**Hogrider 154 (March-May 2017)**

**South Hampshire Rail Users’ Group Newsletter**

***[Please note our new e’mail address at the end of this issue]***

**ANNVS MIRABILIS MMXVII**

* **Stagecoach to lose SWT, its sole major commuter franchise, after 21 years.**
* **Long-suffering passengers’ subscription to its ‘Hindsight Club’ expires on 19th August.**
* **Company’s rail operations then extinct south and west of London.**

After our Group’s 20 years of campaigning for a passenger-focused operator on South West Trains, this aspiration has at last been realised.

Over the years our voices have been joined by those of other rail users, particularly in the Portsmouth and Guildford areas, and Members of Parliament have become increasingly aware of Stagecoach’s shameless modus operandi. Sincere thanks to everyone involved.

Good news became likely on 3.3.2017 when SWT announced that their Managing Director Christian Roth was moving on, which was suspected of being the price for losing the franchise. The announcement looked like a classic example of being damned by faint praise. His temporary successor, conversely, was referred to as having been named ‘one of the UK rail industry’s most inspirational women in the most recent Women in Rail survey’.

As recently as November, Mr Roth had told Modern Railways magazine that he was planning to see through this coming August’s major works at Waterloo. DfT confirmed the good news of Stagecoach’s departure on 27.3.2017. Maybe Stagecoach will heed that these dates are 12 days on either side of the Ides of March.

So Stagecoach Chairman Brian Souter’s luck has run out. SWT literature once boasted that he was, “The tough Scots bruiser who came to dominate the UK’s bus industry by ruthlessly driving rivals off the road”. He may now like to ponder that his name is an anagram of ‘not a bruiser’.

On 2nd March, some three years after he disgusted conference delegates by spinning a complex joke which ridiculed mental illness, SWT’s website declares: ‘South West Trains made a public pledge to take mental health seriously by signing up to ‘Time to Change’ at Waterloo station yesterday.’ A bit late after more than two decades of running the franchise?

SWT started with a bang. Disposal of drivers and middle managers to boost profits resulted in cancelled trains and the virtual extinction of quality control in customer services. Director Brian Cox sneered at passengers as ‘fully paid-up members of the Hindsight Club’.

It ended with a whimper. Among the final good news stories:

* Bruton headmasters celebrated new direct SWT services from their station to London. These trains mainly comprise former Yeovil Junction-Salisbury empty-stock workings, and provide an earliest arrival into Waterloo of 19.50, so would be ideal only for taking schoolchildren to night clubs;
* Thirty-six million wild flower seeds were sown – less than one per passenger dissatisfied with their journey on SWT each year; and
* SWT supported the ‘Great British Spring Clean’, with a posed picture of three members of staff sweeping autumn leaves.

The ambitious First/MTR franchise will start on 20.8.2017. Surely this will be a golden day for Hampshire rail users, though the restoration of decent standards won’t be achievable overnight. Especial thanks are due to First Group for meeting us and listening to our ideas, many of which are reflected in the franchise specification.

Stagecoach and commentators fed with their PR don’t get it: The First/MTR project takes account of what passengers actually want

RAIL (Issue 824) reports Stagecoach’s Chief Executive Martin Griffiths as saying, “This was a franchise that we wanted to retain”. An insider at SWT’s HQ reportedly said colleagues were “more than gutted” and had been certain they would hang onto the franchise. The gutted feeling may be partly due to Stagecoach’s falling bus revenues being offset by UK rail revenues [Source: Daily Telegraph 29.3.2017].

Neither RAIL’s editor Nigel Harris, nor the BBC’s transport correspondent Paul Clifton showed much enthusiasm for the change. Perhaps that’s not surprising, given that the interests of passengers have been screened by an iron curtain of ever more finely-tuned PR over two decades.

Stagecoach’s very deliberate attempt to evade £11 million in tax payments cannot have endeared it to government. In combination with shoddy performance and soaring fares on SWT, this meant that thousands of members of the public were being cheated both as taxpayers and as passengers.

At the most basic level, Stagecoach’s mistake may have been that it had started to believe its own PR. Remember the pretty meaningless new ‘Customer Effort’ and ‘Net Promoter’ targets which, unlike its important performance targets, it actually managed to meet?

Some initial comments on Twitter:

* You have nobody to blame but yourselves. You have disrupted people's lives on a daily basis for far too long.
* First will certainly improve customer service - An area that is almost non-existent.
* You finally get what you deserved after treating us with utter contempt for years.
* So glad DfT recognised the problems with the franchise come from the top - poor management.
* GLORIOUS news! Your running of the franchise has been terrible along with your laughable customer "service".
* Never mind feedback from the government, you've had feedback from customers for years and ignored it.
* Your successes: higher fares, worse service, dirty trains, constant delays, poor excuses and no customer focus!

