

Report to: Transport Committee

Date: 9 November 2018

Subject: **Rail Performance and Future Service Planning Update**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	

1. Purpose of this report

- 1.1 To update members of the Transport Committee on the performance of local rail services following discussion at the meeting of the Transport Committee held on 21 September 2018.
- 1.2 To advise members of the Transport Committee of progress with the reviews into rail performance and governance following the issues emerging in May 2018.
- 1.3 To advise members of the Transport Committee of arrangements proposed to improve engagement between the Authority and the rail industry.
- 1.4 To update members of the Transport Committee on the service planning for the forthcoming timetable changes.
- 1.5 To seek Transport Committee's agreement to actions to highlight the Combined Authority's ongoing concerns at service delivery issues in the region and seek urgent interventions to address them.

2. Information

Current Rail Performance

- 2.1 The rail industry uses the Public Performance Measure (PPM) which combines figures for punctuality and reliability into a single performance figure. For TransPennine Express (TPE) it covers services arriving at their destination within 10 minutes of their planned arrival time and for Northern within 5 minutes of their planned arrival time.
- 2.2 Northern (all services) – in the period April to mid-October 2018, Northern averaged 81% PPM in the region compared to 91% in the previous year. The reasons for the reduction in performance were considered extensively at the last meeting. Whilst there has been a small improvement overall since the withdrawal of the emergency timetable in the North West at the end of July, performance is still well below acceptable.
- 2.3 Northern (West and North Yorkshire) – in the period April to mid-October 2018, Northern averaged 87% PPM in this region compared to 95.4% in the previous year. Since the new timetable an average of 2.5% of trains have been cancelled and 4.6% of trains have operated in our region with fewer carriages than planned. Whilst overall this performance is better than the average across the north, this masks the fact that some routes such as Calder Valley have experienced a high level of delay and cancellation whereas other routes have experienced reasonable service levels.
- 2.4 TransPennine Express (TPE) - in the period April to mid-October 2018, TPE averaged 72% PPM on its North route (via York, Leeds and Huddersfield) compared to 90% in the previous year. Since the new timetable an average of 15% of trains have been cancelled. Performance in August/ early September showed some signs of improvement following actions taken by Network Rail with regard to signalling and train regulation at Leeds, Manchester and on the East Coast mainline. However performance is still well below acceptable.
- 2.5 Autumn brings further risks to rail performance due to the effect of leaf-fall on rail conditions. Train Operators and Network Rail have given assurances that the necessary planning and resources are in place however the damage inflicted on train wheels during the sliding and spinning on compacted leaves is considerable and means that some trains have to be taken out of service for extensive repair. The ongoing industrial action at Northern is currently reducing the level of service operated on Saturdays; this is not reflected in PPM values as only planned services for the day are included in cancellation statistics.
- 2.6 The PPM measure is an average of all rail services and therefore does not fully reflect the impact on affected passengers over a six month period. Many have experienced difficulties with home and work life as a result of being persistently delayed by commuting difficulties. Whilst the enhancements to delay repay and compensation arrangements explained later in this report are welcomed, passengers continue to be adversely affected by rail delays and

cancellations. The DfT/TfN Rail North Partnership is responsible for ensuring the Train Operating Companies are compliant with the franchise agreements. Whilst some of the root cause of the events of May 2018 lies with infrastructure issues and Network Rail timetable planning, the ongoing poor performance in terms of punctuality, reliability and short-forming of trains appears to be less so; the Partnership is assessing the responsibility of the franchisees and will determine the appropriate contractual action,.

- 2.7 At the meeting of the Combined Authority on the 2 August representatives of the Rail Industry – Network Rail, Northern and TransPennine Express agreed to send a letter to the Chair of the Authority Councillor Hinchcliffe to explain the recent issues and actions being taken to improve the situation. A copy of this letter is in Appendix 3.

