Yes Minister, but these are the issues

Railfuture has at last arranged a meeting with Rail Minister Tom Harris. It was expected to take place in February.

There are many positive things happening on the railways now but the Railfuture team of Mike Crowhurst, Norman Bradbury and Howard Thomas were expecting to highlight the following problems, largely arising from the recent Rail White Paper.

Overcrowding

The reluctance to allow train operators to implement service enhancements or lease more rolling stock, even with their own funds. Clearly, procurement of new rolling stock has become a matter of urgency.

Route protection

The absence of any commitment to safeguard potential routes for reopening for more than two years. In particular, protection for the East-West route from Cambridge to Oxford via Milton Keynes is a serious omission in view of the large amount of new housing planned for the area.

Electrification

In view of an emerging energy crisis, the absence of a commitment to further electrification within "control period four" is to be regretted together with misplaced reliance on new, untried technology coming to the rescue.

Hydrogen is a very inefficient way to store energy and it is known that the most efficient way to convert biomass into energy is in the generation of electricity and not in conversion to diesel fuel.

Postponement of electrification pending implementation of the European Rail Traffic Management System on the basis that it would save costs seems like an attempt to delay much-needed investment.

The economic case for electrification is falsely undermined by the Department for Transport's wildly optimistic assumption that oil prices will fall to $35/$53 per barrel by 2030. We note that some experts predict it could be over $200 by 2020.

High-speed rail

The absence of any commitment to consider construction of new lines in the face of evidence that new capacity will soon be needed.

The DfT economic appraisal of high-speed railways is flawed by the erroneous assumption that load factors would average only 35% while evidence from Eurostar and other high-speed services shows 65-70% would be typical. Modal switch from aviation and roads is high, bringing environmental and congestion benefits, though current appraisal methods fail to prioritise this (see New approach to appraisal below).

Growth in demand for rail travel now outstrips aviation and road traffic growth by a considerable margin and investment in more rail capacity should become a priority.

Light rail

The failure to authorise more light rail schemes in major cities and the waste of public money spent on preparations for schemes, subsequently cancelled, is to be deeply regretted.

Despite the negative effect of current appraisal methods concerning loss of fuel tax revenue due to high levels of modal switch from the car and inequitable optimism bias ratios, these cancelled schemes showed positive benefit-cost ratios, particularly the South Hants scheme.

New cost-effective light rail systems such as those developed by Tram Power should be trialled with a view to reviving the cancelled schemes.

Aviation and road expansion

In contrast to the Government's approach to the need for more capacity in the rail network, the continued willingness to consider expansion of airports and motorways with associated environmental and global warming damage, is a major concern.

Since, unlike other major European cities, London already has five airports, the aviation industry should be able to manage with what it has.

Meanwhile, signs are emerging that aviation demand may have peaked. BAA reports that the average growth at its five airports in the 12 months to November 2007 was just under 2% with growth at Heathrow no more than 0.3% and a fall of 0.7% at Glasgow.

In any case, aviation growth has not been driven by claimed economic benefits but by cheap leisure flights to the sunshine which are now thought to be responsible for an annual tourism deficit exceeding £19billion.

Tax-free aviation fuel combined with zero rating for VAT provides the industry with unsustainable advantages.

In the absence of fuel tax, a carbon tax, reflecting the extra damage caused by emissions at high altitude, should be introduced for domestic flights and exemption from VAT would remove the industry's ability to reclaim around £2billion of input taxes per year made possible by zero rating.

Global warming

The exclusion of emissions tax–ation for aviation and shipping pending international agreement is to be regretted and should at least be applied to domestic flights as noted above. Efforts to achieve European Union agreement on this issue should be intensified.

Since carbon emissions from transport are still rising, the DfT should abandon the valuation of carbon by the Department for Environment, Food and Rural Affairs based on marginal cost, and adopt the much higher figure recommended by the Stern report on the Economics of Climate Change.

Heavier lorries

The continued willingness to consider allowing longer and heavier lorries is a major concern. Surveys have shown 75% of the public are opposed to them while 80% are in favour of more freight by rail.

We would also point out that road hauliers are already benefiting from bridge strengthening work for 44-tonne lorries at no cost to themselves while rail freight operators are expected to pay for loading gauge enhancements through higher track access charges, even though the nation as a whole will benefit.

Introduction of 44-tonne lorries failed to reduce the number of heavy lorries on the roads – as it was claimed it would – and research by MTRU transport planning consultants confirms that average lorry loads have fallen over the past 20 years while lorry net weights have increased.

Road pricing

The failure to take forward road pricing schemes at national level is another disappointment. Again, national opinion polls have shown that 63% are in favour of road pricing provided the revenue is invested in public transport improvements.

Demand management

We note the failure to restrain demand by pricing on air and road, while doing so on rail with 75% of investment now expected to come from the fare box in spite of the wider benefits rail provides. A study by Steer Davies Gleave found a high proportion of rail users make essential journeys for work, business or education purposes.

There is a danger that continued fare increases will stifle growth and reduce revenue for investment in enhancements.

Level playing field

Mention has already been made of unequal funding benefits enjoyed by the road haulage industry but there are many other examples too numerous to mention here. However, we note that optimism bias ratios still favour roads and air over rail schemes in spite of a growing number of rail projects being completed on or under budget while road schemes continue to exceed estimated costs.

New approach to appraisal

It is clear that the perverse distortions created by inclusion of road fuel tax revenue as a benefit from transport and inequitable values attached to time savings that favour the motorist, should be removed from the appraisal process. Current practice leads to high carbon dependency schemes gaining priority over environmentally sustainable schemes such as rail and light rail projects that achieve high ratios of modal switch from the car, and where traffic and congestion would fall.

Similarly, we would urge a repeal of the Railways Act 2005 requirement that additional road fuel tax revenue is regarded as a benefit from a rail closure together with the value of railway land for alternative uses.

Experience has shown us that many rail routes should be protected for future transport uses.

Franchising

There is widespread evidence that the current refranchising process is driving above-inflation fare increases. Costs related to short term franchises are also cause for concern. By contrast, motoring costs and air fares are either static or falling while their carbon emissions continue to rise.

Concessionary bus fares

There is growing evidence that inequitable treatment of rail versus bus for senior citizen concessions is causing abstraction from rail services, many of which are provided with the aid of public subsidies.

There is concern that this could lead to withdrawal of some rail services or an increase in subsidy levels to sustain them.

We note that, while the cost per passenger by bus may be lower than rail, the average journey by rail is significantly longer than that by bus and the cost per passenger mile by rail could well be lower than by bus.

We would urge that consideration is given, either to provision of free concessionary travel for local rail journeys or by modifying the bus scheme, perhaps with an annual bus pass similar to the Senior Rail Card which must be purchased for a nominal sum.

Passenger transport executives

Concern persists that PTEs are no longer co-signatories to franchise agreements and about the effect this may have on service agreements and performance.

Rail passenger champions

We would also express concern that the replacement of Regional Rail Passengers Councils with Passenger Focus officers fails to meet the needs of the regions.

High-speed sale and Crossrail

We would urge caution over the proposal to sell off HS1 infrastructure and feel strongly that it should be integrated with the national network under the ownership of Network Rail and that the control of access should be the responsibility of the Office of Rail Regulation and the same should apply to Crossrail.

Britain has the third worst pedestrian road safety record in Europe – *The Times* 2 February 2008