Sustrans Cymru Enterprise and Business Committee enquiry into Wales and Borders Franchise September 2013

1. Sustrans is a leading UK charity enabling people to travel by foot, bike or public transport for more of the journeys we make every day. We work with families, communities, policy-makers and partner organisations so that people are able to choose healthier, cleaner and cheaper journeys, with better places and spaces to move through and live in. Our aim is to bring about change such that four out of every five trips under five miles are made by sustainable means by the year 2020.

   Overview

2. Sustrans believes that the renewal of the Wales and Borders franchise offers the Welsh Government a unique opportunity to link on-going rail strategy with other elements of transport policy, most notably the ambitions set out in the Active Travel (Wales) Bill, and the Minister's response to the Integrated Transport Enquiry of this Committee.

3. There is also an opportunity to move forward with smart ticketing, including the development of the GoCymru e-purse style ticket, and to outline an integrated ticketing system that could be used across public transport.

4. We would support an increased role for local authorities going forward, and the potential to devolve rail travel to major urban areas (or City Regions) in the future, perhaps through the development of Passenger Transport Executives in parts of Wales.
5. Sustrans Cymru would also recommend a full examination of the potential offered by enabling Open Access operators to compete against the main franchise. Opening up access on the tracks could help to offer more competition and bring down subsidy levels. We would recommend a study on how the principle could work in Wales.

**Links to Active Travel**

6. Sustrans Cymru believes that the new Wales and Borders Franchise should operate within a remit that supports the Welsh Government’s legislative commitment to Active Travel.

7. Across the UK, 85% of journeys to rail stations are under 5 miles and 65% are below 1 mile, distances that can be easily cycled or walked by most people.

8. The vast majority of journeys do not begin and end at a railway station, and therefore to make rail travel the preferred option for more people it is important they have access to their local station and can easily make an onward journey at their destination. Barriers such as a lack of safe routes, secure cycle storage and the inability to take a bike on a train (even off-peak) will prevent people from choosing to cycle to the station, and will instead choose either to use their car or not to make the journey at all.

9. Barriers such as cycle storage are not insignificant, as raised in the landmark Understanding Walking and Cycling report\(^1\) – therefore to enable more people to take advantage of improved train services it is important that they are provided with improved means to access stations and improved station facilities.

10. Improving links and facilities for cycling to and at stations will contribute to reducing the opportunity costs of using prime land around stations for parking.\(^2\) Evidence from similar programmes suggests that investment improving access for existing cyclists will also attract new users and this

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\(^2\) DfT 2010 *Cycling and Public Transport*
delivers better value for money and more rapid return on investment in comparison to car parking.³

11. A lack of confidence in being able to take a bicycle onto a train can prevent people from choosing the train as the preferred method of transport for the longest part of their journey, and people will use their car instead, or bring their car to the station – adding to land-use pressures. Therefore, it’s vital that new rolling stock has the capacity to carry an increased number of bicycles on a regular basis.

12. While some of these intended actions would be outside the remit of the franchise operator, Sustrans Cymru believes it is vital that they are taken into consideration as part of the bid. In particular, improvements at stations and to the rolling stock to make them ‘active travel friendly’ will play a key role in support wider Government objectives in increasing levels of active travel.

Integrated Transport

13. We would urge the committee to refer back to its own report into Integrated Transport in Wales, published in May 2013⁴, in particular recommendations 14, 15, 16, 18 and 19 and how they could relate to the new franchise.

14. In our evidence to the enquiry, we highlighted how integrated transport is often considered too late in the process to be planned effective. With the Franchise renewal set for 2018, it is vital that integrating rail travel with other forms of public transport, walking and cycling is considered from an early stage.

15. As part of station planning and the ticketing process, making the integration as seamless as possible is an important aspect of enabling more people to get around without having to rely on the use of a car. As 65% of Welsh households have 1 or no cars⁵, a fully integrated public transport system will enable more people to access employment, local amenities and education.

