

ACCESS DISPUTES COMMITTEE – TIMETABLE PANEL

Southern Railway Limited ("Southern"); Representations to Timetable Panel

Ref: TTP384

Network Rail Offer for the 2011 Subsidiary Timetable

Re: Brighton Main Line

18 March 2011

1 Introduction

- 1.1 This document is Southern's submission to the Timetable Panel in relation to TTP384. It is submitted following First Capital Connect's (FCC) submission dated 4 March 2011 (FCC's submission).
- 1.2 Southern makes this submission pursuant to Access Dispute Resolution Rules H19 and H21(b) and the directions set out in the Access Disputes Committee secretary's e-mails to the dispute parties of 18 February 2011 and 16 March 2011.

2 Subject matter of dispute

- 2.1 FCC's submission¹ correctly identifies the subject matter of the dispute which relates to the fourth fast train (4th train) which Southern proposes to operate per hour in each direction between London and Brighton.
- 2.2 The Timetable Panel should be aware of one significant change of circumstances, however. This is that Southern has withdrawn its proposal to operate the 4th train on weekdays in the 2011 Subsidiary Timetable. The subject matter remaining in dispute is therefore limited to the 4th train which Southern proposes to operate on Saturdays in the 2011 Subsidiary Timetable from 17th September 2011.
- 2.3 Southern's argument and evidence in this document is accordingly limited to its proposal in relation to Saturday 4th train services.

3 This document

- 3.1 This document is organised as follows:
 - (a) Section 4 invites FCC to withdraw its opposition to the 4th train being scheduled to operate on Saturdays in the 2011 Subsidiary Timetable;
 - (b) Section 5 summarises the remaining matters being disputed and sets out Southern's representations in relation to them;
 - (c) Section 6 contains Southern's detailed arguments in relation to performance issues;
 - (d) Section 7 contains details of the decision sought by Southern;
 - (e) Annex 1 deals with the 9 performance issues identified by the ORR in its letter of 24 November 2010;
 - (f) Appendix 1 is provided for completeness and to inform and assist the Timetable Panel. It is a copy of Southern's previous submission to ORR in relation to a related dispute following appeal by FCC of a previous Timetable Panel decision in relation to Southern's 4th train proposal in relation to the December 2010 timetable.
 - (g) Appendix 2 contains extract diagrams for Class 442 circuits on Saturdays;
 - (h) Appendix 3 contains a copy of an e-mail from TfL to Southern dated 24 November 2010; and

¹ Section 4

- (i) Appendix 4 contains the spreadsheets considered by the ORR with regard to the XX.06 and XX.36 Victoria – Brighton conflict, and the extract from the working timetable for May 2011.
- (j) Appendix 5 contains the output from Southern's risk mitigation process for the December 2010 timetable.

4 FCC invited to withdraw notice of dispute

- 4.1 Southern does not accept that FCC's case in relation to the 4th train on weekdays has been substantiated. However it is clear that those arguments are now irrelevant due to the development noted in paragraph 2.2 above.
- 4.2 Southern's arguments in this document are compelling. It is Southern's position that FCC's case in relation to the 4th train on Saturdays has not and cannot be substantiated. FCC is accordingly invited to withdraw its objection to the 4th train being scheduled in the 2011 Subsidiary Timetable to operate on Saturdays.

