

[Inquiry into the future of the Wales and Borders Rail](#)

Evidence from Arriva Trains Wales – WBF 65

**The Enterprise and Business Committee Inquiry: The future of the Wales and Borders Rail franchise** *Submission by Arriva Trains Wales*

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Thank you providing Arriva Trains Wales with the opportunity to contribute evidence to this inquiry. Our submission has been guided by your terms of reference and we hope that you will find our viewpoints and comments useful in this process.

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**1. Introduction and Organisational Overview**

**Organisational Structure**

- 1.1. Arriva Trains Wales/Trenau Arriva Cymru Limited (ATW) is part of the Arriva Group, one of the largest providers of passenger transport in Europe; operating a range of transport modes including trains, buses, trams and taxis, providing more than 1.5 billion passenger journeys a year.
- 1.2. In 2010, Arriva PLC was acquired by Deutsche Bahn AG, one of the world’s leading passenger and logistics service providers employing over 300,000 staff. Being within the DB family provides Arriva PLC with the enviable competitive advantage of access to its low cost of capital, global purchasing power and the spread of best practice across its world-wide operations. Other benefits include the ability to draw on management expertise in key areas such as rolling stock procurement, customer service innovation and the drive for environmental excellence.

**Current Operations**

- 1.3. With around 2,050 employees, ATW is one of the largest private sector employers in Wales with our Head Office in Cardiff. The success of the business has seen the number of employees increase by 300 since the commencement of the franchise.
- 1.4. We run 955 services per week day and approximately 325,000 train services per annum, this is 20% in excess of the Franchise contract obligation level of service and thus is operated at the cost and risk of ATW. To deliver this service we operate 116 trains (240 vehicles) plus the locomotive and coaches for the “Y Gerallt Gymro” service, with an average multiple unit age of 23 years (range of mid 1980s to 2001). Approximately 55% of services operate on the Valley lines with the remainder operating on the main line and branches through the Wales and Borders area. Our understanding is that around 25% of the UK’s long distance train journeys (measured as over 4 hours) are operated by ATW although such is not a common perception.
- 1.5. The network is subject to significant seasonal peaks in demand, mainly through the historic tourist destinations of Mid Wales, North Wales coast and local attractions such as Barry Island. In addition, special events such as 6

nation rugby internationals, pop concerts etc. cause significant strain on resources, particularly in the Cardiff area where more than one event may be scheduled by the authorities in the City at the same time. We have significant expertise in respect to management of these major events, and the location of a large capacity stadium so close to a major hub station is unique to Cardiff, making the capital a major attraction for tourists and visitors attending events.

- 1.6. The average fare for individual journeys is low (£3.84 year ending 2012), which helps make the network accessible but consequently, and with the relatively low population density outside of South East Wales, the Government subsidy required to operate the current level of service pattern is high - the second highest in the UK at 12.2p per passenger kilometre (ORR statistics 2012/13).
- 1.7. Growth in passenger numbers has been a significant factor since the Franchise commenced in 2003. In the 7 years leading up to the Franchise, growth was only 29% (ORR Statistics 2012/13). Growth has since risen by nearly twice that rate at around 55%. Last year, some 29 million passenger journeys were made, in comparison with 18 million at the commencement of the contract. In addition to this, we are currently experiencing record levels of customer satisfaction (88% overall satisfaction, Passenger Focus, 'National Passenger Survey').
- 1.8. The Franchise Agreement prescribes the base timetable that we are required and funded to deliver., Through extensive passenger counts and by monitoring growth, we also consider which services require strengthening with additional trains in order to best optimise the allocation of the scarce train capacity available (the 240 vehicles). Accommodating passenger growth mentioned above has become one of the key challenges for our operation.
- 1.9. Significantly improved train service performance (reliability and punctuality) has been another notable success for Arriva since inheriting the Franchise. Performance was poor in the early years with high 70% or low 80% the norm. Indeed, the expectation of the Franchising Authority was that 88.8% (the contractual target) was challenging. However, through concerted management action (particularly through improvements in fleet reliability), ATW is now one of the top 5 performers in the UK (measured against the UK industry standard 0-4.59 secs) with a current moving annual average of circa 94% PPM (see appendix 1). ATW are also either first or second best on the ORR right time measure (arrival within 59 seconds) at around 86% moving annual average. In addition to the overall operational performance, safety performance has improved; with ATW contributing to what is now, as part of UK rail, the safest railway in Europe (ORR data). See some of ATW's safety performance data in appendix 1a).

