

By e-mail

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Dear Christian,

Re: Abbey Line Surveys, Autumn 2011

We have now completed our latest counts of rail patronage on the St Albans Abbey branch, along the length of the line to and from Watford Junction. We undertook passenger counts earlier this month on Tuesday afternoon (18th), Wednesday morning (19th), Saturday (15th and 22nd) and Sunday (16th and 23rd), covering all trains once in the process. Fortunately, there were no train failures during the shifts we surveyed. A summary of our findings is provided in this note, while the full data collected can be found in the attached spreadsheet.

Surveying Methods

The method used for the passenger counts has remained unchanged to that used in previous counting campaigns. As agreed, this exercise included only passenger counts, and no survey on passengers' travel purposes or ticket types.

Passenger Counts

Overall, the number of passengers travelling on the Abbey Line increased by nearly 7.5% between May 2011 and October 2011. This is nearly a 4% increase when compared to October 2010, and is the highest we have ever surveyed. Whilst these counts repeat the picture of earlier years, with October being busier than May, a trend of an ongoing increase in patronage can be observed:

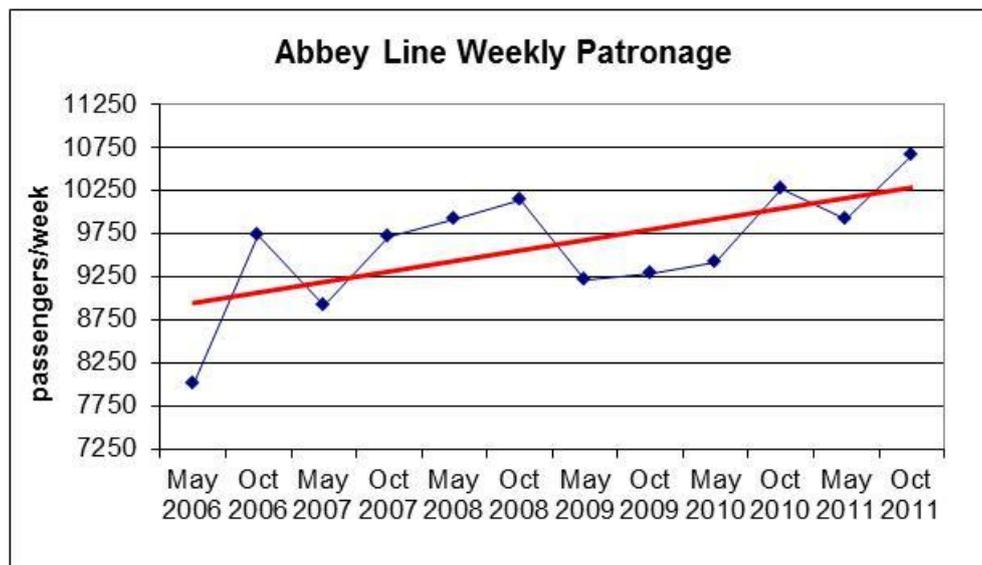


Figure 1. Summary of Abbey Line Patronage 2006-2011

The implication of the trend line is that, over the 5 years we have undertaken these surveys, patronage on the Abbey line has risen by over 3% p.a., equivalent to nearly 1 person per train p.a. Moreover, as Figure 2 below shows, on a year-on-year basis, traffic has increased on all days of the week. A breakdown of the passenger usage from May 2006 to October 2011 is as follows:

