capital invested in them.

Public subsidy for the railway is more than double the level of three years ago. This year it will be not far short of £4 billion. The European Commission reported that the railways now account for almost two thirds of all state subsidies to British industry.

But efforts to resolve the railway's financial problems will not be addressed before late July. The Department for Transport has binned the Strategic Rail Authority's

annual plan, due for publication in January, because any promises would lack credibility until the future level of Treasury support has been decided. The DfT said a strategy document would 'make no sense' without clarity on funding. Shortly afterwards, we learned of Alistair Darling's industry-wide review.

A copy of the draft strategy slipped out, and landed up in the hands of a national newspaper. How 'accidentally' this was allowed to happen by the SRA is anyone's guess. But the Government was quick to say that it had not tried to suppress an evidently embarrassing document.



'An industry's entire development budget is being invested in things travellers would barely notice'

Why was it embarrassing? Because it apparently demonstrated that almost all the money earmarked for railways would be absorbed by maintenance of the existing network, leaving little for any enhancement to handle the steadily increasing public demand for rail travel.

An industry's entire development budget is being invested in things travellers would barely notice, merely to maintain standards that are no better today than they were 10 years ago.

Virtually all the grand plans to improve the railway infrastructure have been shelved. Never mind the proposed high-speed line to Scotland, even limited scale ideas that made overwhelming sense have been packed away. Take the very busy Reading station, used by thousands of commuters in the Thames Valley, who fight through the rush-hour traffic jams to leave their cars in the heart of a large town they have no need to visit. They're only looking for a parking space *en route* to London, and the abandoned idea of a parkway station outside Reading would have benefits that stretch well beyond rail users alone. The even simpler compromise, of providing an extra through platform to ease the rail congestion, is also going nowhere in particular.

As for the modernisation of the Great Western main

line as a whole – due in the next few years – that has joined the long SRA ‘wish list’ of desirable one-day-in-the-future projects without funding.

Instead of the booming success of the passenger statistics, many have concluded that the railways are in a bigger mess now than at any point since privatisation. Money is being poured in, and neither performance nor capacity are getting significantly better. Although rail is carrying many people, its impact on the greater problem of road traffic congestion is so small that it is lost in the unquantifiable statistical chaff.

Many parts of the rail industry are, by and large, doing better than a year ago. Many train operators have improved, and new or altered franchises have been arranged. South West Trains, for example, has been boasting of its record in maintaining rolling stock, with sometimes astonishingly high mileages between breakdowns.

We have been sifting through some strong entries for this month’s Rail Business Awards – boxes full of detailed submissions from companies which have achieved good things over the last 12 months. As with previous years, we are finding plenty to commend and celebrate.

The problem is that the people who matter don’t notice them. They’re being asked to pay above-inflation fare increases for below-expectation improvements to their journey. They probably recognise that some trains are a bit cleaner, that the level crossing is less bumpy, or that the coffee from the catering trolley is a little tastier than

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before. Many train crews are getting better at delivering the standard of customer service that passengers are accustomed to receiving from airlines, coach operators or holiday hire car companies. Some lucky travellers get superb new rolling stock, with a great deal more to come over the next 18 months.

But the passengers I speak to are quick to blame their local train operator for any delay, even when the delay is due to an infrastructure problem. Question them further and, generally, people have quite a sophisticated understanding of where the blame lies – but they don’t particularly care who runs which bit of the railway, so long as it works properly.

For them the value of the small, positive changes is still dwarfed by the impact of the big negative ones. The infrastructure continues to haemorrhage money. The SRA says the top three causes of train delays for which Network Rail is responsible have all got worse – track circuit failures up 15 per cent, broken rails up 31 per cent and points failures up 15 per cent.

The Government is hardly going to let the rail industry rot in the problems of its own making. But it is already a financial millstone, and shows every indication of remaining one for the foreseeable future.

What is most remarkable is that passenger numbers have grown despite all these problems, and despite the lack of improvement in reliability, overcrowding or journey times. Just imagine what might have been possible had finances been kept under control!

Prescott first VIP at new facility

Just 24 hours after the official opening of Leeds Station’s new ticket office, Arriva Train Northern, which manages the facility, has served its first famous customer.

Deputy Prime Minister, John Prescott MP, dropped in to buy a rail ticket to Newcastle with Arriva. Mr Prescott was visiting Leeds as part of a tour across the North of England to participate in a series of business debates regarding elected regional assemblies.

Dyan Crowther, Arriva Trains Northern’s managing director, said: ‘Our travel advisors were delighted to be able to serve such a high-profile member of the Government. It is not every day that you get to try out your customer service skills on the Deputy Prime Minister.’



Arriva has spent around £330,000 on modernising the ticket office, with new counters and lighting, as well as improved facilities for customers with

disabilities. They include sophisticated speakers and microphones to improve the conversation clarity between customers and travel advisors, and induction

loops for people with hearing difficulties so that the travel advisor’s voice can be transmitted directly into their hearing aid. A special low-level counter section is

also available for wheelchair users

John Prescott is pictured above with Arriva Trains Northern travel advisor, Tahir Ahmed.