### **The Existing Franchise Agreement**

- 1.10. The Wales and Borders Franchise was awarded by the Strategic Rail Authority (a predecessor of the current Department for Transport) and commenced in December 2003 for a 15 year term. The Welsh Government became cosignatories to the Franchise Agreement in April 2006. The 15 year term, which has created a long term investment incentive, resulting in £30m of ATW investment, includes five-yearly formal contract reviews (in 2008 and 2013) set against the targets specified in the Franchise. These targets include; performance, customer satisfaction (as measured by the National Passenger Survey), and financial measures. For the two reviews carried out, ATW has exceeded the contractual targets, and we recently received confirmation that following the 2013 review ATW will continue with the contract to its term in October 2018.
- 1.11. It is worth noting that the nature of the Franchise process means that all major assets are owned by 3rd parties; so for example, the diesel trains used in the Wales and Borders contract are leased from two rolling stock companies (Angel Trains and Porterbrook), and the 244 stations and 3 maintenance depots we manage are leased from Network Rail through a landlord/tenant type relationship. This makes any potential future Rail operator in Wales unique in comparison to organisations such as Welsh Water, as there is no major infrastructure asset base against which borrowing can be secured for long term investment. Any long term investment must likely be done either through the Authority, securing of third party funding, or by taking advantage of capital available to the operator through its owning organisation (if it indeed has one).
- 1.12. (See Appendix 2) The chart highlights the declining subsidy profile of the existing franchise. This shows that whilst demand has increased on the limited fleet and resource allocated to the franchise, the overall financial support is declining in real terms. This is a very real indication of the importance of growing revenue and controlling costs to the operator and at the same time improving standards. This behaviour is key to the success of any future operator.
- 1.13. The contract did not envisage the level of passenger growth seen nor did it incorporate capital investment by either the Authority or fund such through ATW. Indeed the only capital investment was for £400,000 to be spent on improving 5 car parks.

- 1.14. In summary, the current contract model is one which transfers the risk and costs of operation from Government to ATW. The contract incentivises ATW to deliver improvements in train service performance, to grow passenger numbers and their satisfaction levels and to contain costs through a mechanism that reduces the level of subsidy paid by Government each year.

## 2. What lessons can be learned from the current Franchise?

- 2.1. The current Franchise Agreement (FA) can, we believe, be regarded as an effective contract – it has helped move from a low growth, low satisfaction and unreliable operation to deliver a high performing railway in Wales with significant growth in passenger usage (and the consequent support this provides to employment and opportunities for employment), and also importantly to record levels of passenger satisfaction.
- 2.2. Arriva is proud that these achievements have been delivered during our tenure. We have seen an on-going need to develop the business beyond the confines of the contract, this being both a reflection of our transport expertise and desire to make the railways in Wales a success story (see Appendix 3).
- 2.3. It is unlikely that schemes such as Valley Lines Electrification would have been conceivable in 2003 with the then ill-used and unreliable network. However, with the efforts of ATW, Network Rail and others, these levels of investment are now credible and moreover, are now in the process of detailed planning. There is no doubt that, at the end of the Franchise term, the Wales and Borders Franchise will be in a much stronger position than at its inception, with a great position to further grow and succeed.
- 2.4. With the success achieved and the ability to reflect on the Franchise Agreement in hindsight, the following areas would have been worthy of more consideration:

### *Consideration of growth and how the impact is mitigated*

- 2.5. While ATW have sought to mitigate the additional demands of growth through yield management, timetabling efficiency and “sweating” rolling stock usage, nevertheless the possibility of significant passenger growth is ill-considered in the current FA. Increasing patronage is a present and future challenge.
- 2.6. We would note that in the current Agreement there is an absence of a passenger capacity regime such as ‘PIXIE’ (in use with many TOCs). This type of regime would require action by the Authority when over-crowding or passenger standing time reaches a prescribed level. It would to our view be advantageous to have an agreed trigger point and, most importantly, plan from the outset to cater for growth. For example; to allow in the future rolling stock provision for additional units to cater for growth trigger points and to provide for special events.

### *Capital investment*

- 2.7. The contractual investment requirement in the current FA was minimal at only £400,000 over a 15 year period. However this has not stopped ATW investing in the success of the business. The length of the franchise has allowed us to invest over £30m in a range of areas including; a new maintenance depot at Machynlleth, train modifications, enhanced customer service facilities such as station enhancements (e.g. passenger environment, ticket machines, ticket gates) and improvements for staff (e.g. the latest train simulators, staff welfare facilities).
- 2.8. While we believe we have played our full part in developing the business at risk to our capital, it would seem sensible if the investment (or defined outputs) required to meet future Government aspirations for rail in Wales were clearly established at the outset of the next Franchise. This requires a clear statement of what the future rail network should deliver to be articulated, costed (affordability) and timescales set out. In doing this stakeholder expectations will be set but also Government can take a view on the balance between its capital requirement against what it can expect to be funded from the Franchise operator.

### *Alignment of incentives*

- 2.9. The Franchise Agreement was written at the time, it seems to us, somewhat in isolation of the needs and aspirations of Welsh Government and also from those of other key stakeholders such as Network Rail. While current working relationships with Welsh Government and Network Rail are positive and constructive and can, to a degree, mitigate the lack of contractual alignment, there would likely be benefit in a future Franchise to facilitate closer working, particularly where that drives cost efficiency (a benefit to Government and ultimately fare paying passengers). A simple example would be reducing Network Rail maintenance costs which may involve increased costs to the TOC. Closer alignment and joint planning of engineering work will help reduce costs to the industry overall. Unlocking these savings and the ability to share the benefit would be a powerful driver for change.

