



DEBATE PACK

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Parliamentary debate 13/7/16: Performance of Govia Thameslink rail service

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Summary

This debate will take place between 2.30 and 4.00 pm on 13 July in Westminster Hall. The Member who secured the debate is Tim Loughton MP (Con., East Worthing & Shoreham).

Relevant PQs and Parliamentary debates can be found via the following links:

[Thameslink](#)

[Southern](#)

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1. Govia Thameslink Railway (GTR) background

Thameslink, Southern & Great Northern (TSGN) is the combined name for services operating on three former franchise lines, which retain their own branding. It also includes the Gatwick Express. It is owned by Govia, a joint venture between Go-Ahead Group plc and Keolis (the latter majority owned by the French state rail operator SNCF). The franchise began in September 2014 and is due to end in September 2021. Its operating name is Govia Thameslink Railway (GTR)

In 2014/15 GTR paid a premium to the Government of £99.8 million, equating to a subsidy of -4.5 pppkm (pence per passenger km); separately, Southern paid a premium of £187.4 million, equating to a subsidy of -4.0 pppkm.¹

The National Franchise Terms that apply to this franchise, the Franchise Agreement and associated ancillary documents are available on the [Gov.uk website](http://Gov.uk).

1.1 What is the franchise supposed to deliver?

The franchise combines the former Southern (including Gatwick Express) and Thameslink/Great Northern franchises and some elements of the South Eastern franchise. This combined franchise is the biggest franchise that has ever been let: it will have the largest income, the most trains and the most staff of any franchise in the GB rail market.²

When the franchise was awarded in 2014³ it was intended to deliver the following commitments:

The TSGN franchise will play a crucial role in delivering the government's £6.5 billion Thameslink programme – a major programme of infrastructure work that is helping create 8,000 jobs and will allow 24 trains per hour to travel in each direction from Blackfriars to St Pancras. New tunnels will link Peterborough and Cambridge to the existing Thameslink route providing easy access across London via St Pancras to Gatwick and Brighton.

The franchise will introduce 1,140 new carriages – already under construction - on the Thameslink network, improving services to scores of destinations, including the introduction of new cross capital services and a connection at Farringdon to London's newest railway - Crossrail.

In addition, Govia will order a new fleet of 108 carriages for the Gatwick Express service, replacing the current 25-year-old trains

¹ [\[ORR Data Portal\]](http://ORR Data Portal) [accessed 10 March 2016]; this overlap is because Southern continued operating a separate service until July 2015

² DfT, [Consultation on the combined Thameslink, Southern and Great Northern franchise](#), May 2012, p4

³ the franchise procurement, begin in 2012, was suspended post-West Coast before resuming in 2013, see: op cit., [Consultation on the combined Thameslink, Southern and Great Northern franchise](#); DfT, [Thameslink, Southern and Great Northern 2013: invitation to tender](#), 26 September 2013; and [HC Deb 24 February 2014, c10WS](#)

with a fleet better suited to the needs of airport passengers. It will also secure 150 new carriages to replace the 40-year-old trains currently operating on the route between Moorgate, north London and Hertfordshire.

That means the total number of carriages in service will grow to 2,631 by 2019 – an increase of 27%. It will also release some existing electric carriages to be used elsewhere in the country.

Govia will invest significantly in improving stations, including free wi-fi at more than 100 stations, better retail and catering facilities and improvements to customer information systems. Staffing hours will also be extended so that at more than 100 of the largest stations there will be staff available from the first train in the morning to the last train at night.

Demanding contractual obligations on the operator will deliver cleaner and more spacious trains and improve passenger satisfaction. Tough new benchmarks for performance, train and station cleanliness and customer service information have also been agreed.

