

Greengauge 21 consultation response to Network Rail LTPP: Long Distance Market Study

Introduction

Greengauge 21 was established in 2006 to promote debate on high-speed rail (HSR) in Britain and to carry out research and planning to support its implementation. It is an independent not-for-profit company.

Since 2008 much of Greengauge 21's work has been supported by a Public Interest Group comprising city councils, transport authorities, regional development bodies and the rail industry. In 2009, on behalf of the Public Interest Group, Greengauge 21 published *Fast Forward: a high-speed rail strategy for Britain*. Current members of the Public Interest Group include Transport for London and the PTE Group (representing Passenger Transport Executives in Birmingham, Manchester, Liverpool, Sheffield, Leeds and Newcastle).

In 2012, the HSR Industry Leaders Group was established by Greengauge 21 to bring together expertise in engineering, operations, funding, and regulation. Founder members of the group are Atkins, Bechtel, Carillion, CH2M Hill, Parsons Brinckerhoff, the Railway Industry Association and Siemens. The Birmingham Centre for Railway Research and Education and UK Steel are associate members.

Network Rail was a co-funder of the *Fast Forward* work and is an affiliate member of the HSR Industry Leaders Group.

This response has been prepared by Greengauge 21 based on the evidence and research it has carried into high-speed rail (HSR) out over the last seven years.

Executive Summary

Greengauge 21 strongly welcomes Network Rail's Long Term Planning Process as an important evolution from the Route Utilisation programme. We concur with the view that an examination of the key travel markets – including long distance travel – is a sound approach.

We believe that the critical section in the document is section *five* where strategic goals are reviewed. In a number of ways, we believe that this work requires some further elaboration and that the effects of developing this work further would mean that the conditional outputs are likely to change.

We welcome the idea of considering a range of scenarios (in section *six*) to underpin demand prospects, but would suggest an alternative definition of the 'second dimension' used in the analysis, which would replace the 'isolation – global' axis with a contrast between policy intervention and free market policies, particularly as applied to matters of national spatial planning. This axis, we believe, is a good indicator of the likely pattern of development in Britain which will have a fundamental effect on the relative attractiveness of, and demand for, rail and other transport modes.

We have four major concerns about scope:

- (i) Whether sufficient attention has been made to travel demand by non-rail modes and the limitations on capacity provision for these modes and the consequential impacts on rail demand. We recognise this is an area where firm assumptions cannot be made, but this could be a key influence on future demand levels. There is an important conclusion in the analysis (see §7.2.3) that existing strong *rail* demand flows indicate where the future

demand growth will be greatest and this may well not be true. This is not a small analytical point. It goes to the heart of the planning process. Is this exercise about the rail market as it is today and how it might evolve – or is it about the role that rail might play in meeting the demand for longer distance travel? If it is the latter (we suggest it should be), then the analysis needs to include consideration of the challenges faced in the highways and aviation sectors where transport modes have (in general) poorer environmental performance and equivalent, in some case more severe) capacity constraints.

- (ii) This first scoping problem is exacerbated by the omission of long distance travel to/from key destinations in the wider south east where growth is so strongly focused. While these south eastern locations are to be addressed in a separate SE market study, there is no logical reason to exclude them from consideration of long distance (inter-regional) demand. The volume of all long distance demand to/from the 'wider south east' (the SE and Eastern planning regions, excluding London) and other British regions is just as large as the long distance demand to/from London but rail has (unlike the London case) a poor market share. This means this is an opportunity area for rail, but one that cannot be recognised in this work
- (iii) While the importance of connectivity to what the Eddington Transport Study of 2006 referred to as Global Gateways is acknowledged, the absence of an analysis of long distance access to the main airports and access to the HS1/Eurostar services is a further major omission from the conditional outputs. Consideration of how other national rail networks have developed in recent decades would suggest the lack of these 'destinations' in the conditional outputs is a serious omission
- (iv) There is scant recognition of the transformational effect of the evolution of HSR plans, in particular for capacity and connectivity. We recognise that for Network Rail, as of 2013, before planning consents are obtained and while plans – including connections to the existing network – remain in some cases to be finalised, this represents an area of uncertainty. The solution to this dilemma appears to have been an assumption that the current HS2 two-phase Y network will have been developed, insofar as the end-to-end journey speed aspiration ('best possible future') of '160 mph' is identified for selected pairs of locations that are to be served by this network. This is neither a market nor a benefit based approach, and instead simply represents a presumption of what might have been achieved by 2043. As such, it cannot form a valid part of an output statement.

It is government policy that there should be a national HSR network. It is also the policy of the Scottish Parliament that there should be a delta-shaped HSR network in central Scotland linked to the English network. Network Rail (and other public sector agencies) contributed to the Greengauge 21 work (published as *Fast Forward*) that identified a national HSR network of which HS1 and the HS2 plans form an important part. But they are not the totality of a national HSR network and in looking forward to a decade after the Y network is due to be complete in 2033, Network Rail should be considering the need and demand for further HSR links, recognising that while improving connectivity, new HSR infrastructure and services also have a huge impact on capacity.