### *Stakeholder expectations and long term plan*

- 2.10. We would observe that, for a future rail Franchise in Wales, Authorities should be clear as to what outputs it wants delivered (and it can afford to fund) irrespective of the contractual model that is chosen.
- 2.11. The rail system, not just in Wales, is complex and its limitations poorly understood. A simple example being the contradictory requests in general discourse with stakeholder groups for more station stops but also faster journey times and non-stop services. The reality that rail services within Wales are not commercially viable (i.e. revenue from fares does not cover the operational cost), and thus require public subsidy is also not well understood from the correspondence we receive.
- 2.12. We would urge clarity and if possible consensus on the outcomes that are required from the system for the next Franchise and for the longer term, and that these outcomes are well understood by bidders and stakeholders. The governance structures for public transport in Wales will need to be appropriate and support the longer term planning and oversight that this would demand.
- 2.13. Arriva Trains Wales currently commits fully to engagement with all stakeholders in Wales who have an interest in the services we deliver. We fully engage and participate in joint activity and discussion with key organisations such as the Welsh Government, Network Rail, Regional Transport Consortia, Local Authorities and others, and would engage equally closely with any future bodies or representational organisations which may form part of future transport policy in Wales.

### **Accountability and Commercial independence**

- 2.14. Whilst we believe the current relationship provides an acceptable balance in transparency between a responsible franchisee and the regulating authorities, we suggest improvements might be considered to the existing model (or other models the Authority may specify) which provides a franchisee with greater freedom to (re)act, and empowers it to address challenges and opportunities quickly and responsibly. For example reacting to changes in demand and optimisation of timetables.
- 2.15. The present circumstances rely on Authority approval which can in our experience import delay in addressing obvious and logical need. For example, in the implementation of an emergency weather timetable.
- 2.16. The current franchise model itself provides for high levels of scrutiny and accountability between ATW and Government. The day to day working relationship and regular performance reviews provide detailed understanding of business activities to the authority, providing reassurance in terms of compliance with the existing agreements. However, a salient positive factor is also that ATW is afforded a necessary degree of commercial independence (e.g. the development of a yield management system) which is an especially important element in a changing and competitive market, where commercial advantage and revenue could be lost to other train operators or transport modes.
- 2.17. Having a high degree of commercial focus, and being part of a wider transport business, ensures that the market can be closely monitored within the UK. Close partnership working and dialogue between ATW and Government ensures that the day-to-day operation of the train service is well controlled and this, given the right resources, should afford Government the opportunity to concentrate on future transport strategy and policy.

### **Allocation of Risk and the benefit of Franchisee Buying Power**

- 2.18. We would emphasise that the existing Franchise model offers a high level of financial protection and security of service provision for the Authority.
- 2.19. The current contract is of the net cost type where ATW takes the revenue and cost risks i.e. the risks of running the business are transferred from the Authority/Government to the private sector operator. The Operator's "reward" for this risk and its investment is profit. The Government is "insulated" from potential cost perturbations such as, in recent years escalation in the price of diesel fuel. While Arriva is able to hedge costs such as fuel (see example below), ATW has still had to sustain a 244% increase in its annual diesel fuel costs since the start of the contract of £15.5m pa.
- 2.20. ATW has fuel hedges in place until the end of the franchise term and these have proved to be particularly effective in protecting the business against the volatility of the fuel market, albeit prices have still risen. As a Group (Arriva and DB), we have been able to achieve large volumes of hedged fuel at relatively low market prices. These cost savings are passed through to Welsh Government when, for example, service enhancements are introduced such as the re-opening of the Ebbw Valley route, which benefits from hedged fuel prices rather than the higher market rate. These savings also allow us to allocate capital for long term investment

- 2.21. There are other similar examples of contractual and procurement efficiencies which have been realised within the life of the contract to date and, in tandem with sound management of its variable operating costs and the continuous drive to improve train service performance and customer satisfaction, this has resulted in a successful business. In addition it is worth highlighting the DB Groups low cost of capital (and hence low borrowing costs) as a benefit that could be used by Government to help in the development of the Network both now and in the future.
- 2.22. As shown in appendix 4, over 40% of ATW's cost base represents train leasing / regulated costs with a further 1/3rd made up of staff costs (see appendix 4).
- 2.23. Within the Wales and Borders franchise, in addition to employing an additional 300 employees than when the contract started, staff have shared in the success of the business, with employee wages seeing high levels of growth over the last 10 years. We work in partnership with the Rail Unions and we expect that this partnership will continue into the future.
- 2.24. There are also comments made that "super normal" or excessive profits are made by train companies within the current Franchising model. The current Wales and Borders Agreement includes a profit sharing benchmark (or profit cap), whereby should ATW profits exceed this level (circa £20m), the first 30% and then 60% of profit above these marks are returned directly to Government. These levels have not been triggered in the last 10 years. If profit levels are a concern then a future Franchise could look to adjust the level of "cap" downwards, albeit the Government will then need to consider what reaction the reduced return to train operators may cause such as less willingness to invest and risk-taking.
- 2.25. Further, when profit is related to total revenue, the following can be seen in Appendix 5.
- 2.26. The chart demonstrates that for every £1 earned by ATW only £0.06p is retained as profit, this on a business that takes the full cost and revenue risk on a turnover of circa £300m. While this rate of profit is modest, it is still a powerful motivator to the management team to invest, grow revenue and contain/reduce costs.
- 2.27. Without this profit incentive, the transfer of risk to the private sector and the ability to use the economies of scale (such as purchasing efficiencies) of a powerful industry player such as DB, we believe the costs and liabilities to Government of the Franchise would increase.
- 2.28. As such, and placing these matters in context, we consider that the current franchise model, although possible to improve (see above), has been a success, particularly in delivering record levels of customer satisfaction whilst incurring no additional risk to the tax-payer. We are convinced that the cost of operating this Franchise (and hence cost to future Governments), would have been significantly higher had it not been run on a strong commercial basis by a strong commercial enterprise.