**Known details of the First MTR agreement**

First MTR South Western Trains Ltd is a joint venture of the UK's FirstGroup (70%) and Hong Kong's MTR Corp (30%). The franchise is scheduled to run for seven years from August 20 2017 to August 18 2024, with an option for an extension of up to eleven months at DfT's discretion.

Currently, SWT’s services account for around 220 million passenger journeys annually, with 1,700 daily trains serving more than 186 operator-managed stations on a 976 km network. FirstGroup Chief Executive Tim O'Toole said the winning bid would 'deliver the tangible improvements that customers and stakeholders have told us they want from this franchise'. The winning bid includes:

* The introduction of 750 new suburban coaches mainly on the Windsor, Reading and London suburban routes by December 2020, formed as 90 EMUs with air conditioning, toilets and wide gangways and doors. This is a separate order to the existing contract for Siemens to supply Class 707 Desiro City EMUs. FirstGroup told *Railway Gazette International* that it was ‘in advanced discussions with a number of train manufacturers and funders’.
* 18 five-car Class 442 Wessex Electrics are to be refurbished 'as new' for use on the London - Portsmouth route by December 2018;
* The non-Isle of Wight fleet will be refreshed and equipped with free, more reliable wi-fi, at-seat charging points, free infotainment and real time information screens. There will be at-seat charging points on Class 442s, 444s and 450 EMUs by December 2018, and Class 158 and 159 DMUs by December 2020;
* Simpler fares with pay as you go smart cards, mobile phone barcodes, flexible season tickets, new fares for 16-18 year olds and an automated delay repay scheme;
* An app to act as a primary source of travel advice, 'pointing customers towards less busy trains or less busy coaches';
* 30% more peak seats per day at London Waterloo by December 2020;
* Faster journey times and additional services on various routes from December 2018;
* Sunday afternoon services matching weekdays on most routes from 2018;
* £90m investment in stations, including a major refurbishment of Southampton Central, car park extensions and electric vehicle charging points;
* Progressing plans for new stations including Park Barn, Merrow (both in the Guildford area) and Wilton Parkway;
* Increased engagement with local stakeholders, including a £2·6m annual fund to support community projects from April 2020;
* 'The biggest rail operator apprenticeship scheme in Britain', with more than 100 apprenticeships each year;
* Working with the Isle of Wight to develop proposals 'to secure a more sustainable Island Line', and providing a £50 000 annual Customer & Communities Improvement Fund.

**Premium payments**

The franchise is to benefit from £1.2bn of investment, of which £80m will be directly funded by the operator. The extra capacity this will create is expected to help increase passenger revenues, which were £991m in 2015-16.

The new operator will make premium payments over the core period with a real net present value of £2.6bn in 2017-18 prices and discounted using the DfT's 'real' rate of 3.5%.

The joint venture shareholders will provide a loan of up to £30m, and £88m (of which 50% is bonded) in subordinated contingent loan facilities to the operator, as well as a £15m performance bond and a season ticket bond of up to £80m. The franchise terms include GDP and Central London Employment revenue protection mechanisms to mitigate the impact of exogenous economic factors outside the control of the operator, and a profit sharing arrangement whereby a proportion of profit in excess of pre-specified thresholds will be payable to DfT.

FirstGroup said it expects to achieve 'margins comparable with the recent overall industry average and to earn an appropriate return over the life of the contract, reflecting the franchise risk profile.' It expects a working capital inflow of approximately £100m principally relating to season ticket monies, to be treated as restricted cash.

**Delivering real changes**

'FirstGroup and MTR will deliver the improvements that people tell us they want right across the South Western franchise area, from Southampton and Portsmouth, to Bristol and Exeter, to Reading, Windsor and London', said Secretary of State for Transport Chris Grayling. 'This franchise will deliver real changes for passengers, who can look forward to modern trains, faster journeys and a more reliable service.'

Jeremy Long, Chief Executive for European Business at MTR Corp, said MTR was 'known across the world for the excellent quality of its rail services, and we look forward to working with FirstGroup to provide a best-in-class travel experience for passengers in London and the southwest.'

**Stagecoach 'disappointed'**

Stagecoach has operated the South Western services since 1996 under the South West Trains brand. 'We are disappointed that we have been unsuccessful in our bid for the new franchise', said Group Chief Executive Martin Griffiths. 'We believe we submitted a strong bid for the new South Western franchise.' He said the company would 'be seeking detailed feedback from DfT on the various elements of our bid.' [Source Railway Gazette – slightly modified for time lapse since franchise announcement]

**Daily Echo letters on franchise award**

**From SHRUG’s Co-ordinator,19.4.2017**

Several readers have raised points about the transfer of South West Trains from Stagecoach to First Group from August 20.