The operator will also develop website, smartphone and tablet apps that will make door-to-door travel easier for customers, including planning journeys, buying tickets and booking onward taxis.⁴

It is important to note that many of the benefits from the new franchise will not be realised until the introduction of new Thameslink rolling stock and completion of the Thameslink infrastructure project in 2018.⁵

1.2 Devolution to TfL from 2021

On 21 January 2016 the Government and the Mayor of London announced that they would consult on transferring London's suburban rail services ("rail services that operate mostly or wholly within the Greater London boundary") from the various rail franchises where they currently sit, to Transport for London (TfL), to be run as part of TfL Rail as a 'London Suburban Metro' service.⁶

However, under the planned timetable, no current GTR services to the south of London from Victoria and London Bridge would transfer before 2021 at the earliest.⁷

The *Evening Standard* reported that the TfL's rail services could stretch as far as Sevenoaks and Dartford in the South East, Epsom and Croydon in the South, Hampton and Chessington in the West and Hertford and Welwyn Garden City in the North.⁸

⁴ DfT press notice, "[New rail franchising deal set to transform passenger services across London and south east](#)" 23 May 2014

⁵ for full details on the infrastructure see HC Library briefing paper [SN1537](#); and for rolling stock and section 4 of [SN3146](#)

⁶ Mayor of London press notice, "[Transport Secretary and Mayor set out vision for rail travel](#)", 21 January 2016; TfL does not run its own rail network, it lets out concessions to the private sector to operate the railways on its behalf

⁷ DfT/TfL, [Rail passenger services in London and the south east: a new approach](#), 21 January 2016

⁸ "[TfL's London Overground to take control of capital's entire suburban rail network](#)", *Evening Standard*, 21 January 2016

1.3 Issues with Southern services, 2015-16

Remedial Plan, February 2016

In July 2015 the DfT issued notice that GTR had breached contractual benchmarks for cancellations on all parts of its network other than Great Northern. The causes of this were identified in a Remedial Plan—agreed between GTR and the DfT and published in February 2016—as follows:

- lower than anticipated qualified drivers inherited from the previous franchisees;
- insufficient drivers in training to meet future resource requirements at the start of the franchise;
- higher than anticipated driver turnover;
- inherited backlog in driver training for engineering projects and route knowledge;
- unsustainable levels of rest day working also leading to significantly higher than anticipated “banked days”;
- Clerkenwell tunnel flooding and the resulting hidden damage to units not immediately obvious but ultimately attributable to water ingress;
- Inherited door system and traction motor failures on the class 319; and
- Incremental impact of unexpected levels of failures on a small number of train systems in the class 387/1 introduction.⁹

The Remedial Plan also acknowledged that:

The combined impact of the infrastructure restrictions at London Bridge, the diversion of Thameslink services and the increased use of London Victoria as a terminus has had a far greater impact on punctuality and reliability than industry modelling indicated would be the case.¹⁰

It also makes clear that Network Rail has a central role in improving performance:

Network Rail has acknowledged that significantly more work is needed to reverse the trend of declining performance (which has accelerated since the London Bridge works) in the South East Route area and have commissioned a task force to supplement the Route management team. This task force is developing a [Performance Improvement Plan](#) that will supplement the existing Performance Planning Reform Programme and Brighton Main Line Improvement Plans, taking a fundamental view of the underpinning issues that are preventing performance improvement. GTR is actively engaged in this activity.¹¹

⁹ DfT, [Govia Thameslink Railway: Remedial Plan](#), 12 February 2016, p1; remedial plans are explained further in section 2.1, below

¹⁰ Ibid., p1

¹¹ Ibid., p9

The contractual commitments GTR must fulfil, as set out in the Remedial Plan (with redactions, indicated by footnotes), are as follows:¹²

	Commitment	Completion
1.	²²	Quarterly checkpoints to September 2017
2.	Maintain ²³ trainee drivers	September 2017
3.	Maintain no less than 70 driver managers	September 2017
4.	Maintain no less than 40 driver resource managers	September 2017
5.	Appoint a Business Excellence Improvement Manager	September 2017
6.	Appoint a Head of Operational Resourcing	September 2017
7.	Appoint a Resource Training and Risk Manager	September 2017
8.	²⁴ on class 319 door and traction systems	March 2016
9.	²⁵ on class 377/2 and 377/5 modifications	September 2017
10.	Appoint a customer experience management team at Three Bridges ROC	End of franchise
11.	Modify the 'your journey' section of the Southern and Gatwick Express websites to improve advance notification of engineering works	March 2016
12.	Upgrade the customer information system servers on the Great Northern and Thameslink routes	March 2016

Industrial disputes

The problems on GTR's network have been further exacerbated by recent industrial disputes on the introduction of Driver Only Operation trains and issues of rest day working, sick leave and alleged 'unofficial strike action'.