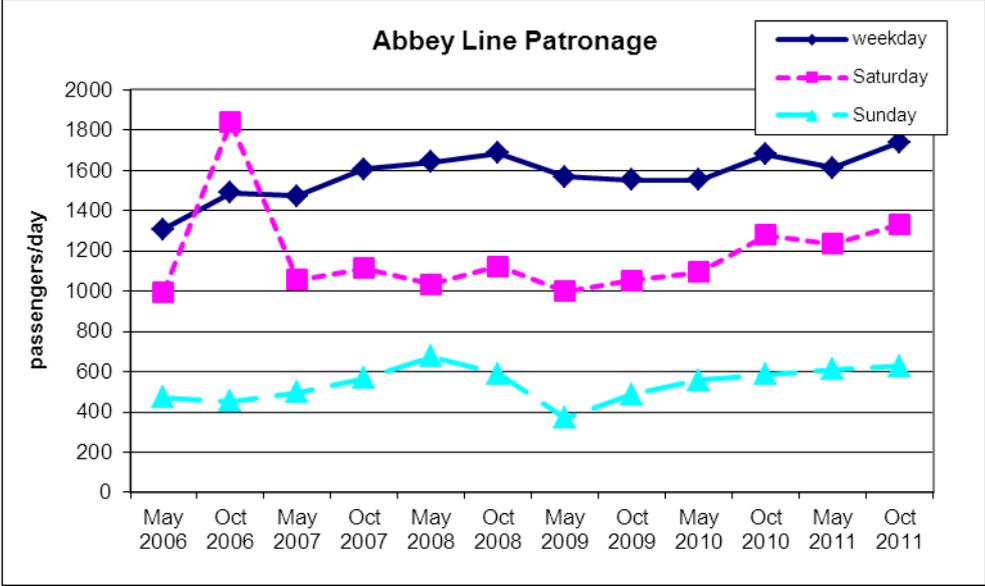


Figure 2. Comparison of Recent Abbey Line Patronage Figures by Day of Week

Weekday traffic

A nearly 3.5% increase in total boarders to about 1740 per day has been observed between October 2010 and October 2011. This increase takes traffic to a new surveyed high. There has been an increase of nearly 8% since May 2011; this is similar to the seasonal increase between May 2010 and October 2010.

Whilst the average train load is still only 25 passengers, it is not distributed evenly with the busiest train remaining in the morning, as has been recorded in previous surveys: 164 passengers alighted from the 0742 ex St. Albans Abbey, when it arrived at Watford Junction at 08:01; this is the prime train for commuting to Central London. This is an increase of 26% from last year and is the highest loading ever for this train. However, whilst the 07:19 arrival in Watford has had a drop of 17%, the other peak trains make up for this. Because the peak is very important to the line, we have done an analysis of the peak and off peak numbers, which can be found in Figures 3 and 4.

<i>Train arriving in Watford at:</i>	<i>07:19</i>	<i>08:01</i>	<i>08:46</i>	<i>09:38</i>
Passengers alighting Oct 08	58	151	127	30
Passengers alighting May 09	60	145	104	29
Passengers alighting Oct 09	71	140	84	38
Passengers alighting May 10	59	134	106	40
Passengers alighting Oct 10	87	130	118	31
Passengers alighting May 11	83	117	110	43
Passengers alighting Oct 11	73	164	119	48
Change Oct 08 – Oct 09	+13 (+22%)	-11 (-7%)	-43 (-34%)	+8 (+27%)
Change Oct 09 – Oct 10	+16 (+22%)	-10 (-7%)	+24 (40%)	- 7 (-18%)
Change Oct 10 – Oct 11	-14 (-17%)	+34 (+26%)	+1 (+1%)	+17 (+55%)

