



Rail Delivery Group

**THE
WAY
AHEAD**



Our planning process seeks to inform decisions about how the railway should be developed to offer great value for users and taxpayers.

Working with stakeholders from all over the country, we are taking a fresh and open-minded look at how rail could best serve Britain.

Paul Plummer
Rail Delivery Group Director, Chairman of Planning Oversight Group, Group Strategy Director,
Network Rail

FOREWORD



Martin Griffiths

**CHAIRMAN OF THE RAIL DELIVERY GROUP AND
CHIEF EXECUTIVE OF STAGECOACH GROUP**

Britain is leading the way on rail in Europe. We have the highest passenger satisfaction and best safety record of any European railway. With passenger rail growing faster in Britain than in Germany, France or the Netherlands and a vibrant freight sector, we have one of the most dynamic railways in Europe.

The success of the railway is demonstrated by an unprecedented growth in demand over the last decade. The number of journeys made by rail has increased by almost 50% and there are over a million more passenger trains running every year. This means that the busiest parts of the rail network are at capacity at peak times and the biggest stations are busier than Heathrow – and demand is still increasing.

By 2020 another 400 million rail journeys will be made every year and freight demand will grow by the equivalent of an additional 200 freight trains per day.

Over the past decade the industry has responded to the extraordinary growth in demand for rail travel. Train operators have run longer and more trains – around a million more trains every year than a decade ago – and Network Rail has worked hard to deliver improvements in the network to maximise the use of existing capacity. Making best use of what we have has been the right thing to do in the context of the economic climate.

The next phase in planning the railway that this document sets out addresses this phenomenal growth. It is a statement of the industry's ambition and demonstrates that we cannot afford to keep making ad-hoc, incremental improvements. It explains how industry develops holistic, long-term plans for the rail network.

To address how the rail network and services need to evolve, we need to understand the multitude of factors that drive economic activity and demand for rail.

Understanding our customers is at the heart of our planning. The experience of train operators and the research of Passenger Focus mean that the industry has a wealth of knowledge about what drives passenger satisfaction. Freight operators have also shown that they are continually developing the more competitive and high performing options for logistic operations that attract customers.

Improving our service offer to passengers and freight customers is hugely important and we need to complement this by understanding the significant underlying social and economic factors that drive demand for rail. This includes factors like the growing trend to live in suburban or rural areas but commute to jobs in city centres, the ever-increasing cost of fuel and running a car, worsening road congestion and the growing role of communications technology in broadening people's social networks.

To successfully plan the railway of the future we need to look at all these drivers of growth in the broader macro-economic context of what Britain's social and economic future might look like.

Only once we have understood all these factors and how they interact can we plan a railway that not only anticipates what Britain will need in future – but also surpasses the expectations of passengers and freight customers.

FOREWORD



Paul Plummer

**RAIL DELIVERY GROUP DIRECTOR, CHAIRMAN OF PLANNING
OVERSIGHT GROUP, GROUP STRATEGY DIRECTOR NETWORK RAIL**

Rail plays a vital role in the economic life of Britain. Railways don't only move people and freight, they generate and spread prosperity by opening up new markets for businesses, creating jobs and supporting sustainable economic growth.

This means there is a huge responsibility on the rail industry to plan effectively for the long-term future of rail. Our planning needs to identify how we can exploit the full economic potential of rail to UK plc by identifying strategic investment options for developing the network so that the railway helps to drive growth all around the country.

The recognition of this wider economic role of rail lies at the heart of the cross industry Long Term Planning Process (LTPP).

The LTPP's objective is to discover how the railway can serve Britain better. It starts from the premise that rail should develop in a way that supports the achievement of key national aspirations: economic growth, reduced carbon emissions and an improved quality of life for communities and individuals. The opportunity is for us to develop and make the case for investments in a growing, digitally enabled, sustainable and affordable railway.