Driver Only Operation

Firstly, GTR recently obtained a high court injunction against ASLEF taking industrial action, pending a trial of the legality of ASLEF's proposed strikes. A number of technicalities in ASLEF's balloting process are at issue.¹³

RMT members were initially balloted in November 2015, over staff shortages on Southern train services. Mick Cash, RMT's General Secretary said at the time:

The staffing shortages on Southern are a disgrace and are creating daily problems. [...] This union will not sit back while staffing levels are pared to the bone on rail franchises and our members run ragged, solely in the interests of private company profits.¹⁴

The union argued that three key management failings had led to a "complete breakdown of industrial relations":

¹² Ibid., p17

¹³ "[High Court bans Aslef's Southern train strike action call](#)", *BBC News*, 2 June 2016

¹⁴ RMT press notice, "[RMT to ballot Southern rail conductors for strike action](#)", 26 November 2015

- Failure to deal with rostering issues raised by the union despite prolonged negotiations;
- Abuse of the Conductors Restructuring Agreement; and
- Insufficient establishment levels to cover work.¹⁵

The key issue in the current dispute is GTR's proposed expansion of "driver only operation" (DOO) of train doors, and the consequences of this in relation to the role of guards on trains.¹⁶

A second RMT ballot was held in April 2016. RMT listed its "core demands" as:

- No extension of DOO;
- No Introduction of the new role of On-Board Supervisor; and
- No Conductor Redundancies.¹⁷

The unions' main stated concern over DOO is safety—the RMT says that:

Driver Only Operation means the driver will be the only guaranteed member of staff on the train. The driver will be expected to drive the train and be responsible for passenger safety. Currently, both the driver and the guard protect the safety of the train. Guards must be fully trained in operational safety and route knowledge, including being able to secure the doors safely, protecting the train and acting in emergencies such as derailments or fires. Independent inquiries after train crashes and fatalities have consistently said that we need on-board staff trained in protection and evacuation procedure. If there is an accident, antisocial behaviour, or even a terrorist attack, the guard can call for assistance and inform and reassure passengers.¹⁸

It also claims that GTR's plans put more than 400 guards' jobs at risk.

To date there have been four 24-hour strikes by RMT staff on the Southern network.

GTR's position is that the union action is "pointless and unnecessary". It states that:

- Its plans do not involve reducing the number of staff on trains—it only involves a change to the nature of the guard role in relation to operating train doors;
- DOO is already safely in place on 40% of its services, and the safety of DOO is endorsed by the Office of Rail and Road [this view is also supported by the Rail Safety and Standards Board (RSSB), following recent research];¹⁹ and
- DOO "has nothing to do with reducing costs/increasing profits".²⁰

GTR claims that DOO frees on-train staff from the responsibility of operating train doors, allowing them to focus on interacting with

¹⁵ Ibid.

¹⁶ see, e.g., "[Southern rail conductors plan further strike action](#)", *BBC News*, 14 June

¹⁷ RMT press notice, "[RMT Southern guards record massive vote for strike action](#)", 19 April 2016

¹⁸ RMT campaign, *Southern Trains – keep the guard on the train* [accessed 11 July 2016]

¹⁹ RSSB press notice, "[RSSB research projects find no increased safety risk from DOO](#)", 21 June 2016

²⁰ GTR press notice, "[Time for the RMT to get on-board and be part of the modern railway](#)", 18 May 2016

passengers, thereby potentially improving the passenger experience. It states that “modern trains do not need Conductors to close doors and [...] our proposals are in the best interests of our passengers and staff”.²¹

DOO has been widespread across the rail network for more than 20 years. The DfT’s franchise consultation document published in 2013 stated:

Driver only operation (DOO) is already in place on FCC, on those Southeastern services that are transferring into the TSGN franchise and on many Southern services. Services operated under DOO do not require a conductor or guard to operate the doors, or for train despatch. Everything is controlled by the driver. The ITT specifies a requirement for DOO on all Thameslink services operating through central London, and on all other services where it is currently in place.²²

There are specific concerns, however, about the potential effects of DOO on the accessibility of the railways to disabled people and security risks for the train’s passengers without another member of staff present, be they called guards, conductors or train managers.²³

Rest day working

Secondly, it has been reported that GTR has imposed a ban on ‘rest day working’, i.e. overtime, during the industrial dispute.²⁴ Local journalist, author and Southern Railway campaigner, David Boyle, recently reported, after conversations with Southern Railway staff, that:

The trouble is that their roster system relies on overtime. Without overtime, they can’t run the train service that people rely on. The result, as anyone unfortunate enough to live on the south coast at the moment, has been absolute chaos – a wholly unreliable service which at weekends becomes dangerously overcrowded.²⁵

The Week reported that the ban on overtime, combined with the company’s failure to recruit sufficient drivers, “apparently explains the chronic staffing problem that continues to plague services”.²⁶

Sickness absence and ‘unofficial strike action’

Finally, on 25 May, Southern Railway released figures on their conductors’ sickness absence. These showed that:

- In the previous 32 working days the company has been hit by 1,066 days of conductor absence;
- The rate of absence had more than doubled since the first conductors strike on 26 April;
- In the two weeks prior to the first strike, conductor sickness absence ran at an average of 23 conductors off sick each day;

²¹ Ibid.

²² DfT, [The Combined Thameslink, Southern and Great Northern Franchise: Stakeholder Briefing Document and Consultation Response](#), September 2013, para 4.51

²³ See, e.g., “[Passengers want a properly staffed railway, not more driver-only-operated trains](#)”, TUC Touchstone blog, 20 June 2016; “[The pros and cons of Driver Only Operation](#)”, *Rail Magazine*, 24 June 2015

²⁴ See, e.g., “[Is this the document that proves Southern banned overtime?](#)”, *Brighton and Hove News*, 15 June 2016

²⁵ “[The real reason Southern Rail services have imploded](#)”, *The Real Blog*, 9 June 2016

²⁶ “[Why is Southern so bad?](#)”, *The Week*, 22 June 2016

- After the strike, that number nearly doubled to 40 conductors off sick each day;
- In the previous ten days, that figure increased still further to 45 conductors off sick each day;
- In the previous month, 74 conductors had at least one day of sickness absence. This amounted to one-in-six conductors having had a day's sickness in that period; and
- On a daily basis, an average of 83 Southern services were being cancelled due to the ongoing sickness problems.²⁷

GTR's Chief Executive, Charles Horton, subsequently said that there was "pretty compelling evidence" that the rise in sickness absence amounted to "unofficial industrial action".²⁸ Claire Perry MP, the Rail Minister, described the sickness absence as an "unofficial work to rule", which was "outrageous and unfair".²⁹

The RMT has consistently denied there is any unofficial industrial action and has blamed staff shortages on the company's "gross mismanagement" of staffing levels.³⁰ In evidence to the Transport Committee on 5 July the General Secretary of the RMT, Mick Cash, said:

We are not in a position where we would agree with the point that our members are taking sick leave and therefore are taking what some people have called informal action. If our members want to take industrial action they have the ballot arrangements in place to do that. All they have to do is call on the executive committee to do that. What we know is that we have under-resourcing of staff and there has been an increased level of stress.³¹

²⁷ GTR press notice, "[Southern releases Conductor sickness figures](#)", 25 May 2016

²⁸ Quoted in: "[Why is Southern so bad?](#)", *The Week*, 22 June 2016

²⁹ "[Southern rail conductors plan further strike action](#)", *BBC News*, 14 June 2016

³⁰ *Ibid.*

³¹ Transport Committee, [Uncorrected evidence](#), HC 64, 5 July 2016, Q92

2. Performance

2.1 What constitutes a contravention or default of the franchise?

The [Franchise Agreement](#) (FA) for GTR contains information as to the punctuality targets and service standards the franchisee is required to meet.

