



# WHY TARGETED RAIL GROWTH SHOULD BE A NATIONAL AIM



**GIVEN** Government aims to achieve a more integrated and sustainable transport system, you'd think that encouraging travel by train would automatically be on the

agenda. However, published in July 2004, *The Future of Rail* White Paper<sup>1</sup> was notable for the absence of any rail growth targets. This shows a lamentable lack of vision. In particular, encouraging train travel at times and in places where the network is currently under-utilised seems like a critical issue for both increasing the viability of the railways and contributing to broader transport policy goals. Achieving this is likely to require taking more national responsibility for information provision, marketing, ticketing, and making the links between the rail network and other modes.

The case for encouraging people to switch from car – or plane – to train is strong. Environmentally, trains beat them both in most reasonable comparisons, and future measures to improve rail's environmental performance (like the introduction of lower-sulphur diesel) should give trains a considerable advantage. On busy routes, trains can accommodate significantly more people than conventional buses or coaches, and the dedicated network usually gives them the edge in terms of reliability and speed.

Although there are legitimate arguments which say that we should be encouraging increasingly localised patterns of activity (and rail is often not the most appropriate mode for short journeys), medium- and long-distance trips are a significant part of our current travel. Given this, failing to plan for rail growth (while explicitly planning for car and air traffic growth) seems absurd.

One reason why rail growth may be off the agenda is that, as highlighted in the recent 'rail congestion charge' debate, the priorities of those involved in rail are often significantly different from those involved in overall national transport policy. Partly, this is because of the specific nature of rail.

In particular, rail travel is concentrated in London and the South East (LSE). In 2003/04, 49 per cent of all passenger-kilometres travelled were undertaken on routes run by LSE operators. Partly this is because there were more trains (41 per cent of all timetabled train-kilometres). However, there is not an exact match. For example, in contrast, the regional operators accounted for only 18 per cent of passenger-kilometres, but 37 per cent of all scheduled train-kilometres (the remainder – 33 per cent of travel and 22 per cent of train-kilometres – were on long-distance services).<sup>2</sup>

It is also notable that much train travel is for commuting, and is concentrated in the peak period. According to the *London Area Travel Survey*, 72 per cent of all weekday rail trips are made during the peak period (defined, in that survey, as 6:30-10am and 4-8pm).<sup>3</sup> This compares with aggregated National Travel Survey data (1992-2000), which suggests that less than 50 per cent of all weekday trips are made during this time.<sup>4</sup>

Moreover, despite the disruption of Hatfield, in the last five years (1998/89-2003/04), the number of passenger-kilometres travelled on the network in London and the South East has grown by about 18 per cent, while the number of timetabled train-kilometres has grown by only 6 per cent.<sup>2</sup> As a result – as any commuter into London knows – many of the services are increasingly crowded. Consequently, for those running the railways, alleviating peak-time congestion on LSE services seems like the top priority.

Logically, one way of addressing the problems is to increase capacity. However, there seems to be a broad agreement that, while there is some scope for squeezing more out of the LSE network as it is (for example, by adding carriages and lengthening platforms), this scope is relatively limited. Consequently, many LSE train operators don't actually want more passengers (since this will exacerbate crowding problems and complaints, and potentially lead to franchise penalties), unless the Government is prepared to put significant

cash into capacity expansion. Meanwhile, the Government has made it abundantly clear that it wants to curb spending on the railways – implying that it will be extremely reluctant to put money in for expansion. It is probably this stalemate which has led to the lack of positive plans for rail growth.

However, if this is the case, there is a fundamentally flawed underlying supposition – namely, that promoting national rail growth has to involve encouraging growth on the busiest parts of the network. Clearly, addressing capacity on these routes may be an important priority (not least as a way of reducing peak-time car use), and it may be true that this is where growth would be easiest to achieve. However, there are powerful arguments for promoting growth at other times and in other places – and for having an explicit national strategy to achieve this.