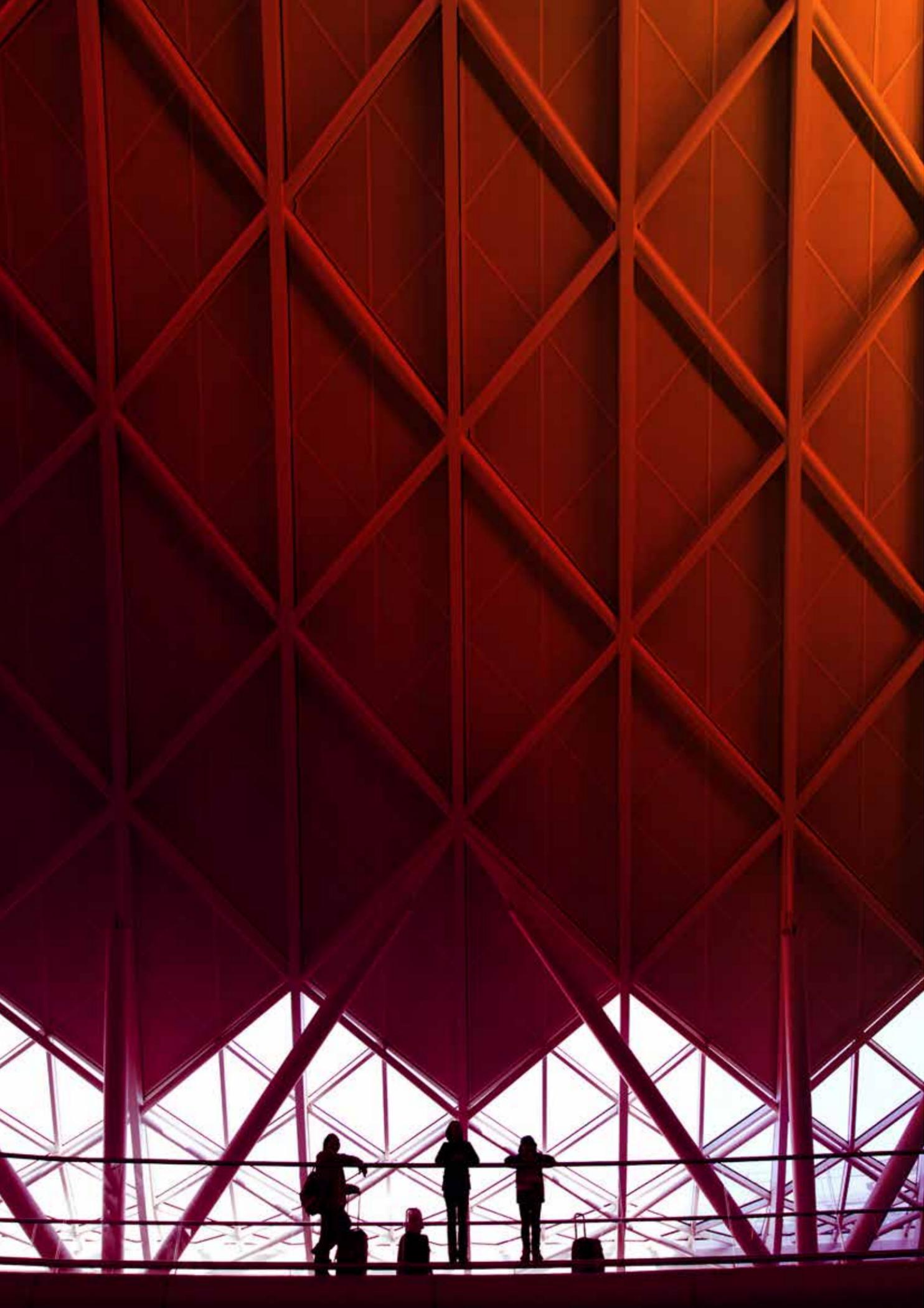
The initial stage of our planning process seeks to inform decisions about how the railway should be developed to offer great value for users and taxpayers and enable potential investment to then be prioritised. Working with stakeholders from all over the country, we are taking a fresh and open-minded look at how rail could best serve Britain.

Inevitably, what the railway needs to offer to help meet key national aspirations will vary for different groups of rail users in different parts of the country. This first stage of planning therefore looks at each of the different core markets for rail and determines for each what the optimum rail service would be.

The second stage of the planning process then takes these aspirations and, on a route by route basis, looks at what is physically possible and financially affordable. These decisions are informed by robust evidence on relative business cases and deliverability to deliver best possible value.

This allows us to combine the best of both worlds. Looking at the wider economic role of rail better enables us to identify where new connections or step change improvements to services on the railway as a whole - including HS2 - could deliver huge rewards for the country. The subsequent focus on feasibility allows us to make sure we prioritise available investment to deliver best possible value for money.

The way we plan is of huge significance. The work of Passenger Focus and dialogue with the public have both showed us what people want. They want the railway to be ambitious and have a vision that does more than simply fix the past. They want us to plan a railway fit for the future and we also have a responsibility to make sure these plans are deliverable and affordable in the long term.



1 INTRODUCTION

The rail industry is currently in the early stages of refreshing its long-term strategy. Market studies, looking at the forecast demand in different sectors, have been completed. These fall under the auspices of the industry Long Term Planning Process (LTPP), which is now identifying, via a series of route studies, options for all train services to meet this demand. These options will include best use of the existing infrastructure as well as considering further investment in the rail network. It is important to understand the broader context of the LTPP - how it draws input from a wide range of stakeholders, considers drivers of growth and assesses investment opportunity – and how it fits with other industry work streams to deliver a holistic strategic narrative for the rail network. The planning work so far has been subject to comment and guidance by an informed audience of more than 200 groups of stakeholders (including local authorities, local enterprise partnerships, integrated transport authorities and many other interested organisations and individuals).

BACKGROUND

In 2010 the rail industry (Rail Freight Operators' Association (RFOA), the Association of Train Operating Companies (ATOC), Network Rail and the Railway Industry Association (RIA)) published 'Planning Ahead'. This document set out the rail industry's vision for the railway of the future and started to describe a strategy that could achieve that vision. In the four years since publication, the rail industry has moved on. Completion of the McNulty review² in 2011 led to the strengthening of cross industry collaboration and the creation of the Rail Delivery Group, which brings together the owners of Britain's passenger train operating companies, freight operators and Network Rail to provide leadership to Britain's rail industry.

'Planning Ahead' and subsequent industry plans were, in part, informed by the Route Utilisation Strategies. These are a suite of documents, produced by Network Rail in conjunction with industry partners and wider stakeholders that set out passenger and freight capacity requirements, operational performance and costs to address the requirements of funders and stakeholders. This programme of work was completed in 2011 and informed the Control Period 5 (CP5) periodic review process. The periodic review process sets Network Rail funding and outputs for five year periods.