Actions Taken To Mitigate Performance Problems

- 2.8 Arriva Rail North have indicated that they have taken the following actions in an attempt to improve performance and reliability of the Northern franchise:-
- Work has taken place to address problems with the track and platform allocation (“station workings”) at Leeds, which were causing trains to be delayed. In mid-September Northern’s team announced that the workings were “a hundred percent efficient”. They are observed to be improved, but Combined Authority officers believe problems with conflicts in the Leeds area to persist.
 - Now that improved station workings are in place, Northern state that they are in a position to focus on the daily delivery of service and especially the ‘problem trains’.
 - Intensive driver route training has been taking place to address the difficulties in the North West and routes across the Pennines
 - The emergency timetable in the North West has been lifted with most of the cancellations reinstated.
 - Additional rolling stock and workforce resilience measures have been introduced.
- 2.9 The following actions have been taken in an attempt to improve performance and reliability of the TransPennine Express (TPE) franchise:-
- Improvements to the Leeds station workings have also assisted with the reliability of TPE services passing through Leeds
 - TransPennine Express has been actively seeking measures to provide additional resilience. Proposals were made to the Transport for the North Rail North Committee in August for the September to December period which would result in a shortening of peak time trains serving Leeds and Manchester to free up units which would be available to mitigate delays. The Committee were opposed to solutions which would exacerbate peak overcrowding during the autumn period where commuter flows can be at their highest. There has been further dialogue between TPE, Transport for the North and Combined Authority officers to identify actions which will assist service resilience without compromising capacity and connectivity.

TPE now propose to introduce the relevant changes (involving splitting the Leeds – Manchester stopping service into two at Huddersfield, plus changes to the resourcing of the Manchester Airport services) in December 2018. These changes will require two extra units to maintain the same train lengths. The Combined Authority has continued to seek assurances that these will be delivered without shortening any peak trains. However, these have not been received.

- Arrangements are being made from the December service change to reinstate the stopping pattern of the local services between Leeds, Huddersfield, Stalybridge and Manchester to a pattern closer to that operating before May, in parallel with the splitting of the current Leeds – Manchester stopping service at Huddersfield. This will reduce the risk of the trains providing stopping services in West Yorkshire being delayed by congestion in the Manchester area.
- Currently, on the instructions of the Rail North Partnership (RNP), two of TPE's class 185 trains are leased to Northern. They were due to be returned for the December 2018 timetable, but they are now expected to remain with Northern. New, higher-capacity, trains are expected to enter service from the end of the year, which will ease the pressure on rolling stock and enable further mitigation; however, it is believed unlikely that any will be in service by the timetable change date. As such it appears likely that some peak trains will indeed be shortened from six to three coaches.

- 2.10 Both franchisees are operating a special compensation scheme for season ticket holders on routes which were badly affected by performance problems immediately before and in the weeks after the timetable change in May. This provides for between one and four weeks' value of travel, paid in cash, depending on the route. Eligibility for the compensation scheme is now being extended to regular travellers (defined as those who travelled 3 or more days a week, but not on season tickets). It is also planned to extend the timescale for season ticket holders to make claims and that the operators will undertake additional promotion of the scheme to increase awareness. The special compensation scheme is prescribed by the Department for Transport and administered by the respective Train Operating Companies.
- 2.11 The Department for Transport has also announced an enhanced Delay Repay scheme for all Northern passengers. From December, passengers whose journeys are disrupted by 15-29 minutes will also be able to claim compensation under the Northern Delay Repay scheme – currently only those delayed by 30 minutes or more can claim (Delay Repay does not apply to passengers delayed due to inability to board an overcrowded train). The Department has also clarified that multi-modal tickets such as M Card are now eligible for Delay Repay. Arrangements are being made to implement this and to advise customers...
- 2.12 In August TfN wrote to the Secretary of State calling for a single person to coordinate both infrastructure and train operations in the North through the immediate process of resolving the timetable process. DfT and TfN have appointed Richard George to this role; he will work closely with Transport for the North, the Rail North Partnership, Network Rail and train operators. The

appointment will seek to address the structural issues which have been a major cause of the recent impact on passengers. Richard George has served on the boards of First Group rail franchises and is currently global head of rail infrastructure at SNC-Lavalin.

Rail Reviews

2.13 At the meeting of the Combined Authority on 2 August, members resolved that the following key points be submitted to the Rail North Partnership Review. This review is being led by Councillor Judith Blake and Rail Minister Jo Johnson seeking to identify how the devolved franchise management arrangements can be strengthened to prevent the difficulties experienced by passengers since the timetables changed in May.

- Transport for the North must exercise its role in franchise management in the interests of passengers, residents and business in the region and, where necessary, challenge the rail industry to deliver the service it is obliged to deliver.
- The remit of the Transport for the North Rail North Committee should enable political oversight of operational performance of the franchises and the planning of changes to service delivery. It needs to understand the anticipated impact on passengers of any change to services and to direct the Rail North Partnership to safeguard their interest.
- The formal agreement between DfT and TfN must put the Minister and Transport for the North on an equal footing with dual decision-making.
- Network Rail must be accountable for the impact of its decisions on passengers in the North. The Transport for the North Rail North Committee should be a formal consultee of Network Rail and be able to nominate onto key decision-making boards within the Network Rail governance.
- As the rail franchises are supported by public funds, there must be greater transparency in their management.
- The Train Operators should be contractually required to improve communication to help passengers adjust their travel plans when timetables change and services are disrupted.