5 Summary of dispute and Southern's representations

- 5.1 FCC sets out its case in section 5 of FCC's submission.
- 5.2 Given that the remaining dispute relates only to the 4th train on Saturdays, its arguments are relevant only insofar as they relate to the 4th train on Saturdays. As can be seen from Southern's representations below, some of FCC's arguments are not applicable in respect of Saturdays and others carry reduced weight in relation to Saturdays.
- 5.3 FCC prays in aid of its arguments the previous ORR decisions and correspondence referred to in FCC's submission. Southern notes that, whilst those ORR decisions and that ORR correspondence related to both a contested grant by Network Rail of access rights and to a previous timetable dispute (ref 356/375), ORR only made a substantive decision in relation to the access rights matter and in doing so only considered performance issues. It did not determine the timetable dispute or the other disputed access rights issues. This means that the ORR's decisions are only of relevance to performance issues, and not the wider dispute between the parties. The ORR's position is therefore of limited relevance to the dispute which is now before the Timetable Panel.
- 5.4 Furthermore, since the ORR's decision in respect of performance and the December 2010 timetable, Southern and Network Rail have jointly reviewed the key points raised by the ORR. Consequently, some errors in the ORR's determination have been identified (See Annex 1 for further detail). Also, changes have been made to turnaround times at Brighton (one of the ORR's main concerns). This will provide much more robust options for recovery in disruption. In addition, further mitigation measures have been identified (see paragraphs 6.14 to 6.23 below). In Southern's view, whilst instructive as to ORR's concerns about a six day a week 4th train service at that time, the ORR's decision regarding performance issues is out of date in any event.
- 5.5 The principal issues remaining are FCC's arguments that :
 - (a) *The 4th train is not "needed" and Southern could better strengthen existing services to provide additional capacity on them.*

Southern does not accept this. The 4th train is proposed to provide passengers with access to more and faster services and an alternative London destination to London Bridge. This issue was extensively canvassed in Appendix 1 and the Timetable Panel is referred to Southern's case which is made out there. Southern's position has not changed.

It observes, however, that as passengers travelling on Saturdays do so overwhelmingly for leisure rather than business purposes, Southern's point that London Victoria is a more attractive destination than London Bridge (and other London ThamesLink stations) is particularly relevant in relation to Saturdays.

- (b) *The 4th train is, and is designed to be, primarily abstractive of FCC's revenue and so fails ORR's "not primarily abstractive" test.*

This argument is not accepted by Southern (and again was canvassed In Appendix 1). It is not a matter for the Timetable Panel.² Southern does not address it further here, save to note that the ORR did not decide the issue in its letter of 24 November 2010.

- (c) *The network (specifically the BML) has insufficient capacity, is already too congested and/or performance is too poor for it to be proper that the 4th train should be timetabled.*

Southern does not accept this, particularly in relation to Saturdays. Its arguments in relation to performance issues are set out in section 6 below.

- (d) *Generally, proper application of the decision Criteria set out in Part D of the Network Code ("Decision Criteria") would not have allowed Network Rail to accept Southern's Bid for the 4th train and accordingly schedule it in the timetable.*

Again, Southern's arguments on this are set out in Appendix 1 and have not changed substantially. In relation to Saturday services, however, Southern makes the following specific observations:

- (i) FCC accepts at paragraph 7.27 of FCC's submission that the primary Decision Criteria to apply in this case are those at D6(a) and D6(d).
- (ii) As previously set out (in Appendix 1), in Southern's view greater weight should be given to Decision Criterion (a) than Decision Criterion (d). The Timetabling Panel accepted this position previously. In Southern's view, as set out in section 5 above, there is nothing in ORR's decision of 24 November which prevents it from adopting the same approach in respect of this dispute.
- (iii) Decision Criterion D6(a) is all about "sharing the capacity of the network". Accepting Southern's bid is an appropriate sharing of capacity.
- (iv) Decision Criterion D6(d) is about maintaining and improving service reliability. It is clear from section 6 below that the extent of performance issues relating to the introduction of a 4th train on Saturdays are minimal and insignificant. Service reliability will not be affected by accepting Southern's bid.

² This is recognised by FCC at paragraph 7.17 of FCC's submission.

- (v) In the circumstances therefore, on any analysis of the position under the Decision Criteria, it is clear that Network Rail was right to offer Southern Saturday Train Slots between Brighton and London Victoria for the 4th train.