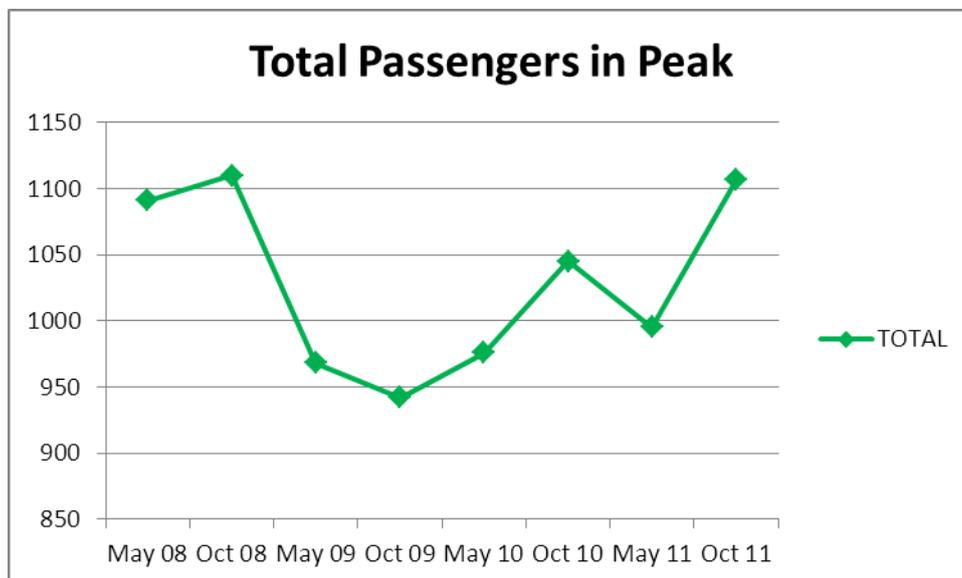


Figure 3. Comparison of Total Peak Passengers

Overall, peak traffic is back up to its historical high, October 2008, with an increase of 6% year-on-year and 11% from May 2011. This shows that commuter traffic that had been affected by the recession is now back to pre-recession figures. However, this on its own does not account for the record high weekday patronage.

The off-peak analysis shown in Figure 4 shows a general rise in patronage over the years, and it is this rise in off-peak travel which has helped the count figures to record the highest ever patronage. This trend in offpeak demand was not obvious before because it was more than compensated for by the large drop in commuter numbers. Nevertheless, there is some random variation; whilst early and late trains can be very quiet, the maximum load on the 11:37 from St Albans on was only 6 passengers, and that was only from Watford North to Watford Junction. Fortunately, this was more than balanced by demand for other services.

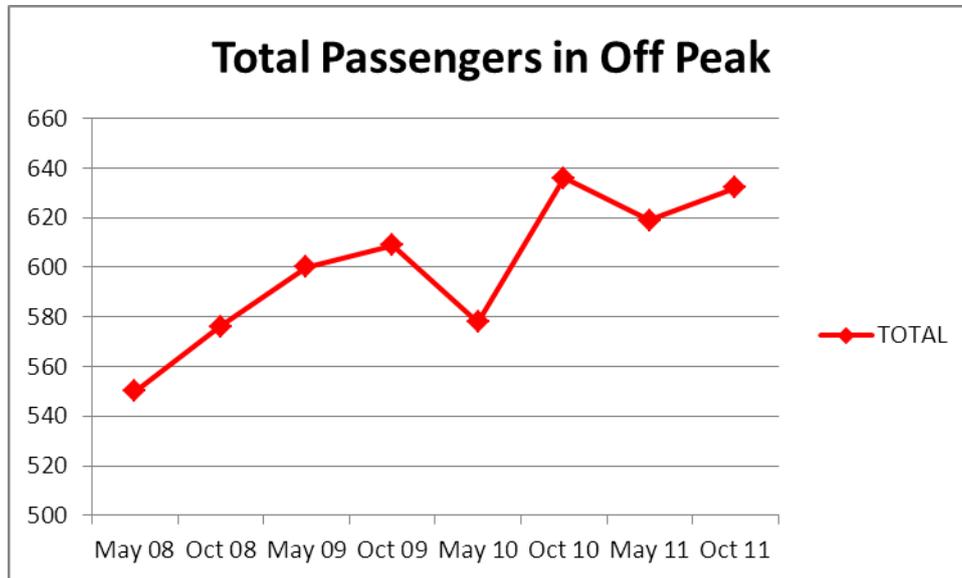


Figure 4. Comparison of Total Off-Peak Passengers

Figures 5 and 6 show the allocation of weekday passengers to trains arriving at the two key stations; note how St Albans functions as both an origin and a destination, whilst Watford Jc is overwhelmingly a destination. There has been an increase in peak trips to Watford Jc, which seems to be mostly on the 0742. Numbers on the 0618 have been quite steady, whereas the 0700 has seen a 17% decline since last October. The 0742 seems to have acquired those passengers as well as an increase, whilst the 0825 has stayed the same. The last train before peak fares finish, whilst being too late for a conventional commute, has had an increase of 55%, and these have not come from the succeeding train, so seems to be a real rise in patronage.

As noted above, St. Albans alighting traffic shows two peaks. The figures show that the morning peak at St Albans Abbey has not changed very much since last October, but that there has been a large increase in alighters in the evening. This would suggest that the increase in morning peak alighters at Watford Junction is of passengers travelling from St Albans Abbey.