### **3. What priorities can be identified to ensure that rail passenger services in Wales and the Borders provide the best possible service for passengers from 2018?**

We believe the following priorities for passenger services post 2018 need to be considered:

#### ***Rolling stock***

- 3.1. As detailed above, some of the existing diesel rolling stock will be approaching 40 years old by the time the current Franchise ends. In addition, in 2020 new vehicle accessibility rules will apply to the UK market and this will trigger either investment in stock to achieve compliance or the vehicles being withdrawn from service in the UK.
- 3.2. With the Valley Lines Electrification scheme, a decision will need to be taken by Government on whether to replace the existing (approaching 40 years old) diesel vehicles with either new or cascaded electric trains from elsewhere in the UK. The decision on this, as with current rolling stock needs, rests with Government, but we would counsel to consider the whole life costs of such fleet replacement and the length of time cascaded trains will be able to be used before they too need replacing. So for example, if Government needed to replace cascaded stock in 10 years' time, the question may be asked why not get the benefit of new trains from the start of the electrified network? Particularly if the intention is to retain the vehicles within Wales for their operational life. New trains will impact positively on the reliability and punctuality of the service overall. With its collective Arriva Group and DB parent strength, ATW is well-placed to assist in developing procurement and specifications for rolling stock to address future needs.

- 3.3. We are certain that, along with an improved passenger environment, customers wish to see more stock available to allow annual growth to be better managed and importantly for the prestige of Wales, so that the operator is able to better cater for special events, especially for those sell-out occasions at the Millennium stadium.

### Stations

- 3.4. While significant investment has been made by Welsh Government, ATW, Network Rail and others in improving the station environment for passengers, there is still more that could and should be done.
- 3.5. We are delighted to have worked closely with Welsh Government, Network Rail, Transport Consortia, Local authorities and others such as Rail Heritage to secure some £41m from the National Stations Improvement Programme ('NSIP') and Welsh European Funding Office ("NSIP+").
- 3.6. This has and is being used to deliver passenger benefits across the whole of our franchise area, with new ticket offices and waiting areas at a number of locations, enhanced CCTV coverage and in achieving a fully fitted network of customer information screens. The latter benefit will have been rolled out to every ATW station by the end of 2013, especially important for passengers at unstaffed locations. In addition, many waiting shelters have been upgraded, CCTV has been fitted to many stations and all ticket counters are now accessible with induction loops.
- 3.7. Further, significant investment (circa £2.5m) has been made by ATW in ticket vending machines, with over 100 machines in and a further 20 to be installed later this year.
- 3.8. Our approach has been to standardise to provide consistency across the network, giving full consideration to energy-efficiency, security and access to facilities for all our customers, including those who may have reduced mobility. Elements of the award-winning design at Chester station (which was fully funded by ATW) have been carried forward into the development at Swansea, opened by Carl Sargent AM. The improvements at Swansea has particularly impressed passengers with the National Passenger Survey (NPS) scores for the station rising from 50% to now 93%. See appendix 6.
- 3.9. However, while an improving trend in stations with some areas of best practice, this is still an area where customer perceptions could be improved. To illustrate the current passenger perception the NPS charts for these areas are shown in appendix 7.
- 3.10. Whilst the improving scores and trends are welcome, we would suggest that in a future Franchise a minimum standard of station facility is set by Government and that this forms part of the future expectations and funding requirement of the network.
- 3.11. In addition, the majority of stations in the Wales and Borders area are Victorian in origin and were not designed to modern accessibility standards. Only about half of the 244 stations in Wales are fully accessible and again we would suggest that standards and targets are set to improve this. Some stations have very low footfall so it may not be cost effective or reasonable that all stations are fully accessible, but we would suggest examination of this area as a priority. Important consideration of existing accessibility legislation will need to be considered as part of future franchise specification.

### Timetable

- 3.12. It is likely that much of the input for this inquiry will be requests for increases in levels of service post 2018. We would reiterate our earlier comments about the non-commercial nature of rail within Wales, the complexity of the network and hence the lack of easy, quick or cheap solutions.
- 3.13. As a starting point we would suggest that the current timetable forms the basis of services going forward and that additions are considered carefully in light of likely demand (and any other considerations such as access to employment) and affordability.
- 3.14. We have participated in the current work being undertaken by Mark Barry in respect of the Metro service development for South East Wales. While we have not seen his report at the time of this submission, we consider that this type of visionary work looking at a wide range of factors and going outside of local authority boundaries, may prove a useful template when considering how the rail network could develop, but of course, must be subject to the complexity, demand and affordability considerations.
- 3.15. One further thought the Committee may want to consider within the Wales and Borders framework, is whether different local solutions are possible, such as through greater involvement of local communities in some elements of the network. For example, it may be that costs can be reduced if branch lines are subject to different

arrangements and standards from mainline services. We understand that such deliberations are being made by the Heart of Wales Line forum, and we would encourage such novel approaches.