- (e) *the 4th train would "increase costs"*³

This point is not substantiated by FCC. The way in which, if the point had been substantiated, it would attract adverse weighting in relation to the Decision Criteria is also not set out. Southern accordingly represents that this point should be ignored by the Timetable Panel.

6 Southern's arguments in relation to performance issues

General

- 6.1 FCC's arguments in relation to performance issues can be broken down as follows:

- (a) The risk to performance is substantial (sufficient to outweigh any benefits);
- (b) A substantial number of "breaches" of the Rules of the Plan are evidence of the performance risk;
- (c) Insufficient modeling of the impacts on performance has been undertaken by Network Rail to enable proper timetabling;
- (d) Inadequate mitigation measures have been planned by Network Rail, Southern and other parties using the BML to enable proper timetabling; and
- (e) TfL's concerns have not been properly addressed.

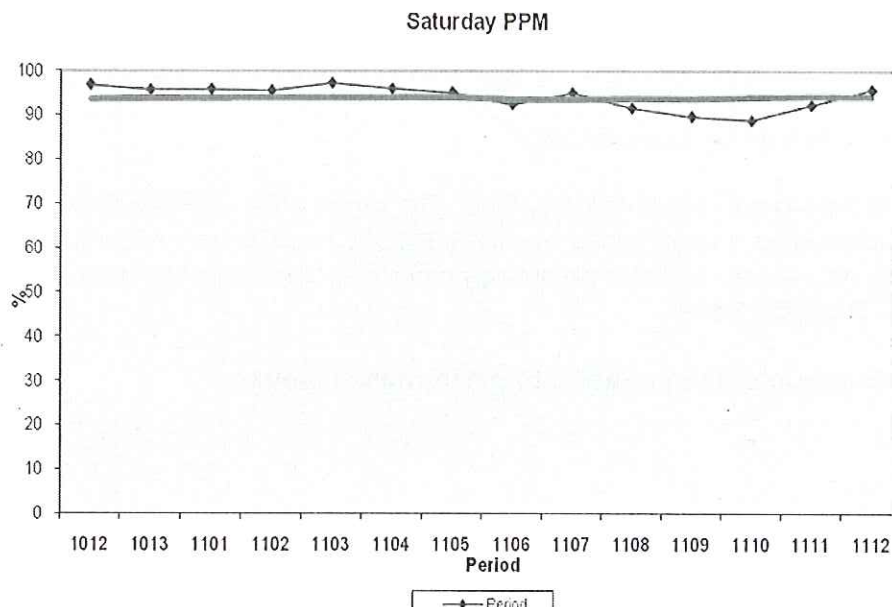
- 6.2 Each of these issues is discussed below.

- (a) *The risk to performance is substantial (sufficient to outweigh any benefits)*

- 6.3 In Southern's view the likely performance impact resulting from the introduction of the 4th train on Saturday is minimal. The benefits from the introduction of additional services are likely to be significant and far outweigh any performance impact.

- 6.4 Southern's PPM MAA, shown as the red line on the graph below, is currently 94.1%. The test trains operated on four Saturdays during July, September and October of 2010 returned a PPM of 95%. The introduction of the additional service will therefore not have any detrimental impact on performance or the PPM MAA for Saturdays.