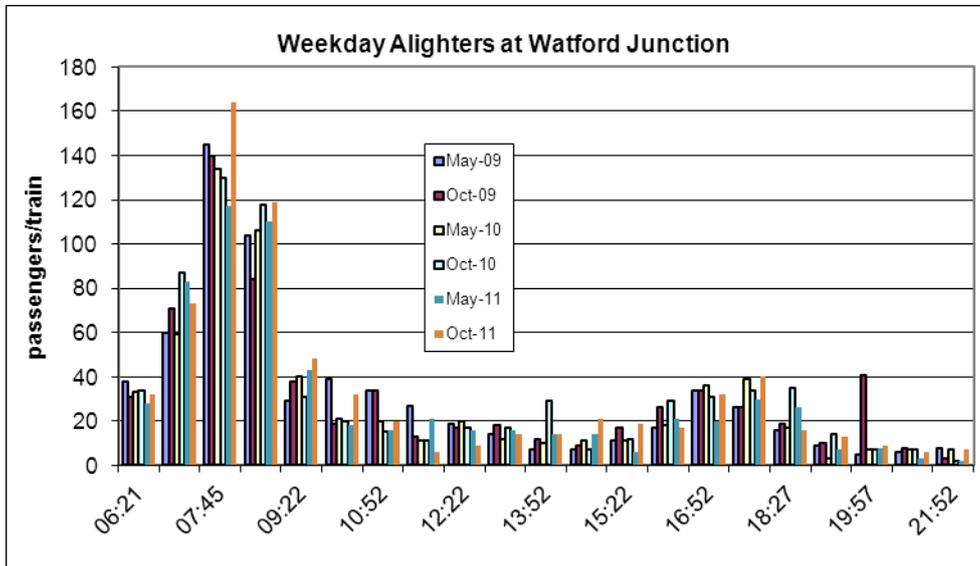


Figure 5. Comparison of Weekday Abbey Line Alighters at Watford Junction

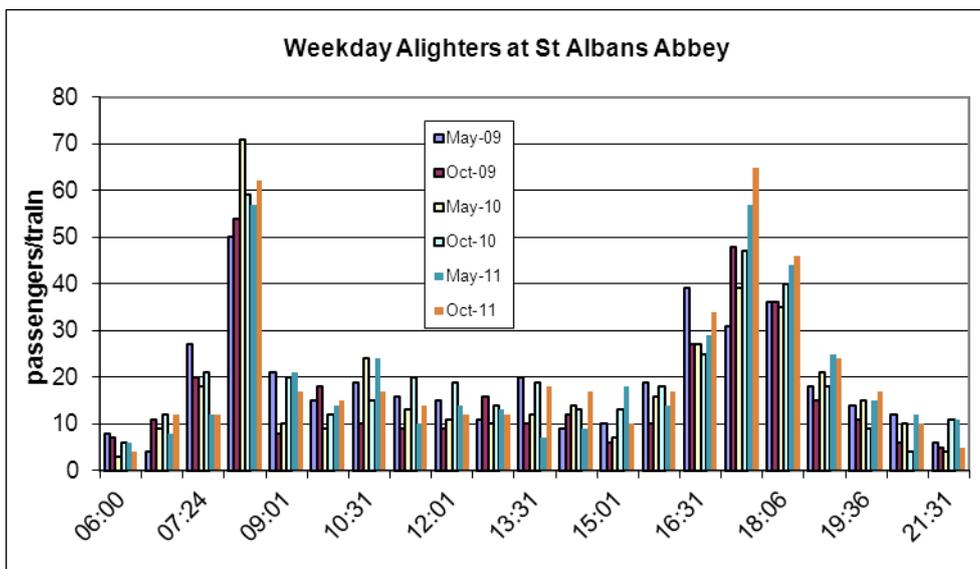


Figure 6. Comparison of Weekday Alighters at St. Albans Abbey

Saturday traffic

Other than the obvious 'spike' in demand of the fireworks/football events in November 2006, Saturday traffic has been historically fairly stable over the years (see Figure 2), albeit with a seasonal variation. This is to be expected, with Winter Saturdays normally having more sporting events. The increase from May 2011 to October 2011 is about 8% (from 1233 to 1334), reflecting the seasonal increase, but only about 4% on a year-on-year basis from the 1278 passengers recorded in October 2009.

The average Saturday train load is still around 20 passengers, although the highest observed load was 47 coming into Watford Junction on the 13:07 and the 13:52. The 47 is much smaller than the 60

maximum that has been seen in the past, showing that the loadings were more spread out, rather than some trains having much higher loadings. Saturday surveys were again spread across two consecutive weekends so that any events (e.g. football matches) that happened had less of a biasing effect.