#### **4. How can service delivery after 2018 deliver connectivity and value for money for passengers while reducing the burden on the tax payer?**

- 4.1. There is a clear opportunity to work with ATW to reduce the future cost base of the Franchise post 2018. For example, as detailed above the Arriva Group has wide experience in bringing in different rolling stock, such as for VLE. Making the right decisions now will help reduce the cost base going forward.
- 4.2. In terms of improving connectivity post 2018, immediate considerations are likely to be how other modes (bus, car, cycling, ferries etc.) can better connect in with the rail service - with train timetables taking roughly 18 months to amend (due to the UK train planning system) and light of our earlier suggestion of using the current timetable as a base from which to start,. This involves providing both the physical facilities (such as appropriate bus interchanges at stations, sufficient secure car parking and covered secure cycle facilities), but also through strategic planning, ensuring that others play their part. The strongest example being buses that call at stations to connect with rail rather than just after services have left.
- 4.3. We already work closely with the ports at Holyhead and Fishguard, and arrangements between Stena and our Control Centre ensure we can strengthen services to provide additional capacity when there is unexpected demand. We also get good advice from them for us to pass on to rail passengers when ferry services are affected by poor weather.
- 4.4. We would like to see the importance of cross-border services recognised in a new franchise. The major passenger demand within and to Wales is east-west and vice versa rather than North/South (and vice versa). Also these flows tend to cover more of their operating costs and thus in effect contribute to the running of other services wholly within Wales. Thus protecting these cross-border services within the future Franchise and ensuring a high level of service is maintained will help the affordability of rail into the future.
- 4.5. Again as detailed above, we continue to believe both from our experience not just in Wales but also from the other 15 European countries in which Arriva operates, that best value for money for the future Franchise will be achieved via a 'net cost' type contract with the resultant transfer of risk (from awarding body/Government), than that of other contract types.

#### **5. Conclusion**

- 5.1. The Arriva Group has significant experience in managing a large number and variety of transport businesses within its Europe wide portfolio. Within the 15 countries we currently operate, each business operates under a different contract and Authority model. In practice we have found that the best contract model is one based on:
  - i) A clear and agreed set of outputs (based on the strategic goals of the Awarding body).
  - ii) Transfer of risk to the party best placed to manage that risk.
  - iii) Appropriate incentives/rewards where behaviours are aligned.
  - iv) Effective working relationships.
- 5.2. We believe that, with some modifications (as above), the current net cost contract is the model that best fits these elements. The success of the current railway in Wales bears testament to this.

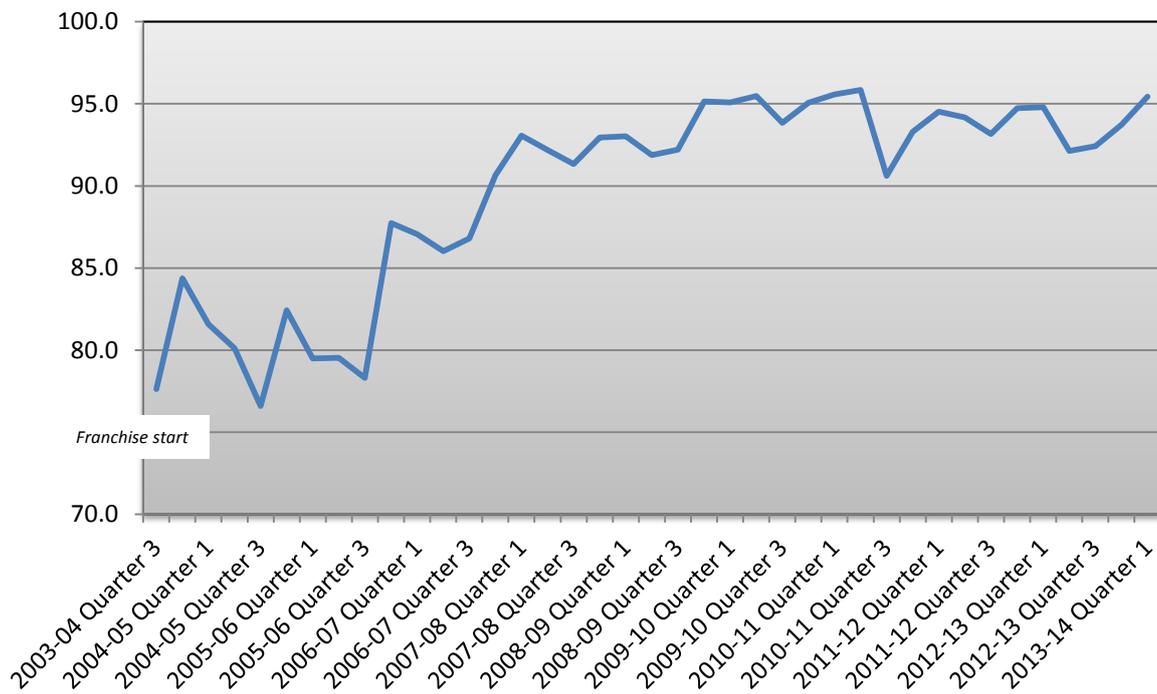
5.3. Finally, whichever future management model is determined by Government for use post 2018, in the interim ATW will continue to focus, build upon and deliver on the core customer expectations of high train service performance, customer satisfaction and comply fully with the contractual benchmarks and targets.