The Review is expected to report its findings to the Transport for the North Board on 6 December 2018.

2.14 The Office of Rail and Road (ORR) published an interim report on 20 September 2018 into the national timetable disruption. Headed by ORR Chair Professor Stephen Glaister, its preliminary findings include:

- Network Rail, Govia Thameslink Railway (GTR), Northern, the Department for Transport (DfT), and the Office of Rail and Road (ORR) all made mistakes, which contributed to the collapse of services, particularly on the GTR and Northern routes.
- There is an apparent gap in industry responsibility and accountability for managing systemic risks, and that needs to change.

- The System Operator (SO) function within Network Rail was in the best position to understand and manage the risks, but did not take sufficient action, especially in the critical period of autumn 2017.
 - Neither GTR nor Northern were properly aware of or prepared for the problems in delivering the timetable and they did not do enough to provide accurate information to passengers when disruption occurred.
 - Both DfT and ORR are responsible for overseeing aspects of the industry, but neither sufficiently questioned assurances they received from the industry about the risk of disruption.
- 2.15 The Secretary of State has in response launched a major review of the UK rail industry in the light of the failure of several franchises and the problems emerging nationally from the timetable changes. The review will be led by Keith Williams, former British Airways chief executive and deputy chairman of John Lewis Partnership, supported by an expert challenge panel.
- 2.16 The panel comprises six members whom cover different stakeholder and geographic interests. Roger Marsh OBE, Chair of the Leeds City Region Enterprise Partnership and of the NP11 Board (group of Northern Powerhouse LEP Chairs) is a member of the panel. Officers will offer support to Roger Marsh in this role.
- 2.17 The full terms of reference were published by the Secretary of State on the 11 October 2018. The review's recommendations should support delivery of:
- commercial models for the provision of rail services that prioritise the interests of passengers and taxpayers
 - rail industry structures that promote clear accountability and effective joint-working for both passengers and the freight sector
 - a system that is financially sustainable and able to address long-term cost pressures
 - a railway that is able to offer good-value fares for passengers, while keeping costs down for taxpayers
 - improved industrial relations, to reduce disruption and improve reliability for passengers
 - a rail sector with the agility to respond to future challenges and opportunities
- 2.18 The Review may publish interim reports during the period of its work. The Review's final report will be a government White Paper, which will be published in autumn 2019. It will set out the government's intentions for reform of the rail sector.

West Yorkshire Combined Authority Rail Forum

- 2.19 Emerging from the events of the summer, the Chair of the Transport Committee is to establish a joint forum to enable the Combined Authority members, train operators, Network Rail, Transport for the North and other key bodies to discuss plans and issues affecting local services.

- 2.20 The Terms of Reference for the forum are attached as Appendix 2. The Combined Authority is recommended to endorse this approach and to approve the setting-up of this meeting and for the meetings to commence.

Service Planning and Future Timetable Changes

- 2.21 The rail industry, led by Network Rail, has made the decision that the December 2018 timetable should see only very limited service changes, and those that are made should be ones designed to improve performance (i.e. punctuality and reliability). Other proposed changes (even minor ones) requested by train operators are being vetoed. The “no-change” principle is a concern because the current (May 2018) timetable is sub-optimal in many cases from a passenger point of view, and contains technical flaws which themselves harm performance¹. It also means a further delay to many committed service enhancements that should have been introduced in December 2017 and have already been delayed to May 2018.
- 2.22 Combined Authority officers have met with Arriva Rail North, who have confirmed that this does still leave the door open to minor tweaks to the working timetable which could have real benefits to trains’ punctuality. In addition, there should be better-quality trains on the Leeds – Selby service, and the Leeds – Bradford – Huddersfield route will be slightly accelerated. However, disappointingly, Northern could offer little comfort that issues regarding inadequate train capacity would change significantly on routes such as the Calder Valley, Castleford / Pontefract and Harrogate lines, as the relevant train plans are not intended to change in December. The Combined Authority’s concern was also expressed that the ongoing crowding issues on routes such as these risk not being addressed until May 2019.
- 2.23 Against this background, it is important that the rolling-stock that is available is targeted where it is most needed. Arriva Rail North is planning an additional Leeds – Church Fenton– York service which would not significantly benefit connectivity east of Leeds (and would withdraw links from some stations to/ from Church Fenton). This is not a franchise obligation and the additional diesel units could arguably be better deployed elsewhere (such as to address the capacity issues on the Calder Valley or towards Castleford/Pontefract or to increase the service between Leeds and Harrogate towards franchise commitments).
- 2.24 May 2019 is expected to see more substantial changes, with the introduction of the remaining committed enhancements delayed from December 2017 and May 2018 (the “TSR2 changes”). Full details of the proposed timetables have not yet been made available, and it is understood that it is not intended that a full consultation exercise be carried out (there was a consultation carried out in 2017 on what was then proposed for May 2018, but in the event for the most part not delivered, and it is expected to be most or all of those changes that will be introduced in May 2019). Network Rail has however made clear that it

