



ASLEF Response to the South Eastern Franchise Consultation

1. The Associated Society of Locomotive Engineers and Firemen (ASLEF) is the UK's largest train driver's union representing approximately 18,000 members in train operating companies and freight companies as well as London Underground and light rail systems. ASLEF have about 800 members working on the Southeastern franchise.
2. ASLEF shares the Department for Transport's aspiration for a railway that offers greater value for money with better punctuality and improved customer satisfaction. However, the union feels that many of the elements within the consultation are misguided and may exacerbate the existing inefficiencies within the franchise and the wider rail network.
3. The consultation explains that it seeks to improve value for money in keeping with the McNulty Report. ASLEF agrees with many of the causes of inefficiencies that are identified by McNulty. McNulty explains that fragmentation has led to a lack of leadership in the industry. The report also suggests that fragmentation is the first barrier to efficiency. Unfortunately, the report then goes on to suggest greater fragmentation. ASLEF would therefore caution against this approach being taken by the DfT.
4. ASLEF understands the desire to reduce the costs of the railway. However, with the Southeastern franchise running close to capacity, the union finds it hard to see where such services can have costs cut. The union would contend that this is already a well-run business. To state that "it is expected that the successful franchise bidder will be required to set out, and commit to, reducing the cost of operating the franchise," is disingenuous. Savings must

only come where they can occur without reducing the quality or capacity of the service. It is simply not right to look for savings where they may not exist.

5. The union is therefore concerned that the one potential area where a new franchise may seek to save money would be the introduction of more DOO services. ASLEF would categorically reject any attempt to impose DOO on any more services than those that currently utilise it. The consultation mentions several services that may be transferred from the Southeastern franchise to the new Southern franchise. Those which are currently not DOO on Southeastern must not become so just because they transfer to the new franchise. ASLEF would see this as an extension of Driver Only Operation and oppose it strongly. An example of this could be the services between Otford and Maidstone East.
6. ASLEF would also oppose reductions in station staff. This has a significant impact upon the public's perceived safety in using the railways. Cuts to station staff could be counterproductive with many of the more vulnerable people in our society deciding not to use free capacity late at night due to a lack of staffing at stations and concerns for their safety in empty stations. These proposals will ultimately lead to a reduction in revenue and thus offset the savings accrued from getting rid of the staff in the first place.
7. ASLEF appreciates that the DfT is only using a 6 year and 5 month franchise rather than the preferred 15 year model used on the other recently re-let franchises. This is only to support the operational aim of the merging of many services with the new Southern franchise and infrastructure work and would suggest that the Government see the new franchise as a transitional one.
8. Many services including those shared with the current Thameslink franchise will become entirely part of the new combined Thameslink/Southern Franchise. It is imperative that the Southeastern drivers at Orpington and Victoria continue to cover this work until 2018. Drivers should be "contracted out" to the Thameslink franchise until the completion of the London Bridge re-modelling in 2018. This will affect approximately 30 drivers' jobs. It is the

Union's belief that this would represent the best solution to what could be a difficult transition.

9. There also appears to be no mention of the shared work with the current Southern franchise between Tonbridge and Redhill. Will this be transferred fully to the new franchise?

10. Notwithstanding points previously made, the union struggles to see many benefits from a longer franchise following the proposed seven year contract. Transport Scotland's recent publication "Rail 2014" stated, "there is no conclusive evidence that longer contracts will increase the level of investment from train operating companies."

11. ASLEF notes research on franchises by KPMG which found that 'our comparative analysis of UK train operating companies (TOCs) has provided no conclusive evidence of the impact of contract length on performance across the sample of operators that were studied'. It also suggests that longer term franchises might lead to 'increased financial risk' affecting the agreement because bidders cannot foresee changes in economic circumstances. Nonetheless should the DfT opt for a 15 year franchise, ASLEF would advocate robust breakpoints to ensure that TOCs are meeting their obligations although the Union would caution against the inevitable additional costs associated with this. It should also be remembered that a supposed benefit of privatisation was the impact of competition. Passengers and taxpayers were told that such a step would lead to greater efficiency and lower costs. Franchises of this length would however lead to a reduction of competition.

12. ASLEF understands the desire to have local people and local bodies having a greater say in transport provision. Communications between national decision makers and local authorities as well as Local Transport Authorities are essential. However this must all be done in the context of a national rail network. As previously mentioned, it is the opinion of both the McNulty Report and ASLEF that fragmentation of the British Railway has led to a lack of

leadership, responsibility and inefficiencies. Handing responsibilities to local bodies could lead to varying standards and once again a lack of overall responsibility. ASLEF therefore has reservations when the consultation states, “views are being sought on whether improved outcomes for passengers and transport users might be achieved in some cases if more decisions on local rail services were made closer to the communities they serve.”