As well as the creation of the Rail Delivery Group, there have been wider changes within the rail industry, including new franchises, revised open access opportunities and Network Rail's devolution to nine routes. These have been followed by further industry changes such as Network Rail reclassification and the creation of the DfT Rail Executive. This is within the context of changes in the wider UK economy and changes in demand for passenger and freight services. More people travel on the railway today than ever before. Demand for passenger and freight services is high and is expected to rise significantly in the future. The LTPP has been developed to allow industry to respond flexibly to these challenges and plan the long-term capability of the rail network up to 30 years ahead.

LTPP

Industry thinking has evolved, and it is recognised that aspirations for train services that support economic growth, for example connecting residential areas to labour markets or freight trains to new ports, may require entirely new services and a new approach to creating capacity. A number of significant long-term strategic investments have been developed such as High Speed 2 and electrification of significant route mileage, which will support a step change in service provision.

When complete, the LTPP will consist of a number of studies that will support the industry, its funders and stakeholders to understand the capability of the network as a whole and what future interventions may be needed:

- Market Studies will forecast demand over a 10 and 30 year period for freight and for three passenger 'markets' – long distance, regional urban and London & South East.
- Route Studies will develop options for all future train services, local as well as long distance, based on the demand forecasts and priorities set by the market studies.
- Network Wide issues, including the requirements of freight and the potential for technological innovations, will be addressed through a series of network studies.

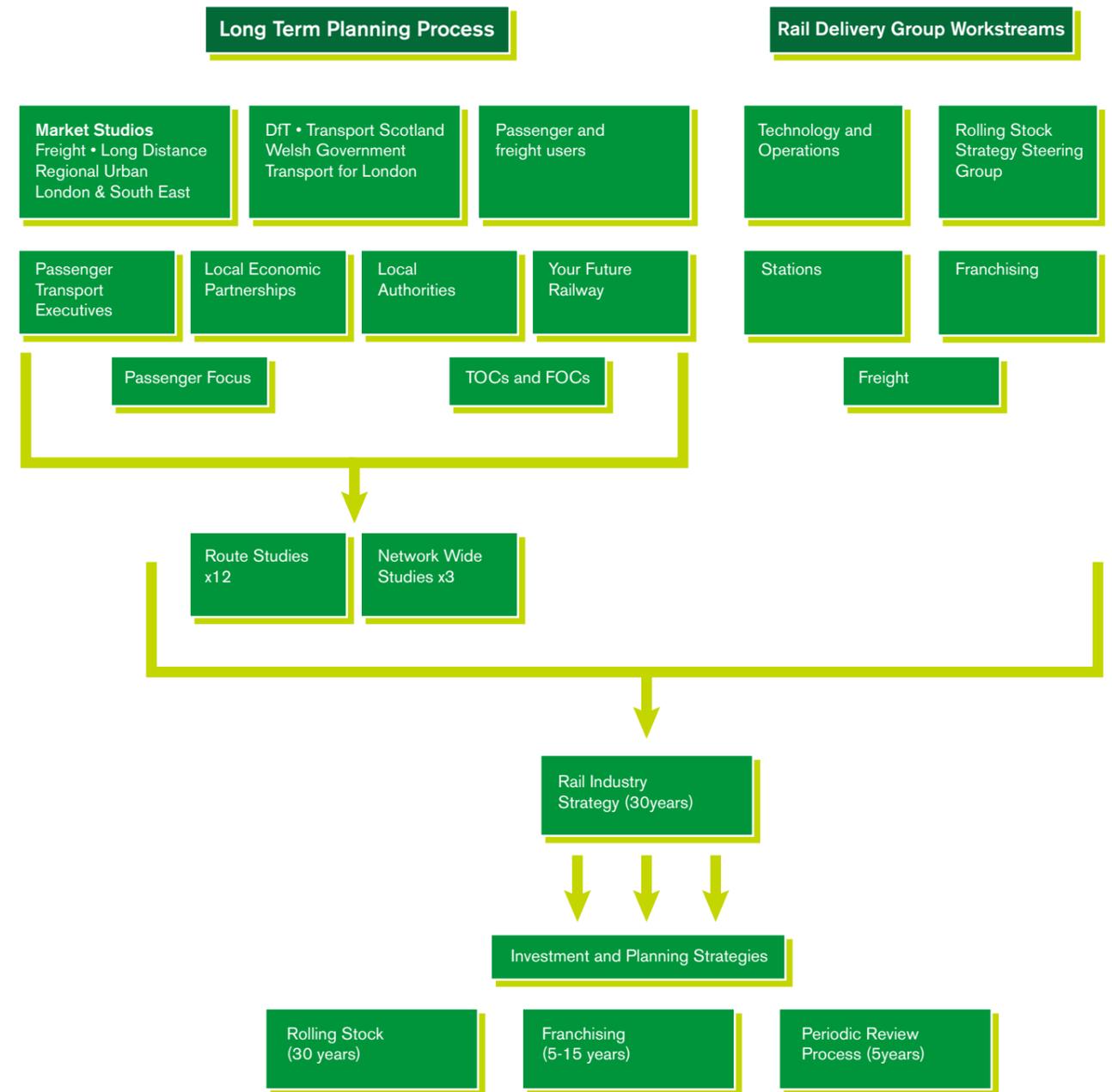
These completed studies are expected to provide the main source of proposals put to funders to secure the long-term capability of the rail network. They will also inform franchise specifications and bids.