Schedule 7.1 sets out the required performance benchmarks and the calculations as to what would be paid to DfT for failure to meet those benchmarks. The calculations involved in that amount are very complex (section 3 of the Schedule).

If the train company breaches these performance standards there are a number of sanctions available to the Government (set out in Schedule 10), ranging from a remedial plan to a penalty to termination of the franchise.

Para 2.16 of Schedule 7.1 states that if in any Reporting Period (other than a No Breach Reporting Period) the Franchisee's performance exceeds (that is, is equal to or worse than):

- (a) in respect of any Breach Reporting Period, the Breach Period Performance Level relating to each Benchmark; or
- (b) in respect of any other Reporting Period (other than a No Breach Reporting Period and a Breach Reporting Period), the Breach Performance Level relating to each Benchmark

then a **contravention** shall occur and the Secretary of State may serve a Remedial Plan Notice.

Further consequences of the Franchisee's performance being equal to or worse than the **Default** Performance Level relating to each Benchmark are set out in paragraph 2.6 of Schedule 10.3. This states that except in respect of any Reporting Period falling within a No Breach Reporting Period, the Franchisee's performance in relation to any Benchmark exceeds (that is, is equal to or worse than) the Default Performance Level for that Benchmark for:

- (a) any three consecutive Reporting Periods;
- (b) any four Reporting Periods within a period of 13 consecutive Reporting Periods; or
- (c) any five Reporting Periods within a period of 26 consecutive Reporting Periods.

'Termination events' are defined in Schedule 10.3 as follows:

- any Force Majeure Event [defined in Schedule 10.4] continues with the effect of preventing the Franchisee from delivering, wholly or mainly, the Passenger Services for more than six consecutive months;

- the warranty given by the Franchisee pursuant to paragraph 6 of Schedule 12 (Financial Obligations and Covenants) is materially untrue;
- the Franchisee commits a material breach of its obligation to notify the Secretary of State of any Occasion of Tax Non-Compliance; or
- the Franchisee fails to provide details of proposed mitigating factors, which in the reasonable opinion of the Secretary of State, are acceptable.

2.2 Public performance measure (PPM)

The public performance measure (PPM) shows the percentage of trains which arrive at their terminating station on time. PPM combines figures for punctuality and reliability into a single performance measure. It is the industry standard measurement of performance (it does not distinguish between extreme lateness and a brief delay). On this measure:

- GTR's moving annual average (MAA, calculated over 365 days to 31 March 2016) is 79.2%. Comparing the same period in 2014/15 to 2015/16, it fell from 86.3% to 66.8%. The average for all operators is 88.5%.³²

2.3 Right-time performance

Right-time performance measures the percentage of trains arriving at their terminating station early or within 59 seconds of schedule. Network Rail cautions that "the process for gathering data of this accuracy is currently not 100% reliable and the industry is working on improving the quality of this information to make right-time data more reliable". On this measure:

- GTR's MAA is 49.7%. Comparing the same period in 2014/15 to 2015/16, it fell from 57.9% to 41.8%. The average for all operators is 63.6%.

2.4 Cancellation and significant lateness (CaSL)

In terms of Cancellation and significant lateness (CaSL), a train is counted as being cancelled if it is cancelled at origin or en route; the originating station is changed; or it is diverted. A train is counted as being *significantly* late if it arrives at its terminating station 30 minutes or more late. On this measure:

- GTR's MAA is 6.4%. Comparing the same period in 2014/15 to 2015/16, it rose from 4.2% to 15.7%. The average for all operators is 3.4%.

2.5 Delay split

The delay split for GTR shows that for the most recent period (29 May to 25 June), 49% of delays were attributable to Network Rail.