13. Regional rail services are used by people from across the country. For this reason it is always essential that ultimate responsibility remains with the Department for Transport which is led by the Secretary of State. Only then can rail remain truly democratically accountable.
14. ASLEF understands that the Medway Valley Line between Paddock Wood and Strood is currently run as a community rail partnership, but believes that it is more accountable and more likely to lead to success if lines such as these are not separated from each other and further fragmented. This leads to less statutory requirements and varying standards.
15. Asking those responsible for track and train to work closer together makes sense. However the creation of a formal alliance with a single board would be of great concern given Network Rail is a not-for-dividend company with a different structure. ASLEF is concerned that an alliance with a TOC would introduce an element of profit making back into the maintenance of our rail infrastructure and would also mean yet more fragmentation. This may in fact lead to a series of mini Railtracks. The union therefore believes it essential that infrastructure remains under the control of one not-for-profit organisation.
16. Alliancing also raises some interesting questions with regard to regulation and fines resulting from delays. Under the new system, operators would pay track access charges to the Alliance and the Alliance would still be responsible for delay attribution penalties to the TOCs and FOCs. Given that the finances of the alliance will be between Network Rail and the relevant operator and that any profits will go to both companies, it would, in effect, mean if delays are the fault of either company there will be no penalty as they will be paying it to

themselves. There is also a concern that should the franchise winner join in an alliance with Network Rail to run the line, they will prioritise their passenger services over freight services.

17. It is sensible that the DfT recognises the need for more detailed specification whilst the disruption due to the Thameslink Programme restricts services to many stations. The consultation does however state that “franchise operators should have the commercial freedom and flexibility to develop the train service to meet the needs of passengers. The Government intends to set the train service specification so that operational and timetabling decisions are devolved to TOCs to the greatest extent possible.”

18. ASLEF is greatly concerned by this proposal. The union believe that many necessary and vital services for local communities and economies are not commercially profitable services and should be judged as part of the public service ethos of the railway.

19. The consultation suggests that, “It may be possible for the franchisee to have a greater involvement in the station management and in particular how the maintenance, repair and renewal arrangements are delivered. This might be achieved by either revising the station leasing arrangements or by encouraging alliancing arrangements.” Once again there appears to be a contradiction between commercial motives and long term investment. In the consultation on the Great Western refranchising, the DfT notes, “significant station investment is rarely commercially self-financing.” ASLEF believes it contradictory to give maintenance responsibility to a commercial company rather than keeping it with a not-for-dividend organisation that will have much longer term interest in the stations.

20. The union is calling for consideration to the extension of safeguarded staff travel facilities to non-safeguarded staff. For too long we have operated a railway that has an inequitable two-tier workforce which leads to division, a sense of exclusion and frustration.

21. It is inexcusable that two drivers with exactly the same role, salary and job description can have such a significant disparity in their travel facilities. It is also bizarre for non-safeguarded to have greater facilities across the whole of Europe than they enjoy in the country where they supply such a vital service.
22. The travel facilities given to our members here in the UK are inferior compared to those enjoyed by drivers in the rest of Europe. ASLEF fails to see any logical reason why this should be the case. The extension of travel facilities would offer a significant benefit to staff at a limited cost to the Train Operating Companies and Freight Operating Companies. It would create a harmonious content workforce and most importantly, would give non safe guarded staff the facilities they deserve. The sense of frustration that these members express to the Union should not be underestimated. ASLEF calls for the winning bidder to support the extension.
23. Another questioned raised within the consultation is Southeastern's access to Abbey Wood station. ASLEF understands that the station will be transferring to the Crossrail operator during the franchise. However will there still be access for Southeastern services? The consultation mentions the change in demand. This should therefore mean the access remains available to current services in addition to the new Crossrail services.
24. ASLEF are pleased to see that as well as Thameslink core services serving Sevenoaks, they may be expanded to include Maidstone East. At present there are two trains an hour between Victoria and Ashford via Maidstone East. ASLEF very much hopes and would suggest that the new Thameslink services are in addition to these services rather than a replacement. There is certainly the capacity and an available platform at Maidstone East. We must be looking to increase capacity on our overcrowded rail network rather than simply passing services from TOC to TOC.
25. The Southeastern franchise is one of the busiest in the United Kingdom. With so many infrastructure and structural changes taking place with the Thameslink project and the combined Southern and Thameslink franchise,

there are significant challenges ahead. Many services will be transferred away from the Southeastern network. The franchise is short in order to allow the franchise winner to focus on these short term issues. However, any mismanagement will have long term implications. ASLEF would therefore urge caution on choosing any bidder who simply offers the DfT largest savings. The line is already highly profitable and to seek savings rather than ensure a good service through the next six to seven year would be a mistake that could have long term ramifications for a huge amount of people.

Mick Whelan
General Secretary
ASLEF
77 St John Street
London
EC1M 4NN