Each study or analysis is delivered through a Working Group, including funders and train and freight operators, which will consult wider stakeholders such as local authorities, passengers, freight users and their representatives and Local Enterprise Partnerships as part of their work. A Board oversees the delivery of the work and all studies will be published on Network Rail's website in draft form and subject to consultation for 90 days. The final study will then be established within 60 days of its publication subject to approval from the Office of Rail Regulation.

These studies, together with work carried out by other areas of RDG (for example in technology and performance) and other cross industry groups (for example the Rolling Stock Strategy Steering Group, Rail Supply Group) will inform the strategy for the rail industry to be described in a publication in September 2015. Key inputs to this will also come from work on the digital railway, input from the supply chain and be informed by the industry technical strategy. Further detail will then be described in the RDG Initial Industry Plans which will inform the next High Level Output Statements from governments. This will enable the outputs and funding for the next control period to be set in the context of a longer term rail strategy. The industry strategy can also be used to inform the franchising process and the outputs that funders wish to purchase through the franchise. There is also a feed into rolling stock strategy, which will both inform and be informed by the HLOS and franchising processes.

In this way, it can be seen that from a broad base of inputs (including market studies, freight and passenger customer consultation, customer and funder requirements, economic modelling etc) the industry, via Planning Oversight Group – the RDG group that owns the long term planning narrative between industry and governments - can define its long term strategy. This can then be used in the short to medium term for specification, planning and delivery.

This document will describe why it is important that short and medium term decisions are made in the context of an overarching rail strategy, how rail can contribute to the greater goals of Great Britain and give further detail on the process and next steps of this work. It sets out how the industry plans strategically and inclusively for future development and demonstrates how our stakeholders are involved in this process.



2 WHY STRATEGY AND PLANNING IS IMPORTANT

GROWING DEMAND

The railway has seen a decade of extraordinary growth. Compared to just ten years ago, passenger demand has increased by almost 50% and there are half a billion more passengers every year travelling on a million more trains per year than a decade ago. The biggest stations in London are busier than Heathrow Airport. Rail freight has also increased significantly with consumer goods carried by rail up by over 70% over this period.

Growth in demand for rail is hugely positive, investment in rail is at record levels but passenger and freight demand has outstripped this investment. This means that the railway faces a capacity crunch - the busiest parts of the network are full at peak times and current technology allows no more services to be run.

The busiest lines are already at a critical juncture. The only answer to a railway running out of space but facing continued growth in demand is sustained strategic investment to provide further capacity. There is a need to get ahead of the game and plan the railway Britain needs for the future.

A VALUE FOR MONEY RAILWAY

At the same time as growing the railway there needs to be delivery of better value for money to create a railway that is financially sustainable in the longer term. This means improving the overall affordability of the railway.

A substantial quantity of infrastructure components (largely track and signalling) has a life span of around 30 years. Rolling stock has an asset life of over 30 years. Long term planning therefore extends the demand projections to a 30-year time horizon to enable management of the assets and investment priorities to be established in the most cost efficient way possible.

A WIDER ROLE FOR RAIL

It is widely acknowledged that rail plays a vital role in the economic life of Britain. In 2013/14, 1.588 billion journeys were made by train and the railway transported over 100 million tonnes of goods worth around £30 billion. However, the role of railways is not confined to moving freight and passengers. Railways generate and spread prosperity by connecting homes and workplaces, expanding labour markets, widening the customer base of businesses, stimulating trade and supporting sustainable economic growth. Strategic investment in rail does not simply enable economic growth – it helps to drive it.

3 HELPING DELIVER ECONOMIC GROWTH

Historically, rail planning focused on looking at the existing network and current service patterns and identifying where incremental improvements were needed in order to keep up with growing demand. This made it difficult to identify where step-change improvements or entirely new journey opportunities would provide greater economic benefits.

This is one reason for the introduction of the Long Term Planning Process (LTPP). The railway should be planned and developed in a way that not only helps to accommodate growing demand but also helps to deliver the country's strategic goals, for example stimulating economic growth. Oxera have recently reported³ that rail enhances the productive potential of the economy by up to £10.2 billion per year. The LTPP takes a new and different approach by working back from these strategic goals to identify how rail should develop to best help deliver them.

STRATEGIC GOALS

During the market study process, the rail industry and stakeholders worked together to identify a common set of strategic goals. Further information on how the goals were developed, and what they mean for each sector, can be found within the market studies on the Network Rail website⁴.

Enabling economic growth

The majority of rail passengers and freight are transported as part of economically productive activity. Rail needs to provide sufficient capacity for this to continue and grow. Good rail links stimulate economic activity by improving business to business connectivity, access between employment and labour and the links between goods and markets.

Reducing carbon and the transport sector's impact on the environment

Travel by rail is more environmentally friendly than road or air and the overall carbon footprint of the transport sector can be lessened by modal shift to rail. For example, transporting freight by rail produces 76% less carbon dioxide per tonne of cargo than if the same goods were transported by road.

Modal shift to rail can also help to alleviate road congestion. For example, rail freight takes the equivalent of 7.6 million lorry journeys off the roads every year.

Electrification of the rail network represents a real opportunity to lessen the environmental impact of rail even further as electric traction is more carbon efficient. Electrification also offers the potential that, as energy sources become greener (e.g. renewables) so too does the railway.