³ Cycling England 2011 Bike ‘N’ Ride evaluation
⁵ Census, 2011 http://www.nomisweb.co.uk/census/2011/qs416ew
16. While there are constraints relating to bus timetabling and requirements of the Traffic Commissioner in terms of late running, the new Franchise should be used as an opportunity to deliver integration wherever possible.

17. With regards to integrated ticketing, Wales should look to follow the lead set by Transport for London, and ensure the new franchise agreement includes a move to developing not just contactless ticketing, but the technology to deliver payment using Contactless Debit or Credit Card, removing the need for a smartcard system.

18. Contactless systems have the ability to drive down costs associated with ticketing, and would recommend the committee contact the Greater London Authority Transport Committee to learn lessons following their review into future ticketing in 2011, and how this could related to the future Franchise.6

**Local involvement and line and station improvements**

19. The South East Wales Transport Alliance is currently consulting on a rail strategy for the region7 which makes a case for increasing lines and stations in the south east of Wales. The strategy also highlights the potential to run additional services on a number of lines were the proposals to be followed.

20. Local authorities and Regional Transport Consortia should have an increased role to play in developing public transport in their regions, and this will assist in integrating modes of transport. However, it is not a panacea.

21. Regional Transport Consortia and Local Authorities monitor travel patterns in their area and in many cases will be best placed to advise on service improvements that would be needed to strengthen the network.

22. If there is further development of City Regions, the Franchise should be adaptable to enable cities to take more control over their public transport

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http://www.london.gov.uk/moderngov/documents/s7401/The%20Future%20of%20Ticketing%20-%20Appendix%201.pdf

7 SEWTA Rail Strategy http://www.sewta.gov.uk/other-documents/rail-strategy/
networks. However, it’s vital that transport integrates as much as possible with other departments that reflect transport policy – for example education and planning. We would recommend that further studies into local control over urban rail services are considered.

Management Model – Open Access

23. The Wales and Borders Franchise is unique in those franchises tendered by the Department for Transport, in terms of the relationship with Welsh Government as well as DfT. It also receives significantly more subsidy than other franchises operating within England & Wales.  

24. Sustrans Cymru supports greater investment in public transport over spend on roads and other policies that lead to an increased reliance on the private car, and welcomes the Welsh Government’s support for the Wales and Borders Rail Franchise.

25. However, it is important that taxpayers receive value for money for their investment. We would support a study – as has been suggested – into a “not-for-profit” franchise model, which could support keeping ticket prices lower and increased investment into the Welsh railway.

26. While freight currently operates with Open Access, passenger franchises have a monopoly on the routes they are franchised to deliver. The exception to this is the East Coast line, where two operators compete against the main franchise, without receiving taxpayer subsidy.

27. The Centre for Policy Studies highlighted that “passenger journeys increased by 42% at those stations which enjoy rail competition, compared with 27% for those without competition”; “revenue increased by 57% where competition occurs compared to 48% for those stations without competition”; and “average fares increased by only 11% on those stations with competition, compared to 17% at those stations without competition.”

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8 Office of Rail Regulation, Subsidy per Passenger Kilometre  

9 Rails Second Chance, Tony Lodge, Centre for Policy Studies  
28. In developing the future franchise, Sustrans Cymru would support greater analysis by the Welsh Government as to whether enabling open access operators to compete against the main franchise holder could help to deliver better value for money for the Welsh taxpayer and rail users.

**Conclusion**

29. Sustrans Cymru believes that the renewal of the Wales and Borders Franchise provides an opportunity to develop rail policy alongside other Welsh Government priorities, such as the Active Travel Bill and a move to a more integrated transport system.

30. Sustrans would support local authorities and Regional Transport Consortia (or new Passenger Transport Executives) in Wales having a greater say over rail services in their area, in particular through a City Region approach, and the new franchise should consider how this might work in practice.

31. Sustrans Cymru believes that Open Access could help reduce subsidy on the Welsh railways, but that a full assessment should be undertaken by the Welsh Government to determine how appropriate it would be for Wales.

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