³ FCC's submission, paragraph 5.6



- 6.5 Southern accepts that ORR found these test trains to be of limited value when assessing a six day a week service. However, Southern submits that they should be seen as highly instructive in relation to Saturdays. For the avoidance of doubt, Southern's position is that the dwell times used when running the test trains were realistic, train crews were instructed to deliberately make dwell times realistic despite trains often arriving early at intermediate stations.
- 6.6 In FCC's submission to the ORR of 5 November 2010 at paragraph 13.1(e) it highlights that one of the key issues from the Railsys analysis is the difficulty of dealing with delay imported from the peak with a more intensive off-peak service. This point is also made on page 4 of the FCC document "*Access Rights Risks – Adverse affect (sic) on performance*" (appendix 6 to FCC's submission to TTC). Clearly, this analysis does not apply on Saturdays.
- 6.7 At paragraph 13.1(f) of FCC's 5 November 2010 submission, FCC provides a graph of PPM, illustrating that very good performance that is seen on Saturdays on the Brighton Mainline, with average PPM approaching 95%.
- 6.8 The ORR also acknowledges that performance on Saturdays is generally better than performance on weekdays in paragraph 59 of its letter of 24 November 2010. Of course, this is now a key point since Southern now seeks to run a 4th train on Saturday's only.
- (b) *A substantial number of "breaches" of the Rules of the Plan⁴ are evidence of the performance risk*
- 6.9 As summarized in Annex 1, FCC's assertions regarding breaches of the Timetable Planning Rules (the **Rules**) are incorrect. In the majority of cases cited by FCC (quoting ORR) the alleged breaches of the Rules are not in fact breaches. In other cases the issues raised have already been resolved. The result of this is that there is only one instance referred to by FCC which might be considered a breach of the Rules (and as set out in Annex 1, even that instance should not be considered a breach).

⁴ Now known as the Timetable Planning Rules

6.10 At paragraph 7.22 of FCC's submission FCC cites a series of extracts which the ORR highlighted in paragraph 24 of its letter of 24 November 2010 as purported breaches of the Rules of the Plan. However, in subsequent correspondence with the ORR it was highlighted by Southern that 4 of the 9 examples quoted by the ORR were wrong (see Annex 1). Further detail regarding these issues is set out in Annex 1 to these submissions.

6.11 FCC's assertion in paragraph 7.22 of FCC's submission that "*these breaches have not been addressed within the offered First Working Timetable*" is manifestly not correct. As noted above, 4 of these alleged breaches (bullets 1, 3, 4 and 7) are actually perfectly compliant with the Rules and were due to errors made by the ORR when applying the Headway and Junction Margin Rules. Otherwise, with one exception (bullet 2) the issues have been mitigated or resolved. In Southern's view, even that exception should not be considered to be a breach of the Rules since a train with exactly the same headways is currently operating in the Working Timetable.

(c) Insufficient modeling of the impacts on performance has been undertaken by Network Rail to enable proper timetabling

6.12 The use of performance modeling tool is a decision for Network Rail. However Southern believes that Railsys was used as TRAIL was developed to appraise the impact of new infrastructure schemes on operational performance. There have been no infrastructure changes to the BML and so TRAIL is not an appropriate tool to use. Southern understands that Network Rail explained this to the ORR following the ORR's letter of 24 November 2010.

6.13 The Railsys modeling undertaken for September was agreed by ORR, and as such met the criteria set out by the ORR, looking at the position generally and not just on the BML. One of the key issues identified and relied on by FCC is the reduced capacity for managing the delay imported into the off-peak from the peak. This does not apply on Saturday.

(d) Inadequate mitigation measures have been planned by Network Rail, Southern and other parties using the BML to enable proper timetabling

6.14 Southern has planned numerous mitigation measures in respect of the minimal performance impact of the introduction of the 4th train on Saturdays. These include technical performance enhancing schemes, changes to circuits and robust plans for the management of timetable change.

6.15 Southern has a robust project methodology in place for the management of timetable change. The Fleet and Timetable Change Programme Board (FTCPB) identifies risk and provides mitigation to ensure there is no detrimental performance impact following timetable change. A number of sub-groups feed into the FTCPB, including the cross TOC assistance procedure set up to create a matrix of all fleets operating on the Sussex route to ensure compatibility in order to assist each other.

6.16 A full hazard and operability study (HAZOP) takes place in advance of each change and activities are delivered as a result. Similarly a review takes place after each change so we can learn and enhance the process for the future. There is a full risk register for each sub-group, and Southern's Head of Performance will meet with every individual sub-group owner periodically to ensure each risk identified is being mitigated against satisfactorily. Further details of this board, its sub-groups, its activities and terms of reference can be made available on request.

