

There seems to be continuing confusion over the Government's policy for the railways. While not helped by the Transport Secretary harping on about 'nationalisation', outside of politics, the long term aim is for Great British Railways (GBR) to 'bring track and trains together', or as I prefer to put it recreate a 'vertically integrated railway'.

But with the legislation needed to give GBR its powers at least two years away, and probably three, that integrated railway is a long way off. It took British Rail chairman Sir Robert Reid 10 years to implement his 'business led railway' and he was starting with a fully functioning operation plus a cadre of high powered managers.

Today, we are starting from a fragmented railway, still recovering from the effects of the pandemic and subsequent industrial disputes. So a Shadow GBR (SGBR) has been tasked with improving current performance, while working towards closer integration. It's a daunting task and in this month's column I outline some of the challenges.

Has SGBR the clout to make a difference?

Rail Freight – giving credit where it's due

Captain Deltic's Year's End NOTEBOOK

As my October article explained the factors determining performance are well understood. But implementing the necessary changes will not be easy in a fragmented railway. And, as DfT's Alex Hynes pointed out to me recently, while my article focused on punctuality, the rising number of cancellations is arguably a bigger frustration, and deterrent, for passengers, than timekeeping.

For example on a recent Sunday, Great Western warned that 'train crew availability (was) expected to cause disruption and some cancellations' on its five main service groups. It suggested that passengers might prefer to change their plans and travel on Monday, or claim a refund. A similar warning had been issued for the previous Sunday.

Clearly extending seven day working for drivers and conductors/guards to all TOCs is essential to reducing cancellations. In parallel, the longer term project of bringing Depots up to full establishment to minimise the need for rest day working is something that can be started immediately.

Drivers' union Aslef claims that it has been seeking universal seven day working for years. Now is the time for SGBR to take General Secretary Mick Whelan up on this aspiration.

Of course, bringing in seven day working, reducing rest day working and overtime, is going to cost money. As Martin Ward pointed out in his analysis in the September 2024 Modern Railways, paying overtime is less costly than paying the equivalent hours from additional permanent staff, even when overtime attracts an enhanced pay rate.

Someone will have to stick a wetted finger in the breeze and estimate how much additional revenue a seven day railway with significantly fewer cancellations, better performance and greater reliability could earn to offset the cost of employing more drivers and conductors.

Martin also provides a cautionary note, if one were needed. Moving to seven day working will not be quick, based on his analysis of the timescale for training new drivers. And this is what the politicians need to remember.

Transport Secretary Louise Haigh seems to have got the message, saying recently 'Delivering GBR in full will be the work of years, not months. It is the biggest reform agenda of this government.'

That said, the Government won't wait that long for a visibly better railway. SGBR has to produce a noticeable improvement in performance, plus less subsidy, to keep the government on-side.

Rolling stock

Alongside cancellations, over-crowded trains are a regular complaint. Short formations are a recurring problem, which may seem perverse given the number of fleets in store or scrapped in recent years.

DfT has become the arbiter of fleet size and allocation. To date this has been driven by cost cutting rather than meeting service needs.

Given that any new trains going out to tender now will not enter service before mid-to-late 2028, the immediate priority for SGBR is to take back control of rolling stock allocation and get more trains onto services where short-formations are an issue. For example, Cross-Country is at last getting more Class 221 Voyagers.

But this cascade highlights the problem of late deliveries of the new trains intended to replace existing fleets. Deliveries are up to two years behind in some cases.

To move trains around in the interest of the national network is also going to need the cooperation of the owning groups, their contracted TOCs and the rolling stock funding companies.

I reckon SGBR will need a National Fleet Director with the remit to get the right trains in the right places. This is another heroic task rather than a quick fix, since you can't just transfer fleets from one depot to another. There are associated issues such as spares stocks, staff training and depot capacity.

A parallel role for the Fleet Director will be coordinating the various current 'siloes' rolling stock procurement exercises. While Southeastern's Networker replacement programme is essentially self-contained, Northern and Great Western are in essentially the same market. Chiltern has now paused its ambitious fleet replacement programme.

## Control

I was taken to task by an old British Rail chum for my emphasis, in the October column, on the role of drivers and station staff in improving performance. My critical correspondent challenged, 'Why are drivers the key players when they can't do anything about regulating decisions which can cost them minutes'?

Andrew Haines has been a vocal critic of the loss of operating skills since the fragmentation of privatisation. As SGBR strives to improve performance, any national 'performance drive' should not overlook the dominant role of Control.

Then there is the worrying propensity to close the railway in the event of trespass without considering the potential risks for passengers. This was something which was concerning Chief Network Operator Helen Hamlin at Network Rail's last railway media briefing. And the key issue to reversing this trend is the concept of 'duty of care'.

I give some of the legal background to this. The relevant legal cases involved children gaining access to the railway. But what about adults wilfully trespassing on the railway, with access gained at foot-crossings, climbing over fences, or jumping down from platforms?

In such cases what would constitute 'duty of care' and would it be met by drivers instructed to proceed at caution rather than halting all trains? As for third rail electrified lines, could the power also be left on, provided the British Transport Police were handling the problem?

A serious conversation needs to be held on this issue, bringing in Network Rail, the passenger and freight operators, ORR and the police. As with everything covered in this article, it will not be easy, but the collective 'railway', albeit still fragmented, needs to take the lead - and with the arrival of SGBR we now have a collective leadership.