Stagecoach had already lost the opportunity of a two-year extension to the current franchise, reportedly through failing to agree a small package of customer service improvements required by the Department for Transport.

First Group has promised to meet major commuter aspirations of reliable Wi-fi, air-conditioning and toilets on all trains – except the vintage Isle of Wight coaches.

Stagecoach intended to retain its non-air-conditioned stock for a further 10 years, and had ordered some new coaches without toilets.

First Group is bringing back 18 of the comfortable Wessex Electric trains to the Waterloo-Portsmouth route, to displace the outer-suburban units which Stagecoach introduced, provoking major protests.

The remaining Wessex Electrics could return if Alliance Rail’s bid for independent Waterloo-Southampton services is approved.

Timetable changes are long overdue. On Sundays, for example, it’s ludicrous that Weymouth to Waterloo services arrive at Bournemouth just after the CrossCountry service to Manchester has left, and that evening Waterloo-Salisbury trains omit the customary Basingstoke stop, depriving Salisbury passengers of a connection out of trains from Manchester.

Five-year growth of more than 70 per cent in passenger use at Totton station came to a staggering halt after Stagecoach slashed the station’s services.

Stagecoach’s New Year gift was sneaky increases of up to around 30 per cent in the cost of day trips at weekends, which especially hit families. Change is long overdue.

**From Steve Montgomery, Managing Director of First Group’s Rail Division, 27.4.2017**

Customers’ views vital to investment plans

I am responding to Ralph Frost’s recent letter in your newspaper on FirstGroup and MTR winning the South Western rail franchise.

We are very pleased to have won the South Western rail franchise. Over the course of the next seven years, we will invest £1.2 billion to raise the quality of every aspect of train journeys on the network.

We will improve the experience for our customers, delivering better trains, more seats and quicker journeys. We will boost morning and evening peak seats at Waterloo by 30 per cent by December 2020.

We have met many customers and stakeholders as we prepared our bid for this franchise and have listened and incorporated their views in setting priorities for our investment plans.

Mr Frost highlighted our new Portsmouth to Weymouth service. This route will aid regional connectivity across the south coast, linking communities across the region. The proposal extends the current Portsmouth to Southampton service. As well as this improvement, we will run an extra hourly semi-fast service between Portsmouth and Southampton.

We agree with Mr Frost that connection times for our customers are important. We will implement a new timetable in December 2018. Before that, however, we will share our timetable proposals later this year and hold a public consultation on our new timetable.

Your reader also mentioned our rolling stock plans. He will be pleased to learn that we will re-intoduce Class 442s, the ‘Wessex Electrics’ on fast Portsmouth to Waterloo services. We will refurbish these trains so that they will be as new to our customers. This means that our customers will have more comfortable journeys on this route.

The franchise starts on August 20 and we look forward to serving the region’s customers and your readers.”

**Observations from rail user Jonathan Eaton**

**With Stagecoach about to lose the SWT franchise, there seemed little point in our continuing to track commuters’ daily complaints in the media, though there are many, so this newsletter is much shorter than usual. Just before the announcement of the franchise transfer, however, we received the following perceptive comments from Jonathan Eaton:**

“Having started to use the railways more frequently since September; my experiences on the railways across Hampshire and West Sussex have, unfortunately at times, been highly frustrating. Issues I've had include rude staff, disgusting toilet facilities, lack of information, and severe delays due to staff shortages.

Even today I had an experience involving rude staff! This is not what I expect in the morning when I've got to get somewhere on time.

1. The ticket office at Portsmouth Harbour is closed at 9am which is problematic for those who use Delay Repay vouchers to pay for their journey.

2. Some staff at SWT ticket offices don't know how to produce more obscure tickets such as Platform Tickets.

3. Southern use Class 313 trains for journeys between Portsmouth and Brighton which are not fit for purpose as they are often late and uncomfortable. Southern services from Southampton to Brighton use Electrostar 377s which are more comfortable.

4. SWT trains are often dirty. Banana skins and peanut shells are on the floor as well as crumbs. Surely it wouldn't take long for cleaners for pick up the litter and hoover the carpet.

5. The toilet facilities at Havant are disgusting and look as if they haven't been cleaned for years.

6. Poor signposting at Southampton Central and Salisbury stations. Make the stations hard to navigate around.

Below are a list of improvements:

- Keep ticket offices open for the duration of the station's opening hours.

- Install more PERTIS machines especially at unmanned stations in case ticket machines break down or ticket office is closed.

- For Lymington Town and Lymington Pier to come under 'Lymington Stations' because most people who go to the ticket office would say that they would like a ticket to Lymington. Also, Fratton could come under 'Portsmouth Stations' as it is part of Portsmouth and a 3-minute journey to/from Portsmouth and Southsea.

- More Class 444 trains to replace older trains.