Michael Vaughan  
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Arriva Trains Wales

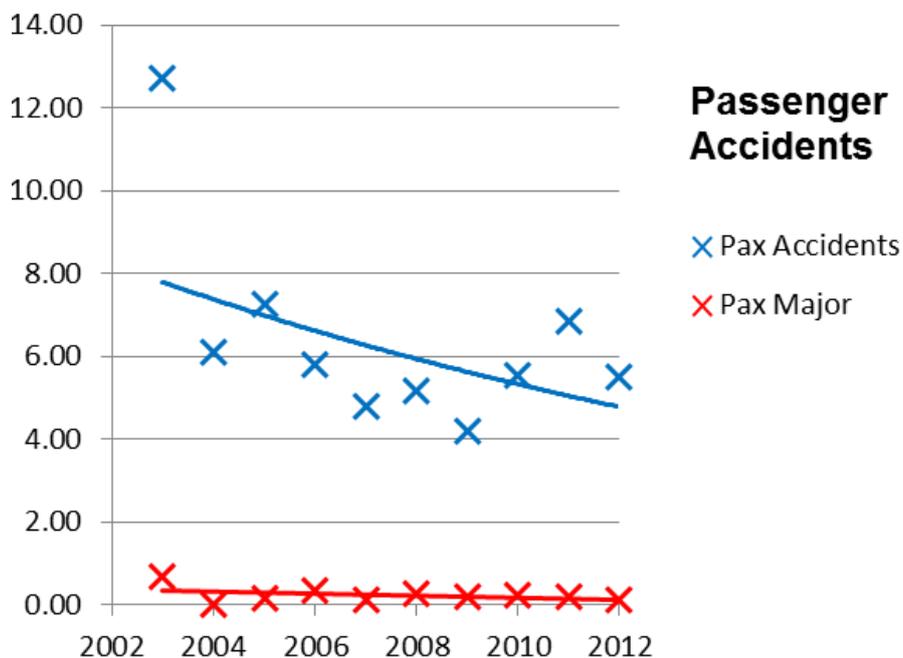
## 6. Appendices

Appendix 1: Train reliability and punctuality (PPM) since the beginning of the current franchise.

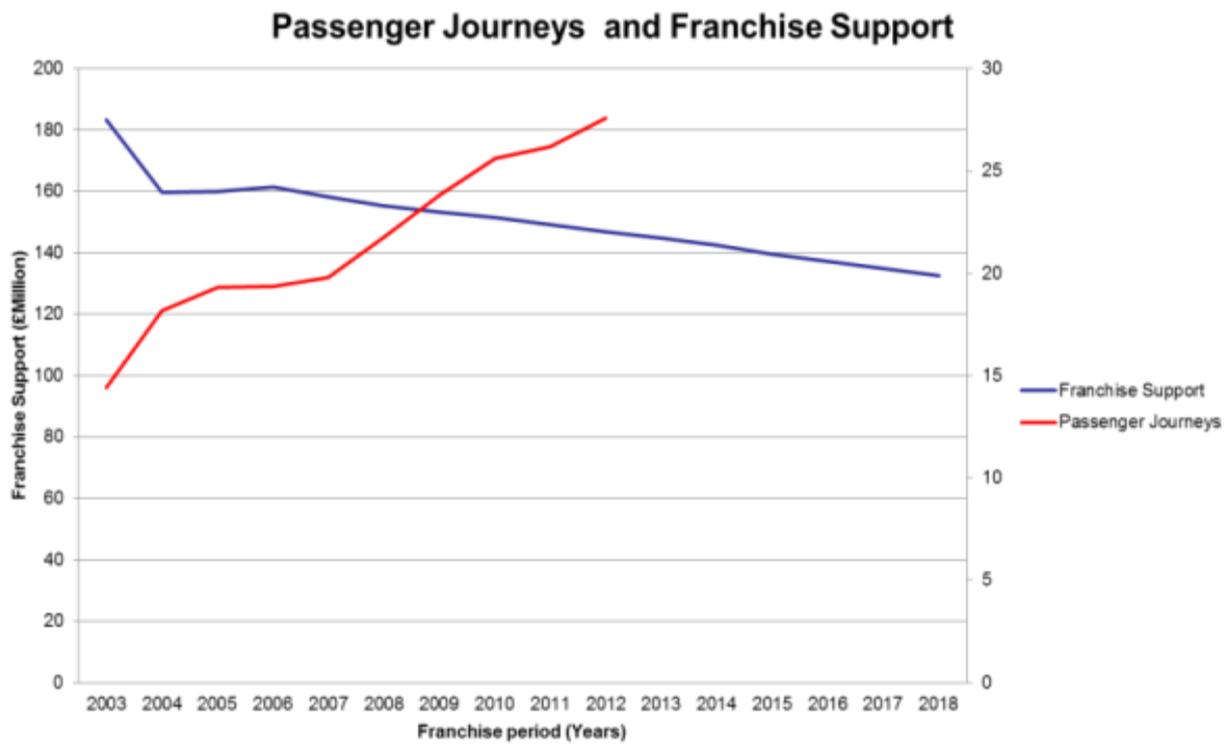
### ATW Train Service Performance since Franchise commencement (as measured 0-4.59 seconds arrival)