A theme emerging from this article is the need to keep the owning groups of contracted TOCs on-side. Indeed, it is more than that - they need to be involved.

In practical terms, the owning groups provide the 'back-offices' for their TOCs handling the payrolls for example. That needs to continue during the transition.

Not surprisingly, there have been arguments for the contracted TOCs being left alone to run their bit of railway pending restructuring. But, in my view this special pleading misreads the purpose of GBR.

To repeat, is not about reversing privatisation, but undoing the separation of track and train on which privatisation was based. Plus removing all the inhibiting contractual relationships needed to make the fragmented railway work.

So as SGBR lifts its eyes from performance and growth and starts rolling the pitch for GBR proper, developing alliances between TOC and Network Rail route is likely to be on the agenda. This will be much easier when operator and infrastructure provider are both government owned.

For these proto-integrated railways to succeed, you need to bring together a high performing operator and route. Already on the launch-pad is Southeastern. But not that far behind must be Greater Anglia and East Anglia Route.

Having read this, you may think that SGBR making a noticeable difference to performance in the next two to three years is mission impossible. I think it is doable, but it will require the cooperation of every part of the railway industry- public and privately owned.

## Rail Freight - encouraging electric traction

Back in the October issue I calculated Network Rail's Variable Usage Charges (VUC) for an intermodal train of 26 FFAG container flat wagons with a Class 66 diesel locomotive on the front for a notional 250 mile trip. The total VUC came out at £583.

This was almost exactly half the annual Vehicle Excise Duty (VED) - aka road tax - paid by a 44 tonne Heavy Goods Vehicle. When normalised in terms of cost per container kilometre, the VUC worked out at 5.5p versus 1.1p for the single HGV's VED.

So, while the total freight VUC in 2024 of £53 million was just half of one per cent of Network Rail's income, according to Freightliner VUC represents around 10% of the already hard-pressed freight operators' cost-base.

An approach to reducing this burden, while supporting investment in new high performance traction, is the subject of a proposal from Freightliner Group CEO Tim Shoveller: 'Track Access Credits: A Proposal to unlock whole system benefits'.

Rail freight faces a further challenge to VUC costs. While DB Cargo has disposed of its electric locomotive fleet because of traction electricity prices, other hauliers have recognised that the future has to be electric.

As I keep saying, 'an electric railway is a better railway however you define "better"'. And when it comes to electrically hauled freight, the new generation of electric traction now being delivered, the Class 93 and 99 multi-mode locomotives, will be 'better' for the whole railway and not just the operator's customers.

Central to the capacity issues which have delayed the introduction of the new East Coast Main Line timetable, is the provision of freight paths. The higher power of electric traction compared with diesel freight haulage means trains accelerate faster for longer. In the column I give an example from the West Coast Main Line and Network Rail is currently investigating the additional capacity available on the ECML were current freight services to be electrically hauled.

But, all that extra performance does not come for free. When the new Class 93 and 99 locos enter service their monthly rentals will be three times that of a Class 66 diesel.

To help cover this difference, Tim Shoveller's proposed solution is a scheme of Track Access Credits, where the benefits of electric traction to the network as a whole are translated into reduced Track Access Charges for the operator of the new locomotives. Benefits from the higher performance could include the release of more paths for passenger trains, avoiding the need for infrastructure upgrades.

In launching this proposal, Tim Shoveller makes two key points. First that it will need the Great British Railways 'whole industry profit & loss account' to provide the financial numbers.

Second, how track access charges are calculated is prescribed in Regulatory access legislation. While all eyes are on the immediate legislation for SGBR, the main Railways Bill giving GBR its powers, will present the opportunity to modify this legislation to recognise the change from a regulated infrastructure provider charging for access to an integrated railway.

#### Year's end updates

After each month's Informed Sources, corrections and amplifications come in from Modern Railways' expert readership. Corrections of fact we try to publish immediately. However, the content in the column moves on each month, which can limit opportunity for up-dates.

Since this is the last issue of 2024, I thought I would use the Notebook to publish some of this correspondence. Topics include: ECML delay attribution; the withdrawal of the Royal Mail's rail services; the fitment of the European Train Control System (ETCS) to heritage locomotives - in particular a Class 55 Deltic; and the approach by the safety authorities to subsequent similar incidents following the Spital Junction over-speeds.

#### Roger's Blog.

Nothing much to report on for the past month, except for a catch-up with the Trainline. 2025 is going to be a crucial year for ticket revenue, with, hopefully, the return to growth reported last month continuing.

When you receive this I will be making the final preparations for my favourite day of the year - the Modern Railways Golden Spanner Awards. This is when rolling stock depot staff from across network come together to celebrate success.

In each category - ex British Rail, first and second generation post-privatisation orders, DMUs, EMUs and Intercity trains, the most reliable fleet is awarded a mounted Golden Spanner Trophy, while the most improved fleet over the past year wins a Silver Spanner.

Meanwhile I've been ultra-busy for the past few weeks writing my annual Rolling stock reliability review for the January Modern Railways, which is also our rolling stock feature issue. And now I have to write next month's column, with an earlier deadline because of Christmas.

So that has to be all for now.

Roger