If Network Rail were to assume that under the report's adopted heading 'best possible future' the national HSR network identified in *Fast Forward* is adopted (and we believe that Network Rail's own studies on this subject support the case for an Eastern-side north-south HSR line and for an Anglo-Scottish cross-border HSR line), then the number of city pairs that would be annotated 'A' in Tables 7.9/7.10 would be very much larger; indeed *all* of the city pairs identified in Table 7.9 could be supporting 160 mile/h journeys, rather than a small sub-set of them.

Fast Forward – and the £0.75m analytical work supporting it – is now four years old and we acknowledge needs updating. It would be better to recognise this in the report and that the aspirations stated in the long term conditional outputs reflect a 'holding position' until such an

updated plan is produced rather than leave the text as it stands, which seriously misrepresents the potential that could be realised by 2043.

Specific Points

Reference to report page number and paragraphs given in [square parentheses]

[p06] The strategic goals should also include consideration of:

- The government aim to re-balance the economy away from a narrow focus on financial services and away from an over-reliance on the London economy
- Facilitating demographic growth (the ONS projects over 10m extra population in Britain by 2030)
- By reducing pressure on other transport modes (rather than the narrower and less plausible objective of reducing road congestion).

[p10] While there is quite rightly a statement of how the various LTPP studies will be integrated, there is no mention of how these plans will be integrated with high-speed rail (HSR) plans under development in both England and Scotland. Government has repeatedly stated its belief that there should be a national HSR strategy and that while HS2 plans represent a very significant step towards achieving this, there is more to be done.

[p11] The Route Studies approach appears to remain unchanged from the existing. The difficult choices to make are between step-change schemes and incremental improvement. But the Route Studies, even after this new long term planning activity, are said to have a presumption that incremental improvement should be exhausted first rather than compared with the alternatives. There can be no guarantee that this represents the best way to achieve value for money outcomes.

[p11] While demand and capacity will be the key driver of planning priorities, it should also be recognised that there are other drivers. In reality, there are some opportunities (for instance to introduce new rail links at modest cost) which may not be a top priority response to demand projections but happen to have a high return on capital. Other rationales include the need to address network resilience issues arising from climate change.

[p12] The long distance market groups should include consideration of the East & South East planning regions which have been omitted. Together these regions generate as much long distance demand as does Greater London. They also have much lower rail market shares, but we would suggest this is indicative of the potential for much higher rail demand and market share growth than the existing London market.

[p14-15] The product/consumers' analysis appears to treat tourism as non-productive travel yet it is a key part of the national economy and rail has an important role to play in promoting its development.

[p15] The observation of a trend towards removing intermediate stops on main intercity routes is not borne out by the evidence on routes such as London – Leeds or London –Cardiff for example, where end-to-end journey times have got progressively slower.

[p20-21] There is no discussion of the importance of long distance rail to either tourism or to access global gateways. This is not just a textual over-sight because while both these aspects appear in the summary of the key conclusions of this section (at numbers 5 and 6 in the list of 12), there appears to be no recognition of these aspects of long distance travel in the conditional outputs.

[p23] The section on macro-economic factors has a number of unsupported assertions/assumptions, while other more obvious propositions are omitted. It seems odd, for example, that in a discussion on the distribution of residential demand, house prices are not

mentioned as a factor (especially since there is an interesting inter-relation with longer distance commuting travel costs).

[p24/25] The section on discussing the prices of alternative modes has omitted consideration of coach. For long distance travel to airports, this is a major competitor.

[p24] While the second order components of population/household composition are discussed, there is no mention of national level demographic forecasts (eg by ONS)

[p40]. Moving on to conclusions, we concur with the analysis at §7.2.1 on journey times elasticities. We think however that the conclusion at §7.2.3 "service improvements....offer the largest enhancement in quality of life are those [with]... large numbers of journeys already made and rail journey times are slow" is wrong because in practice the work that supports this (in Appendix 2) is concerned only with rail journeys, not those by all modes. If the analysis was on an all-mode basis we would have no difficulty with the conclusion, but actually this is a prescription to focus efforts on large *existing* rail flows with poor journey times. This is too narrow and may miss the biggest and best opportunities for rail to offer more in future than it does today.

[p42] We understand the difficulty in dealing with generalities, but 60 mile/h is unacceptably slow for the 'best possible future' connectivity between cities less than 50 miles apart. London -Reading (36 miles) was once achievable in 22 minutes in the 1970s. Edinburgh - Glasgow is due to have a HSR link by 2024.

[p60] The conditional outputs and the economic centres on which they are based have a serious limitation. While it is reasonable to allocate consideration of longer distance travel between two South Eastern centres to the L&SE market study, it makes no sense to exclude the likes of Brighton from this work; its connections to (say) Manchester) are just as relevant as (say) Swansea's, yet are simply excluded because Brighton is in the South East. The risk that longer distance connections to places other than London in the South East are therefore not addressed anywhere needs to be overcome.

Greengauge 21

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