- Refurbish toilet areas at some stations (especially Havant).

- Clean trains more regularly and thoroughly.”

**Comment on observations: South West Trains rip-off**

The point about Lymington and Portsmouth stations is one we hadn’t picked up and is particularly interesting.

A check against National Rail’s journey planner provided the following information for a Sunday morning:

An adult single from Southampton Central to either Lymington Town or Lymington Pier costs £7.30. A single between the two Lymington stations costs £2.20 (about £4.40 per mile).

An adult single, before 11.00, from Southampton Central to Fratton, Portsmouth and Southsea, or Portsmouth Harbour costs £10.30, or £9.40 after 11.00. Travel about 8 miles further (4 miles out and back) via Havant, when this provides an earlier arrival, and the fare soars to £17.30.

An adult single to Havant costs £12.90, whether via Fratton or direct, and with no 11.00 price threshold. The fare all the way from Southampton Central to Brighton (more than twice as far) costs £15.50, illustrating how much cheaper travel is when Southern rates apply.

A single from Portsmouth and Southsea to Portsmouth Harbour costs £2.50 (about £3.30 per mile) and a single from either of these stations to Fratton costs £2.60.

**Newsboard**

**Broad gauge caused derailment** The Charter train derailment in Southampton on 5.11.2016 was due to rails being up to 5 cms too far apart. RAIB found that there had been longstanding non-compliance with inspection standards. The Eastleigh track maintenance area had been without a track section manager for two years; regular patrols were 4-weekly rather than fortnightly; 13-weekly supervisory walks had not been carried out for at least three years; Network Rail had deferred renewal of the track; and successive reports of defective sleepers had not led been fully acted upon.

**Chaotic Easter on SWT** Services were in chaos over Easter due to serious mistakes in crew rosters, with some duplicated, some missing, and some operationally impractical. [Today’s Railways UK, June 2017]

After 21 years running SWT, Stagecoach might reasonably be expected to have mastered routine exercises like that. Fortunately, their PR team did better. Replacement of SWT’s Managing Director with the female head of Sheffield Supertram was presented in terms of Stagecoach and Network Rail leading the way on International Women’s Day with an all-female route leadership team! Much better than waiting two weeks for the official announcement that they were to lose the franchise.

**Chaotic August on SWT?** Commissioning of signals to allow trains to access the international platforms at Waterloo during August, while platforms 1-9 are closed for engineering work, did not go ahead in May as planned. There is speculation that the franchise handover from Stagecoach to First Group could be delayed. [Modern Railways, June 2017]

New SWT timetable leaflets are valid only until 4th August because of the engineering work. Like the company’s website, they make no mention of Stagecoach losing the franchise.

**Christmas disruption for Southampton** Southampton will have no rail access from the east for nine days over the Christmas 2017 period, because of road bridge replacement works at Northam. [RAIL, Issue 821]

**New hope for Southampton-Fawley line?** Plans for commercial and residential development on the Calshot power station site have raised hopes of reviving the proposal to restore passenger trains to Hythe. Three special services ran up and down the branch on 13.5.2017 to promote the idea. The latest scheme would see a half-hourly service linking Southampton Central, Totton, Marchwood, Hythe Town and (eventually) Hythe & Fawley Parkway.

**May timetable changes** There were no significant changes in South Hampshire from the start of the summer timetable period on 21.5.2017.

SWT is stopping all Waterloo-Salisbury services at Clapham Junction on Saturdays (though not in the opposite direction). On Mondays-Fridays the 18.18 Waterloo-Haslemere starts at 18.17 and calls at Clapham Junction.

Cross Country’s Saturday 17.47 Bournemouth-Manchester diverts after Birmingham, to run to Leeds, until 9th September inclusive.

**Great Western cascade plans** With GW electrification behind schedule, the intended cascade of diesel trains from the Thames Valley is delayed. RAIL (Issue 828) reports that 11 high speed trains are to be upgraded and reduced to 4 passenger coaches for services such as Penzance-Plymouth, Cardiff-Taunton, Bristol-Weymouth and ‘other longer-distance routes’. This will allow withdrawal of the bus-bodied Pacer trains. Plans for The Portsmouth-Cardiff route are still unclear, but the current trains are going through a decent refurbishment programme. That doesn’t solve the capacity problem on a route which serves a concentration of large centres of population, though the additional Southampton-Portsmouth services promised under the new South Western franchise should help at the southern end.

Acknowledgements / Contact details

As always, thanks to everyone who has been kind enough to contact us. Without your support and input, this newsletter would not be possible. The newsletter is produced in good faith, based on reports and information from many individuals and sources including information identified from press and website research. Contributions are always welcome. We aim for accuracy at all times, because our good reputation depends on it. We do not use material which could be offensive or which appears unlikely to be correct.

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