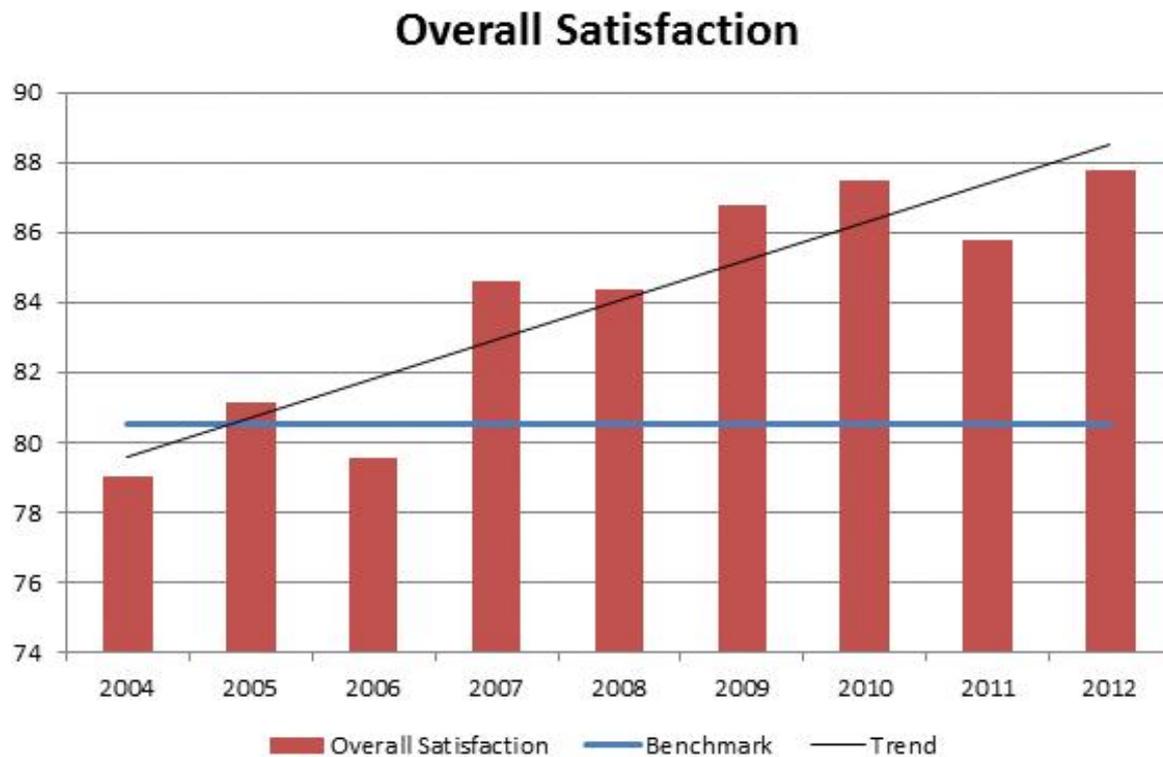
Appendix 1a: Arriva Trains Wales passenger accidents per million passenger journeys since franchise commencement.



Appendix 2: Number of passenger journeys when compared to franchise subsidy profile.

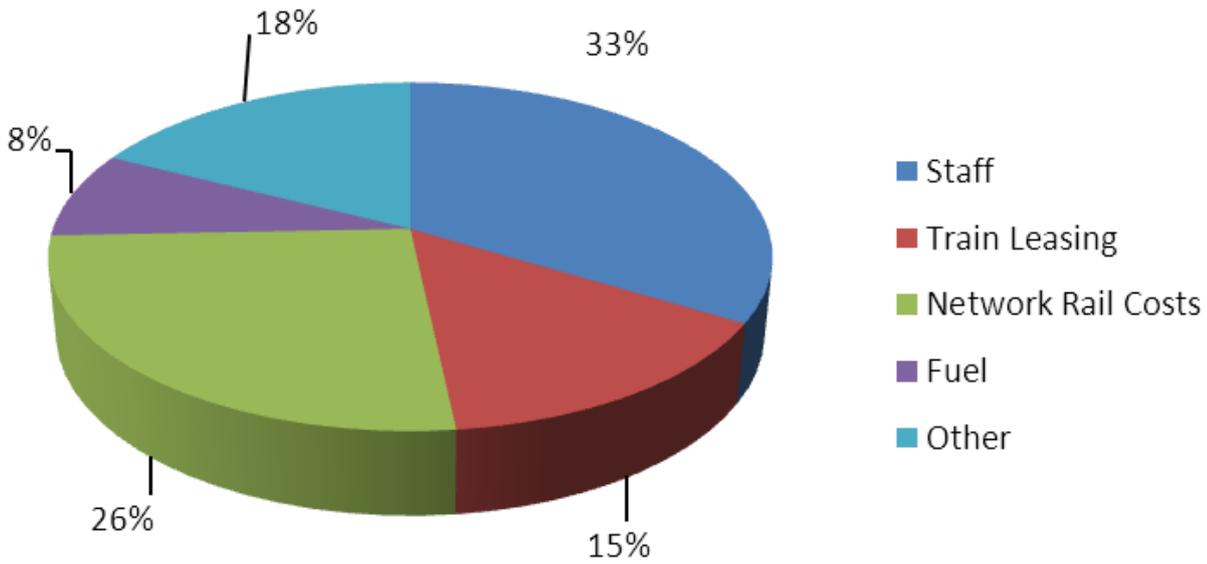


Appendix 3: Overall Customer satisfaction based on the independent Passenger Focus 'National Passenger Survey'.