Improving the quality of life for communities and individuals

Rail plays an important role in connecting large numbers of people and their homes with educational establishments, city centre shopping areas, leisure venues and other locations of importance.

Improving value for money

There is currently significant pressure on public finances and therefore a responsibility on the rail industry to achieve the above goals in an affordable way. The rail industry needs to work together to reduce the difference between the industry's costs and its revenue, thereby reducing the whole industry subsidy.



4

MARKET STUDIES – THE DEMAND FOR RAIL

To establish how rail needs to develop to best help deliver strategic, British goals, it is necessary to understand what the likely scenarios are of what the future could look like.

Two characteristics which shape these scenarios are the economy and social and environmental planning.

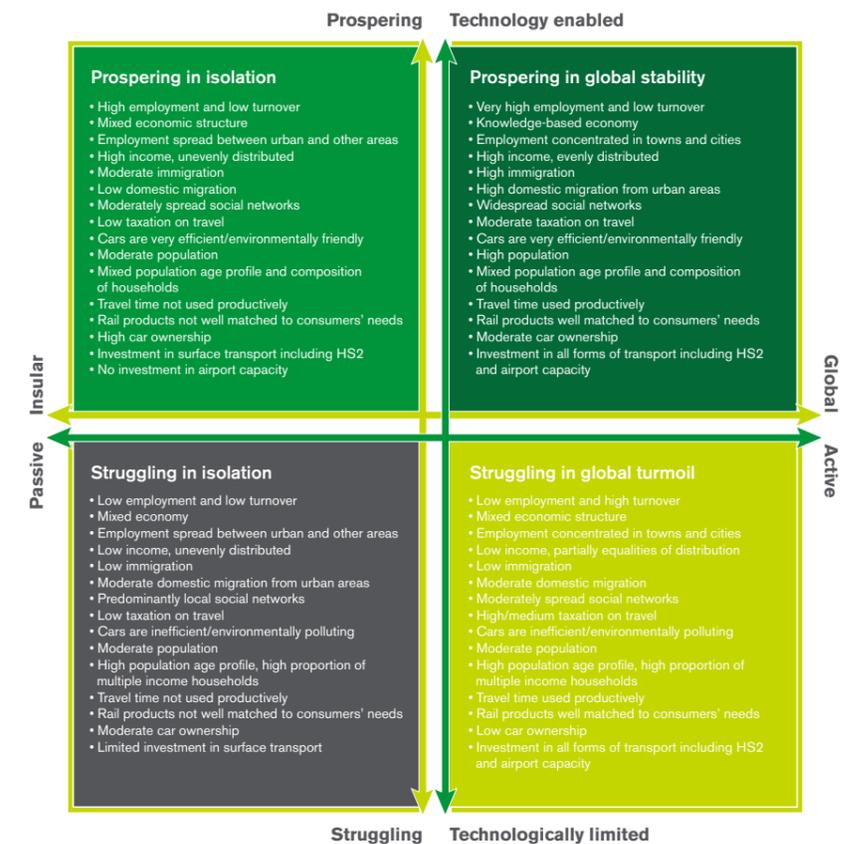
THE ECONOMY

When planning the railway, the likely strength of the British economy is measured against other national economies and also the extent to which the British economy will be integrated with other national economies or isolated is examined.

SOCIAL AND ENVIRONMENTAL PLANNING

Addressing the impacts of modern society and globalisation, for example social inequality and increased carbon emissions, requires both technological capability and the will to invest (both economically and politically) to counteract these impacts. Demand for rail is affected by the degree to which Britain is able to intervene to address these negative impacts, as illustrated in the diagram below.

These long term outcomes for Britain's social and environmental planning have been combined with those for the economy to articulate the four most likely future scenarios which examine the range in the likely factors which influence the demand for rail travel



The way in which people live and work will be influenced by the future scenario realised and this, in turn, affects the level of demand for rail. The market studies then build on this to look in greater detail at a range of smaller factors that help determine more precisely what rail demand is likely to be. Making a thorough assessment of how these factors will change and interact over the long term is vital for robust planning. The plans can then be tested against the range of scenarios to make sure they are robust. This can also affect the timing of recommendations.

The factors fall into four broad categories.

MACRO-ECONOMIC

- National and regional levels and types of employment - the more people who are in work, the greater the number of people who commute and travel for business. Demand for rail in a given region is also affected by the dominant types of employment as this affects the number of people for whom commuting by rail is a viable option.
- The location of jobs - rail tends to be more attractive for people with jobs in city centres, both because their work is not far from a station and because their journey is made quicker by avoiding road congestion.
- National and regional income levels - as longer distance travel is more expensive, higher income levels mean that more people are willing to travel over longer distances. This particularly affects rail travel as the preferred, faster mode of travel, over distances of 50-300 miles.
- The distribution of income across the population - the level of domestic income equality also affects the number of longer distance rail trips that are made as only higher income groups tend to have the financial means to travel regularly over longer distances.
- The distribution of homes across the country and between urban and other areas - the relationship between where people live, work and spend leisure time affects demand for rail. If people tend to live on the outskirts of urban areas, this leads to significant inward commuting and leisure trips. A dominant regional centre of population also leads to large levels of business and leisure travel to other parts of the country.
- Coverage of social networks - wider social networks mean more people choose to travel by rail as it is often the faster mode of travel for visiting people who live further away.