- 6.17 Both the 377 Fleet (that will perform the additional service) and the 442 Fleet⁵ have a number of performance enhancing schemes that feature on the 2011/12 Joint Performance Improvement Plan (JPIP). These are:

Class 377s
Driver Only Operation (DOO) Integration
Cab HVAC Improved
PIS Handset
ACM Winterisation
Class 442s
DIR1/DIR2/LSS1/EUSR/DRA-D/DRR1&2/EUR - ("Like for Like")
DCB2
OTMR channel upgrade/TAPAS

- 6.18 Furthermore, a scheme for Southern drivers and associated briefing cascade will further improve the reliability of the class 377 fleet by reducing the amount of DOO camera faults.
- 6.19 The mitigation measures have improved since these issues were last before the TTP, and are improving all the time. For example, the FTCPB continues to improve as a mechanism for risk mitigation. The performance risk register for each subgroup is a new initiative that has only recently been put in place. In addition, the lessons learnt review sessions and HAZOP have ensured that this process is subject to continual improvement. Also, there are new schemes on the 2011/12 JPIP that did not feature before, for example the new activities for drivers to undertake to reduce DOO camera faults.
- 6.20 In addition, we have taken account of previous feedback regarding the frequency of Class 442 circuits on Saturdays. Consequently, from May 2011 we have reduced the amount of class 442 circuits on a Saturday from four to one. Extract diagrams are provided in Appendix 2.
- 6.21 Ultimately, the fact that the additional train is now proposed for Saturdays only means that mitigation measures, and the FTCPB, can specifically focus on that. This will allow a greater amount of attention and resource to be allocated to mitigating the already minimal performance impact of these new services.
- 6.22 One of the criticisms of Southern's mitigation measures that FCC advances is that the measures have been left too late (paragraph 6.13 of FCC's submission). Southern does not agree that this criticism is appropriate. Led by the FTCPB, Southern put a raft of mitigation initiatives in place (a full list of the risks and mitigations put in place is attached at Appendix xx, this is a confidential Appendix for TPP's reference only) a year in advance of the December 2010 timetable change. Southern has devoted a huge amount of time, effort and resource to mitigating the risk of any timetable change, and these efforts have become more and more effective as time has progressed. FCC were not involved in the whole of the mitigation process any more than Southern would expect to be involved in the detail of FCC's planning for timetable change.

⁵ Southern notes that the Timetable Planning Rules are subject to continuing review. A recent review concluded that there should be changes to sectional running times for Class 442 services. These changes will be implemented from December 2011 and Southern anticipates an improvement in performance as a consequence.

- 6.23 Timetable change features in the 2011/12 JPIP. All of the mitigation measures identified through the FTCPB and associated sub-groups and listed on the risk register will be included in the JPIP. The JPIP is an evolving document and will continually be informed by the FTCPB risk register. This will be underpinned by a RADAR, which is part of the European Framework for Quality assessment model, based remit for each activity to ensure successful delivery. Southern has a proven and strong process for managing risks associated with timetable change.

(e) *TfL's concerns have not been properly addressed*

- 6.24 TfL's concerns have been addressed. Attached at Appendix 3 is an e-mail of 24 November 2010 from TfL to Southern confirming that its concerns have been resolved. A copy of Southern's letter dated 22 November 2010 which is referred to in TfL's e-mail is also included in Appendix 3?

7 Southern's requested decision


- 7.1 The Panel is asked to determine that:

Network Rail's decision to offer Southern Saturday Train Slots between Brighton and London Victoria for the 4th train is upheld.

8 Signature

For and on behalf of Southern Railway Limited

Signed



Print Name: **KAI HILLS**

Position: **HEAD OF FRANCHISE +
ACCESS CONTRACTS**