³² All data for sections 2.2-2.5 taken from: [ORR Data Portal](#) and [Network Rail: performance](#) [accessed 11 July 2016]

3. Customer views

3.1 Passenger satisfaction

Transport Focus' customer satisfaction data is broken down into the constituent parts of TSGN.

Thus the most recent data shows that in Spring 2016, overall Thameslink's passenger satisfaction was 74% and Southern's was 69%.

In Spring 2016 Virgin West Coast had the highest satisfaction rate of any franchised operator (92%). Southern and Southeastern had by far the lowest overall satisfaction figures; both provide services along routes affected by the ongoing works at London Bridge, which may be a contributory factor.³³

3.2 Complaints

In terms of complaints, the number of appeals dealt with by Transport Focus in 2015 for Thameslink was 34 – one of the lowest for any franchised operator and for Southern 118 – at the higher end of the scale, but a fall from a high of 198 in 2013.³⁴

³³ Transport Focus, [National Rail Passenger Survey](#) [accessed 11 July 2016]

³⁴ Transport Focus, [Complaints](#) [accessed 11 July 2016]

4. Compensation

GTR operates delay/repay. Delay/repay compensation kicks in at 30 minutes delay. The amount of compensation payable increases with the length of delay – 50% of the relevant ticket (or portion of ticket) at 30 minutes and 100% at 60 minutes. It is a ‘no fault’ scheme – compensation is payable regardless of the cause of the delay. Season ticket holders must claim compensation for individual delays in the same way as other ticket holders.

There are no collected statistics on the proportion of affected passengers who claim compensation. The best information we have is from work by third parties, which shows that take up of compensation is generally low. In 2014 the rail regulator (ORR – the Office of Rail and Road), found that only 11% of passengers who participated in their 2013 survey of 1,000 rail passengers ‘always’ or ‘usually’ claimed compensation when they were delayed; 15% said that they ‘rarely’ claimed and 68% said they ‘never’ claimed compensation.³⁵

More information on compensation can be found in HC Library briefing paper [SN3163](#)

³⁵ ORR, [Passenger compensation and refund rights for delays and cancellations](#), February 2014

5. Network Rail works

A general overview of what NR is and how it operates can be found in HC Library briefing paper SN2129, [Network Rail](#) (January 2015).

5.1 Performance & compensation

Of all the delays affecting GTR for the most recent period (29 May to 25 June), 49% were due to Network Rail (NR).³⁶

NR compensates train companies (TOCs) for unexpected delay through what is called the Schedule 8 mechanism.

TOCs are not required to pass on the compensation they receive from NR to the passengers who have also been delayed. Intra-industry and passenger compensation serve different purposes, as the rail regulator (ORR) explains:

The intra-industry arrangement, known as 'Schedule 8', is designed to compensate train operators for the impact of poor performance on their long term revenue. This is an important protection to operators and it also helps reduce the risk premium factored into franchise bids, and as a result reduces the cost of franchising to the taxpayer.

Passenger compensation arrangements are designed to provide redress for passengers when they are delayed. Franchise and other industry agreements require franchised train operators to compensate passengers for delays to their journeys.

While they both reflect performance on the network, Schedule 8 and passenger compensation arrangements therefore perform very different roles. There is no direct linkage between the two, with Schedule 8 relating to the compensation and incentive arrangements between train companies and Network Rail, and the passenger facing arrangements being a means of compensating passengers for delays to their journeys.³⁷

However, in recent years the Government has recognised that the lack of a link between NR's performance failures and any associated fine levied on them being used to the express benefit of passengers, needs addressing. In July 2014 the ORR published its [assessment](#) of NR's performance against funded obligations between 2009 and 2014. It highlighted enhancements and growth in the railways, as well as shortfalls in performance for passengers which required NR to return £53.1 million to funders and improve the resilience of the network.³⁸

On the same day the Department for Transport announced that the £53 million would be invested in fitting out trains with new wi-fi equipment, specifically on routes into London from Bedford, Brighton, Kent and Portsmouth as well as services into Manchester, Leeds and Sheffield.³⁹

³⁶ [ORR Data Portal](#) and [Network Rail: performance](#) [accessed 11 July 2016]

³⁷ ORR, [Passenger compensation and refund rights for delays and cancellations](#), February 2014, Annex 2

³⁸ ORR press notice, "[Regulator reports on Network Rail's performance between 2009 and 2014](#)", 7 July 2014

³⁹ DfT press notice, "[Plans unveiled to boost wi-fi on trains](#)", 7 July 2014

This was the first time that money from a rail regulatory fine was reinvested into improvements targeted at passengers rather than going straight to the Treasury.