MICRO-ECONOMIC

- Cost of travel by car and car ownership - a change in the cost of car travel can have a significant impact on the demand for rail travel. The most notable factors influencing the cost of car travel and ownership are the price of oil and government taxation policy. The same factors affect road freight levels.
- Cost of domestic air travel - this has a significant impact on rail passenger numbers on long-distance routes where rail and air compete. It is also affected by government taxation policy and the price of oil.
- Cost of travel by rail - the impact of this on demand varies by market. Where the dominant market is commuter travel into central London the impact is typically small, whereas in other markets where car travel is more competitive

(e.g. off-peak travel between medium sized towns) it can be significant. The price of rail travel is influenced by a number of factors including the overall cost of the rail industry, government fares policy and commercial decisions by train operators.

DEMOGRAPHIC

- Overall size and age of the population - the larger the population the more people travel by rail. Equally the age of the population and the number of commuters also has a significant impact.
- Household composition - households where more than one person works generally lead to an increased demand for rail. Where a number of people living in the same place are employed, one is likely to have to commute further to work and therefore choose rail as a mode of travel.

CONSUMER PREFERENCES

- Use of travel time - the choice over how to use travel time is a key advantage of rail over car travel. The degree to which rail can offer on-board facilities, in particular mobile technology to capitalise on this, affects demand.
- The match between preference, perception and travel product - the overall perception of the experience of a rail journey from the cost of the fare, to buying a ticket, the availability of advance and real time journey information, and the comfort and reliability of the journey itself all affect demand. Passengers will compare rail with competitor modes of transport so the ability of the rail industry to tailor its products to suit customers is important.



5 DIFFERENT MARKETS NEED DIFFERENT SERVICES

Identifying the optimum level of rail service is challenging on a mixed-use rail network where there are different types of rail users with different needs. These include short distance commuters, people travelling between cities, long distance business and leisure travellers and freight users.

Rail may need to develop in different ways, depending on the market, in order to best support the achievement of strategic British goals. For example, in some markets providing more capacity and more frequent journeys will be the best solution, whereas for others reducing journey times, maximising reliability or providing new journey opportunities may have a greater impact.

LONG DISTANCE MARKET

Case study: principal regional centres

	Birmingham	Bristol	Cardiff	Edinburgh	Glasgow	Leeds	Leicester	Liverpool	London	Manchester	Newcastle	Nottingham	Sheffield
Birmingham													
Bristol	B												
Cardiff	C	E											
Edinburgh													
Glasgow													
Leeds	A	C	C	B	B								
Leicester	D		C			B							
Liverpool	B			C	C	B	C						
London	A	A	A	A	A	A	A	A					
Manchester	A	B	B	B	B	D	C	D	A				
Newcastle	B			B	C	B		B	A	B			
Nottingham	A					B	E	C	A	C			
Sheffield	B	C	C			D	C	B	A	D		E	

Key

	Distance	Aspiration	Description	Illustrative service characteristics	
				End to end journey speed	Opportunities to travel
A	> 50 miles	Best possible future	Very fast	160mph	3 or 4 per hour
B	> 50 miles	Best current	Intercity	100mph	2 or 3 per hour
C	> 50 miles	Good current	Interurban	80mph	1 or 2 per hour
D	< 50 miles	Best possible future	High frequency interurban	60mph	5 or 6 per hour
E	< 50 miles	Best current	Medium frequency interurban	60mph	3 or 4 per hour
F	< 50 miles	Good current	New interurban connection	45mph	1 or 2 per hour
	Any	Maintain existing level of service			
	Outside the scope of this Market Study, will be considered in the Scotland Route Study				

Improving business to business connectivity is critical in supporting economic growth. When cities and urban centres are well connected, people are more willing to travel for business purposes. This helps to increase economic efficiency and competition and reduce costs in the supply chain through agglomeration and encourage trade and investment. The table shows the improved levels of rail service that would best help to deliver these goals for the principal regional centres in Britain. It shows that the largest improvements are likely to come from providing very fast services between London and other principal regional centres, and between some other principal regional centres around 100 miles apart, such as Birmingham and Leeds.

LONDON AND SOUTH EAST MARKET

Case study: Croydon-Windsor/Maidenhead

Croydon and Windsor/Maidenhead are large places, with populations of 370,000 and 145,000 respectively. Both are key centres of employment in the South East, outside central London, with Croydon home to about 130,000 jobs, Windsor and Maidenhead is a thriving economic centre close to Heathrow Airport and the town of Windsor is a major tourist destination.

The current total rail journey time between Windsor/Maidenhead and Croydon is approximately 110-120 minutes. Services are frequent, but the journey is made up of three or four journey legs including at least one by London Underground. This makes the overall journey relatively unattractive for two places that are within 40 miles of each other. In addition, a car journey between Croydon and Maidenhead takes about 100 minutes along congested urban roads. There is therefore significant scope to generate environmental benefits via mode shift from car to rail as well as the potential to improve the business and labour market interaction between Windsor / Maidenhead and Croydon if total rail journey times could be reduced to significantly less than 100 minutes.

The above factors suggest that strategic goals would be best met by creating a journey between Windsor/Maidenhead and Croydon that is as close to a total journey time of 60 minutes as possible. This is an example of the step change in connectivity that can be achieved with new infrastructure and services: in this case, the Crossrail and Thameslink Programmes.