¹ Instances of “sub-optimality” include poorly structured clockfaces giving rise to irregular service intervals, and poor connections between services; “technical flaws” include errors in the timetable such that a given train cannot arrive at Leeds on time unless another train is late, because of a conflict at a junction or platform.

has serious concerns over network capacity and reliability in some areas, above all (but not only) around Manchester and Leeds. It is therefore possible that they may challenge whether all the TSR2 changes should be introduced in May 2019.

- 2.25 December 2019 is the timetable change which is intended to bring the introduction of all of the remaining committed service enhancements, particularly on Northern (“TSR3”), including the “Northern Connect” regional express services, such as between Bradford and Manchester Airport. It is not yet known what network capacity issues, if any, may affect the delivery of the TSR3 commitments in December 2019, but the Rail North Committee was made aware at its meeting on 9 October 2018 that compromises are likely to be required about which elements of the December 19 timetable are delivered.
- 2.26 The Combined Authority will press for clarification of these issues as soon as possible, in order that a proper consultation exercise can be carried out, and that, if choices have to be made between competing priorities, the TfN Rail North Committee can have the opportunity to make informed and meaningful decisions on what to prioritise for early delivery. By this means, the Combined Authority expects to be fully involved in all such decisions affecting this region.
- 2.27 At officer level, the Combined Authority is involved with technical work to seek to understand the relevant issues better, to identify what is likely to be possible, and to consider how best to optimise service patterns within the constraints available, be this in May 2019, December 2019 or beyond. From a West Yorkshire perspective, the input into this process is directly informed by the existing decisions of Transport Committee as to the priorities that should be pursued through that process. A further paper will be brought to the next Transport Committee meeting for consideration.
- 2.28 Whilst there are no implications directly arising from this report the delivery of an effective local rail service is crucial to inclusive growth.

3. Financial Implications

- 3.1 There are no financial implications directly arising from this report.

4. Legal Implications

- 4.1 There are no legal implications directly arising from this report.

5. Staffing Implications

- 5.1 Combined Authority staff are assisting with the Blake/Johnson review, as well as through technical work supporting Transport for the North in relation to the forthcoming rail timetable changes, and the scope for other service improvements. The Authority’s input is being led by Dave Pearson Director, Transport Services.

6. External Consultees

- 6.1 No external consultations have been undertaken.

7. Recommendations

- 7.1 That the Transport Committee notes the update on the current rail service performance and that Councillor Blake, as the Authority's representative on the Transport for the North Rail North Committee, raise through that Committee the Authority's concerns about the impact of prolonged rail disruption, and urge further action to restore rail performance to the level required by the respective franchises.
- 7.2 That the Transport Committee endorse the establishment of a West Yorkshire Combined Authority Rail Forum as described in this report.
- 7.3 That the Transport Committee note the Combined Authority's input into the Blake Johnson Review.
- 7.4 That the Chair of the Combined Authority writes to Arriva Rail North highlighting concerns that the December 2018 rail timetable will not address pressing service delivery issues on critical routes in West Yorkshire, and seeking action to address these as a priority.
- 7.5 That the Transport Committee note the risk associated with delivery of the 2019 timetable commitments as a consequence of network capacity constraints, and the work to be undertaken to understand this and the possible compromises which may be required. Further information will be presented at the January meeting of the Transport Committee.

8. Background Documents

Terms of Reference for the Rail North Partnership (Blake Johnson) Review

Office of Rail and Road: Independent Inquiry into the Timetable Disruption in May 2018

9. Appendices

Appendix 1 – Train Operating Company Performance

Appendix 2 – West Yorkshire Combined Authority's Rail Forum - Terms of Reference

Appendix 3 – Letter to Combined Authority Chair from the Rail Industry