London Bridge

[London Bridge](#) is being upgraded as part of the multi-billion pound Thameslink Programme. Serious disruption to services due to works at the station began in January 2015 and will continue until spring 2018 when the revamped station is due to open. This has had a severe impact on TSGN and SET services.

In a report on the day-to-day operations at London Bridge in early 2015 the regulator said that over a number of visits inspectors had found that “there were adequate staffing levels, appropriate management arrangements and good levels of passenger information ... Our continuing monitoring suggests that the arrangements at LBG are sufficient to ensure the safety of passengers”.⁴⁰

In August 2015 the regulator fined NR £2 million on the grounds that it did not “do everything reasonably practicable to deliver the reliability and punctuality needed to support the train services provided by Southern, [Thameslink] and in Scotland”. Specifically on the TSGN services, it said:

- There were serious weaknesses in the data which informed the new timetables. For example, a number of the timetable modelling assumptions made were incorrect as they were based on flawed data.
- Network Rail was overly optimistic in estimating and assessing the impact of the new timetable on performance. It significantly underestimated the impact of the Thameslink programme on performance, which was further exacerbated by a timetable that was not robust.
- These issues resulted in very severe disruptions and frustrations for passengers using London Bridge station. The company failed to engage adequately with the train operators to understand what impact the new timetables would have on their passengers and services.⁴¹

Consequently, in December 2015 NR agreed to set up a ‘Rail Reparation Fund’ for GTR passengers; worth £4.1 million – twice the original fine. The Fund is intended to help passengers by:

- Increasing the number of staff at stations served by TSGN, improving the flow of passengers and the efficiency of train departures thus reducing delays to services;
- Employing more track workers to provide rapid response during disruptions; and

⁴⁰ ORR, [Station management at Network Rail London Bridge station between January and March 2015](#), August 2015

⁴¹ ORR, [ORR investigation finds Network Rail in breach of licence in 2014-15](#), 10 August 2015

- Introducing incident management software to help quickly resolve issues that occur on Network Rail's South East route.⁴²

5.2 Hendy review

In November 2015 the new Chairman of NR, Sir Peter Hendy, completed his review of NR's investment programme. He concluded that NR faced a financial shortfall and that in order to complete its programme it would need to raise money from selling some of its assets (largely property around stations) and would require an increase to its borrowing limit. This was because of the cost increases for the main aspects of the programme – by far the biggest increase was for the electrification programme (which increased by £2.3 billion on an initial budget of £3.2 billion). The Thameslink and Crossrail schemes are listed together, and saw a combined increase of £400 million, to £3.8 million over the CP5 period.⁴³

The subsequent *Enhancements Delivery Plan update*, published in January 2016 describes the final stage of the project – Key Output 2 – as follows:

Key Output 2 provides for the completed Thameslink service giving a further improved service of up to 24 train paths per hour between St Pancras International (low level) and Blackfriars stations by December 2018. This phase also provides the infrastructure to support up to 18 Thameslink trains per hour through the London Bridge corridor, extra stabling, connections to train care depots, the extension of services onto the East Coast via Canal Tunnels and the radical improvement of passenger facilities at London Bridge station by the complete rebuild of the station.⁴⁴

⁴² ORR, [ORR and Network Rail agree new £4.1m 'Rail Reparation Fund' to directly benefit passengers](#), 1 December 2015

⁴³ NR, [Report from Sir Peter Hendy to the Secretary of State for Transport on the replanning of Network Rail's Investment Programme](#), November 2015

⁴⁴ NR, [Enhancements Delivery Plan Update](#), January 2016, p8

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