REGIONAL URBAN MARKET

Case study: Harrogate

The Harrogate route runs from York to Leeds via Harrogate. Train journey times on this route are slow compared with other corridors. All stations between Harrogate and Leeds have a generalised journey time (a measure of the attractiveness of a journey, including journey time, frequency of service and number of interchanges) less than 60 minutes but more than 20 minutes so the willingness of people to travel by rail is greatly affected by changes in service frequency and journey time.

Each station on the line has a relatively large catchment area of potential rail users and relatively low deprivation. Demand into Leeds is also already particularly high from Harrogate, Horsforth, Headingley and Burley Park. This means that all criteria are met for a high impact on economic growth and the environment by improving rail services.

By extending the existing fast rail services from Harrogate to Leeds in the peak hours into the shoulder- and off-peaks to provide two additional services per hour, both frequency and average journey times into Leeds could be improved by more than ten minutes from key stations. For each minute that the generalised journey time could be improved, benefits of £230,000 per year would be delivered.

FREIGHT MARKET

Rail freight is key to helping deliver strategic goals. Rail freight generates more than £1.5 billion a year in economic benefits for UK plc, directly contributes £870 million to the economy and supports an output of £5.9 billion, over six times its direct turnover.

The overall volume of freight moved by rail is expected to nearly double over the next 30 years with an increase of around 2.1% every year until 2043. There needs to be a plan to accommodate this increase. The recent report 'Keeping the Lights on and the Traffic Moving'¹⁵ identified that transporting freight by rail reduces CO2 emissions by 76% compared to roads and that reduced congestion and the wider environmental and safety benefits of cutting journeys by lorry is worth £0.5bn a year to the UK economy.

The planning also needs to forecast and accommodate changes in the freight market. While people traditionally associate rail freight with bulk materials such as coal and aggregates, the decline of Great Britain's manufacturing industry means that we are seeing big increases in the importation of manufactured goods, particularly from the Far East. Intermodal freight, mainly consisting of consumer goods has become the single largest commodity transported by rail.

The volumes of consumer goods transported by containerised rail freight through ports and the Channel Tunnel is forecast to continue growing by 5.5% every year to 2033 with domestic intermodal freight forecast to grow between 6-12% per year.

Entirely new freight markets are also being created as a result of change in other industries. The electricity generating industry, for example, faces substantial change as a result of the need to reduce carbon emissions and biomass is emerging as an important alternative fuel. The majority of biomass is expected to pass through our ports and rail is proving to be the ideal mode of transport to carry it to power stations.

Adapting and investing in infrastructure to accommodate new freight markets as well as growth in existing ones is a critical part of long term planning.

SCOTLAND

Scotland's railways and the needs it serves are diverse. The Network in Scotland covers a large geographic area (Stranraer to Wick is about 400 miles by rail) with some 2500 domestic passenger services per day serving interurban, suburban and rural markets, Anglo-Scottish services to the main cities in England as well as a significant volume of short haul and longer distance freight. Previous studies have suggested growth rates varying between 1.5% in the mature Glasgow commuter market to 5% per annum in the rapidly growing Edinburgh suburban market. As a result of the different political and demographic drivers in Scotland it was not appropriate to generalise from the English market studies to the Scottish market and a separate Market Study in Scotland is currently being undertaken as part of the Scotland Route Study with publication planned for the 2nd half of 2015. Relevant sections of the Long Distance and Freight market studies will also be included in considering future demand. All of this will take account of the Scottish Governments objectives to improve journey times, reduce emissions and improve quality, accessibility and affordability.

The growth scenarios above suggest that certain sections of the network in Scotland will be full in the mid-2020s and the route study will address the best ways that this challenge could be addressed to continue the growth in passenger volume experienced over a number of years to continue to contribute to the success of Scotland's economy.

6 THE LONG TERM PLANNING PROCESS

MARKET STUDIES (PUBLISHED SPRING 2013)⁴

The first stage of the process looked at how the railway should develop for different groups of rail users to best help deliver Great Britain's strategic goals. These have been produced by working closely with more than 200 groups of stakeholders from within and outside the industry. The planning work has, therefore, been subject to comment and guidance by an informed audience of key stakeholders who understand the different communities and markets that the railway serves.

The work was driven by the Rail Industry Planning Group, Industry Working Groups for each study and regional stakeholder groups of local authorities, integrated transport authorities and local enterprise partnerships. In addition, there were a number of one to one discussions with interested organisations and individuals. Many of the outcomes put forward in the studies originate from the views of key stakeholders across and outside the rail industry.

ROUTE STUDIES (COMMENCED 2014)

Building on the market studies, the second stage of the planning process started in early 2014 and is developing options for all future train services, local as well as long distance, based on the demand forecasts and priorities set by the market studies.

Options will be appraised on making best use of the existing network (with committed changes) to understand what the trade offs are between different competing requirements for capacity both within and between the different market sectors.

Options will be developed to include infrastructure enhancements to understand whether those demands can be met. For both stages, options will be assessed using governments' transport appraisal criteria however consideration will also be given to the wider economic benefits of a particular option, the options strategic fit, and its likely affordability.