First, as advocated by organisations like the Rail Passengers Council, encouraging *off-peak* growth in rail travel could be made an explicit priority. Having 72 per cent of the market concentrated into only a third of the day cannot be the most efficient solution for the railways. Encouraging people to travel at a broader range of times would help to alleviate crowding and make it easier to schedule services. Moreover, if significant numbers of new users could be encouraged to travel off-peak, this could presumably help to generate the funds for more peak-time expansion.

There is also some evidence from studies on personalised journey planning<sup>5</sup> and highway capacity reduction<sup>6</sup> that off-peak trips are the most susceptible to modal shift. (To be clear, while specific initiatives for commuting and school travel have achieved some of the most impressive behavioural change, in situations where transport initiatives are more general – for example, involving the provision of better information about alternatives, or a change in road conditions – a greater shift in off-peak travel behaviour is usually observed.) This means that promoting off-peak rail travel could be a particularly effective way of reducing car use.



*Bank holiday crowds – encouraging greater use of trains at less popular times could help to increase the viability of the railways and have a significant effect on national traffic levels*



*Liverpool Street station, used for approximately 50 million passenger journeys a year, shows the efficiency of rail for transporting large numbers of people*

A key issue is *how* a growth in off-peak travel would be promoted – since there are already significant differences in peak and off-peak fares, precisely to try to achieve this. Arguably, national marketing and a simpler, more comprehensible fares structure could both play a key role.

In the current rail framework, marketing activity has largely been made the responsibility of individual train companies. While this has allowed for some interesting and innovative approaches, overall it makes it harder for the railway to competitively market itself *against other modes*. There are currently about 25 individual franchises, and some companies are directly competing with each other. This means that the consumer is exposed to a myriad of different messages, all with a slightly different slant, and all trying to promote awareness of their own brand. This is in direct contradiction to conventional marketing wisdom, which advocates that simple, consistent messages are the most effective. It also makes it difficult to promote an overarching idea – for example, that trains are cheaper off-peak.

Personally, I doubt whether anyone really cares who runs the trains (as long as they're well run), particularly as they often don't have a choice of operator for the journey they're planning. Instead, selling the advantages of 'train' travel (as compared with car travel) might be a much more powerful way to influence travel behaviour. After all, some car users will never have used a train, or have thought seriously about why they might want to.

Another key area to address could be fares strategy. While there are significant differences between peak and off-peak prices, the range of tickets on offer is often bewilderingly complex. Fares strategy generally seems to have been driven by an unhealthy obsession with free market economics, and the unwritten belief that the more tickets there are, the more choices the consumer has – and that, by definition, that's good. While this has meant that there are

some great deals to be had, there are also numerous downsides.

It has become almost impossible to estimate how much a journey is going to cost without checking, and many people report that they feel confused, often expressing a sense of being 'ripped off' when they encounter a high price or querying whether a different operator would have given them a different ticket. Consequently, for occasional users, fares may seem arbitrary rather than geared to encouraging travel at particular times.

This confusion also arises because it is common to get different information from different people. For a weekend return from London to Macclesfield, I was recently quoted £96 by National Rail Enquiries (even after asking the operator to check with his supervisor) and £44 by Transport Direct. My friend was quoted £54.20 by NRE. The tickets we actually purchased from Virgin trains cost £24. This kind of muddle cannot possibly be good for trains. More specifically, problems with information provision are potentially obscuring fundamental peak/off-peak differences in prices, and the significant 'hassle factor' added to journey planning potentially puts people off even considering the train as an option.

Instead, one proposition would be to introduce a new and massively simplified off-peak fares policy. For example, this could require all train operators to offer tickets between, say, 10 am and 4 pm, at a set price per mile. All other ticket types for these services could be discontinued to ensure simplicity, and major national marketing activity could be undertaken on this basis. If the *London Area Travel Survey* figures<sup>3</sup> are indicative, less than a third of revenue (approximately £1.3 billion) would be at stake. It would be a bold move, partly undermining the ethos of privatisation – but even if the Government agreed to underwrite any losses, it would still be a considerably cheaper option than, say, building Crossrail, and the potential increase in train use (and income) could be substantial.