Sunday traffic

The 626 people travelling on Sunday comprise an increase from October 2010 of 7%, continuing the trend on increasing patronage, and again recording the highest October Sunday of the counts, but nevertheless still below the May 2008 figures. This is also an improvement of 2% on the May 2009 count. These increases suggest that perhaps there has been an increase in leisure travel as well as the seasonal increase. Nevertheless, the average trainload on Sundays is only 13, a slight increase on the previous count. In this count only one train had a loading of over 30 (the 12:28 ex-St Albans train), whereas in previous year's count two trains had a loading of 30 passengers or more. However, whereas in October 2009 there were no trains with a loading of more than 20, this count found 11 trains with 20 or more passengers (including the 12:28 ex-St Albans).

Other Comments

Punctuality continues to be generally very good, although early morning trains were affected by adhesion problems both during the week as well as during the weekend. These delays were generally minor but did include a few trains on Sunday morning being later than 5 minutes, one of which was late by 14 minutes. During a shift on Saturday 15th, there was a temporary speed restriction of 15 mph imposed for an engineering inspection, which delayed the service by a maximum of 8 minutes over the couple of trips that the speed restriction was in place.

As has been the case in previous counts, Watford Junction and St Albans Abbey dominate the passenger flows, with over 74% of passengers boarding or alighting at Watford Junction, and 55% boarding or alighting at St. Albans Abbey. Park Street and How Wood are the quietest stations.

Although more thorough ticket-checking occurs at the barrier at Watford Junction, and a ticket machine is now available at St Albans Abbey, revenue protection on the branch itself is generally relatively weak; only in the morning peak was an RPI in evidence, and guards' efforts to sell tickets are restricted because of the requirement for them to return to the rear cab at every station. This may have encouraged some local trips, for instance amongst teenagers. In total, the level of revenue collection continues to be disappointing. By any reasonable calculation, the cost of employing an additional ticket inspector to ensure a higher degree of ticket compliance is far less than the current revenue losses which might be stemmed. Hertfordshire CC is encouraged to take this up with London Midland, in order to improve the commercial performance of this line.

Annual Patronage Estimate

Our best estimate of current annual patronage is as set out below. Factors are required to gross up one-off counts to the annual figures. A factor of 245 has been used for weekdays, which is slightly less than the actual number of weekdays per year, because a number of these (e.g. between Christmas and New Year) are particularly quiet. A factor of 56 has been used for Sundays, which includes the 6 Bank Holidays on which a service is operated, but also allows for some loss of demand on those Sundays when a substitute bus is used. The annual estimate is therefore as follows:

Weekdays = 1738 * 245 = 425,810

Saturdays = 1334 * 52 = 69,368

Sundays = 626 * 56 = 35,056

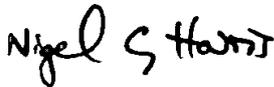
This gives a total annual figure of 530,000 but there are obviously inevitable inaccuracies involved in the surveying and calculation process. In addition, we have slight concerns about the impacts of sporting events, which tend not to occur for several months in the Summer. We therefore recommend that you take a figure of 520,000 as the best current estimate of demand on the line. This is a 31.6% increase on the annual patronage estimate of 395,000 derived from our first surveys in May 2006, (compared to a more general rail patronage increase in the South East of only about 27% over the same period, as suggested by ORR's National Rail Trends 1011 quarter 1, published recently). Moreover, Abbey line patronage is now at its highest level since the counts took place.

Conclusions

With passenger counts having been carried out 12 times now over the last six years, trends in patronage are relatively clear. Whilst October traffic continues to be generally higher than that in May, the overall annual level of demand has now surpassed its 2008 peak, being even higher with an increase of about 5% and 4% higher year on year. Cumulative growth since the beginning of our survey programme in 2006 has been 3% p.a., equivalent to an increase of around one passenger per train per year.

Our best estimate of annual patronage is now 520,000 passengers per annum (ppa). This reflects the seasonal increase we see every Autumn, and represents a 7.5% increase on the May figure, and 4% increase from last Autumn.

Yours sincerely,

A handwritten signature in black ink that reads "Nigel G Harris". The signature is written in a cursive, slightly slanted style.

(Dr) Nigel G Harris,
Managing Director

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