The governance of each route study will comprise:

- Rail Industry Planning Group, provides strategic guidance and direction for the LTPP and its membership is at a strategic level from industry and wider stakeholders (including Passenger Focus, RFOA and funders);
- a board, consisting of the Network Rail Route Managing Director, head of strategic planning for the route, relevant TOC and FOC MDs and government, ORR and RDG representatives;
- a working group, consisting of the head of strategic planning for the route and nominated representatives from passenger and freight operators, Network Rail, government, the ORR and the RDG;
- draft route studies will be published on Network Rail's website and subject to consultation for 90 days. The final study will then be established within 60 days of publication, subject to approval from the Office of Rail Regulation.

A cross-boundary working group provides guidance to each Route Study on passenger and freight assumptions to be included regarding cross-boundary services. These will be integrated with the network studies identified below.

NETWORK STUDIES (COMMENCING 2014)

Complementing the LTPP route studies, a small number of network studies will take place to address network-wide issues, such as technological changes, electrification, interoperability and freight. Similar governance arrangement to those in place for the route studies will be implemented.

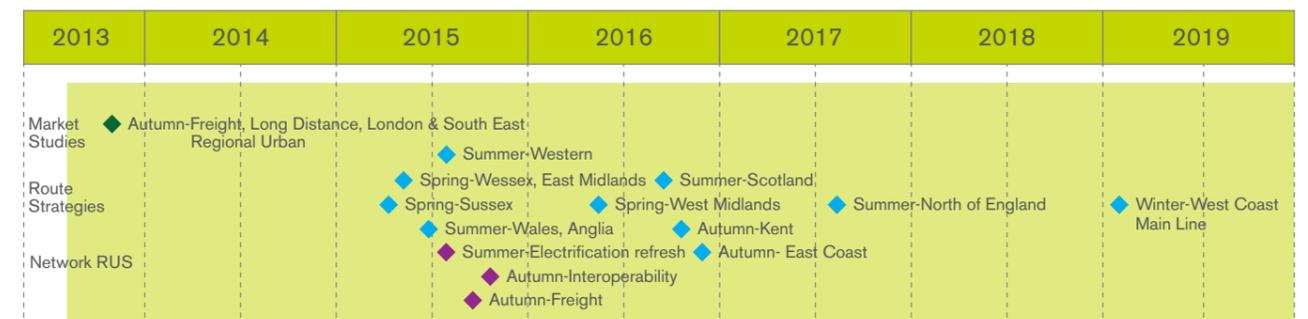
EAST-WEST CONNECTIVITY

In June 2014, the Chancellor of the Exchequer announced that there would be an early study of options to develop "HS3", improving journey times, capacity and connectivity across the Liverpool-Manchester-Leeds corridor. A recommendation to this effect is contained within the Higgins report "HS2 Plus" published in March 2014. The key challenge in the region is around capacity and connectivity. There are a number of challenges that a project will need to address and refine before detailed proposals can be brought forward. These include scope definition; route choice; alignment with current and future projects; station and terminal capacity and integration with wider HS2 and industry planning work.

The LTPP route study for the Northern routes provides a clear opportunity to identify how the railway can contribute both to the conditional outputs identified by the market studies but also to respond to the "HS3" concept going forward. The wide stakeholder engagement through the LTPP process provides an opportunity to capture aspirations and requirements, as well as the wider spatial and transport policy developments going forward.

YOUR FUTURE RAILWAY (COMMENCING NOVEMBER 2014)

Informing the industry's Initial Plan for Control Period 6, this important piece of public engagement led by Network Rail seeks to develop the strategic choices for rail both on and off High Speed 2. It aims to identify and understand the range of passenger and freight priorities for future rail services on both conventional and high speed lines to the north of London, and to develop strategic outputs to inform the longer term planning of the network and future passenger rail franchise specifications. The strategic outputs could include information about frequency, journey opportunities, capacity and performance, and describe impacts on rolling stock and infrastructure where relevant.



7 NEXT STEPS

The LTPP has been developed to allow industry to respond flexibly to the challenges posed by the forecast in increased demand for passenger and freight services, whilst planning the long-term capability of the rail network up to 30 years ahead. Industry is also developing long term strategies for rail in areas such as rolling stock⁶, and technology⁷.

Over the next 24 months, the Rail Delivery Group and its members will be providing further advice to the UK Government and to Scottish ministers in developing their High Level Output Specifications. The development, by Planning Oversight Group, and publication of a long term strategic narrative for industry in September 2015 will set out a view of where the industry believes the rail market will be within 25-30 years, as an input to the medium term planning of railway outputs and funding by the industry and governments and the regulatory review process.

The Initial Industry Plans in September 2016 will provide choices to funders of the industry in the medium term, consistent with long term strategy, to inform the HLOSs in 2017.

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An aerial, high-angle photograph of railway tracks, showing the rails, sleepers, and gravel bed. The image is heavily tinted with a green color, creating a monochromatic effect. The tracks recede into the distance, creating a strong sense of perspective.

By 2020 400 million more rail journeys will be made every year and freight demand will grow by 200 freight trains per day.

The next phase in planning the railway that this documents sets out addresses this phenomenal growth.

It is a statement of the industry's ambition and demonstrates that we cannot afford to keep making ad-hoc, incremental improvements.

It explains how industry develops holistic, long term plans for the rail network.

Rail Delivery Group

The Rail Delivery Group was set up in 2011 and brings together the owners of Britain's passenger train operating companies, freight operators and Network Rail to provide leadership to Britain's rail industry. The RDG Planning Oversight Group is the cross-industry group that owns the long term planning narrative between industry and governments.

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