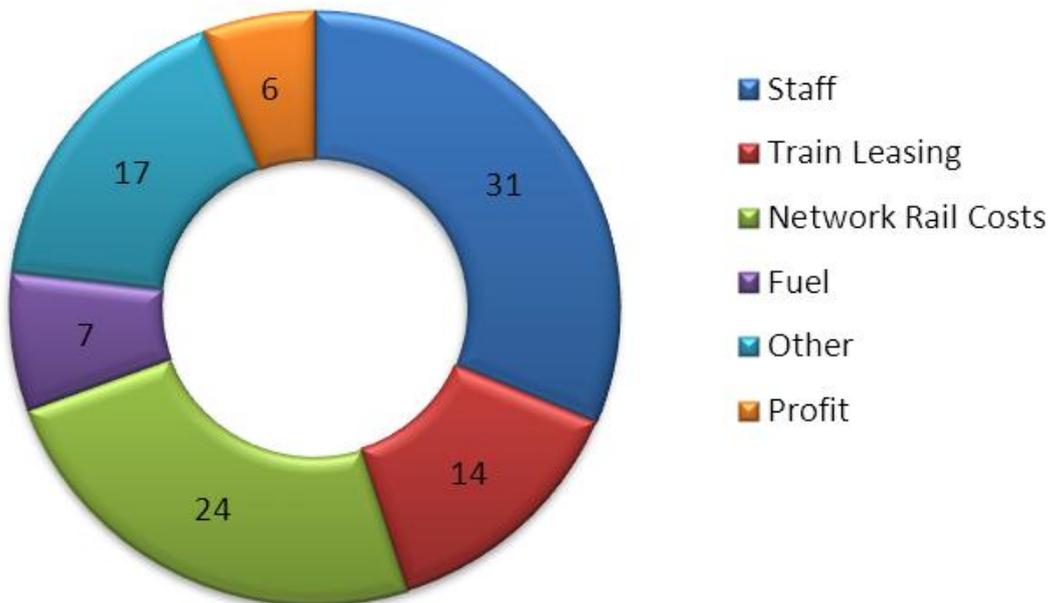
Appendix 4: Total costs to ATW during 2012 as an indication of overall cost base.

## ATW Total Cost 2012



Appendix 5: Currently, only 6% of total revenue results in profit. This incentive exists for an organisation with significant revenue and cost risk, and with declining franchise support in real terms.

## Cost per £ of Total Revenue 2012

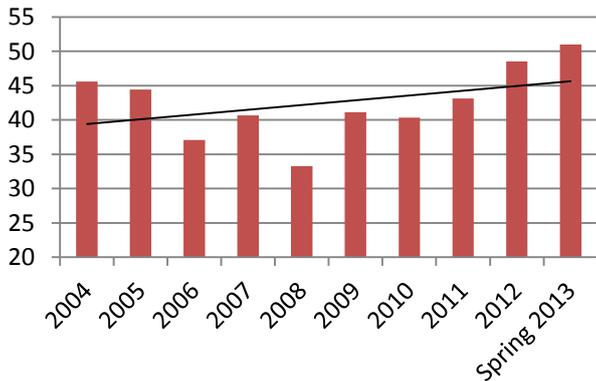


Appendix 6: Images of Swansea Station. The refurbishment project, delivered by ATW, resulted in a leap from 50% to 93% in overall customer satisfaction for the station in the National Passenger Survey. In the 2012 International Stations Awards, was also awarded 'Best Overall Station'.

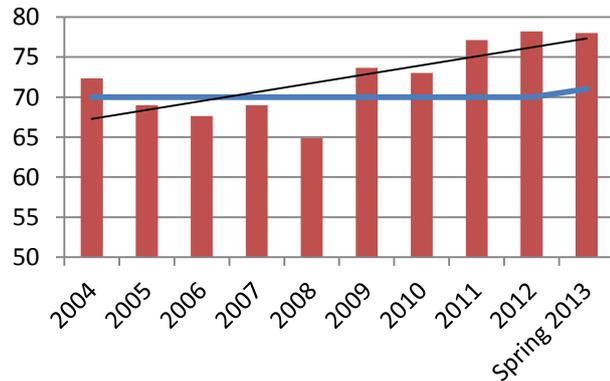


Appendix 7: Whilst we have greatly improved in overall Customer Satisfaction since the start of the franchise, we identify areas for further improvement.

### Station - The facilities and services



### Station - Ticket-buying facilities



## 7. Glossary of terms

'Authority', or 'the authority'	Defined as the regulating or awarding organisation of the franchise, that is Welsh Government, or in part, the Department for Transport
'Sweating rolling stock'	Driving the maximum efficiency in terms of the deployment and allocation of the finite number through intelligent planning, maintenance and timetable solutions.
Government	Read either Welsh Government, Department for Transport, or a share of both.
NPS	National Passenger Survey.
ORR	Office of the Rail regulator.
Performance	Refers specifically to punctuality and reliability of services.
PIXIE	'Passengers in excess of capacity', the regime by which growth in passenger demand triggers investment in additional rolling stock which applies to certain TOCs
PPM	Public Performance Measure – the official UK industry standard by which train performance is measured, defined as the percentage of trains which arrive at their final destination within 4m59s of advertised time and having called at all advertised stops.
TOC	Train Operating Company, i.e. Arriva Trains Wales, First Great Western etc.