Furthermore, taking a more strategic approach to the railway should arguably involve putting more emphasis on promoting services *outside* London and the South East. Precisely because train use, and growth, have been greatest in this area, links with London have received the greatest attention. For example, the introduction of a new high-speed line between London and the North has been debated extensively, with scoping studies costing over £1 million.

However, the dangers of a self-fulfilling prophecy are obvious. The more transport investment is concentrated on moving people in and out of London, the more likely it is that this is what they will do. Instead, as part of promoting a more even pattern of national development, surely rail strategy should be focused on alternative proposals – for example, exploring the viability of an east-west spine link to underpin the 'Northern Way' regeneration work, or introducing measures to encourage the scale of London rail commuting in other large urban centres, by improving and promoting the feeder services from their immediate catchments.

As part of promoting both off-peak travel and rail travel in other parts of the country, it would also be helpful to have more public involvement in how trains are linked with other modes. Currently, 'addressing station access' often becomes a local wrangle about how much station parking should be allowed. However, there is huge scope for more proactive policies to ensure that people can get to stations. There have already been some experiments aimed at making walking and cycling to stations more attractive, or promoting car sharing, or providing feeder buses, or offering demand-responsive minibuses. However, the scale of existing initiatives is limited, and there is considerable potential for more widespread good practice.

The parking issue is difficult – in some areas, and for some people, car access will be the only option, but providing vast car parks will potentially undercut local bus services and other, more sustainable initiatives. However,

again there is scope for more strategic local involvement – to ensure that new parking is shared across a number of local stations to reduce rail heading (where people drive to a more distant station); to encourage pricing policies that maximise the benefits of station parking; or to ensure that station parking is allocated on the basis of need (for example, using resident permits as a way of allocating spaces or deciding entitlement to different parking rates).

Currently, proposals on station access are usually generated by the train company, with the local authority mainly acting in a reactive capacity. Yet a train connection is a significant local resource, and it is in everyone's interests that it is well used and appropriately integrated. Again, national encouragement for more public involvement in station access and development could help to promote better use of rail.

Overall, then, it is to be hoped that the Department for Transport's new Rail Group will take a more positive and strategic approach to the railways than the latest White Paper suggests. It is undoubtedly true that railways are not cheap – and that their costs need to be carefully managed. But it is precisely because they represent such a significant investment that their use should be optimised. Failing to plan for growth will do little to improve the balance sheets.

Instead, a more proactive approach, encouraging targeted growth at off-peak times and on less well used parts of the network, could help to generate revenue, reduce car use, and promote more even national economic development. Achieving this may well require greater national involvement in issues relating to information, marketing, ticketing, and station access than is currently proposed. But, if there was any point in abolishing the Strategic Rail Authority, surely it was to enable the Government to take some bolder decisions about how the railways are run. ■

*Dr Sally Cairns is a Senior Research Fellow in the Centre for Transport Studies at University College London. The views expressed in this article are entirely her own, and are unconnected with her recent secondment to the Strategic Rail Authority. She wishes to express grateful thanks for help with this article to Dr Graham Parkhurst, of the University of the West of England.*

## Notes

- 1 *The Future of Rail: White Paper*. Department for Transport. The Stationery Office, London, 2004
- 2 *National Rail Trends 2004-5 Quarter 1*. Strategic Rail Authority, London, 2004
- 3 *London Area Travel Survey National Rail Results – An Introductory Report*. Strategic Rail Authority, London, 2005
- 4 *Focus on Personal Travel*. Department of Transport, Local Government and the Regions. The Stationery Office, London, 2001
- 5 S. Cairns, L. Sloman, C. Newson, A. Anable, A. Kirkbride, and P.B. Goodwin: *Smarter Choices – Changing the Way We Travel*. Department for Transport, London, 2004
- 6 S. Cairns, C. Hass-Klau, and P. Goodwin: *Traffic Impact of Highway Capacity Reductions: Assessment of the Evidence*. Landor Publishing, London, 1998