

C2C: TRANSFORMING THE 'MISERY LINE'...

Not for nothing was the line from London to Southend known as the 'Misery Line' in its pre-National Express Group days. Over-crowded, dirty and with out-dated trains the line personified everything that customers thought was wrong with UK rail services.

Today, it is transformed. Gone are the old slam door carriages, the unexplained delays and the unacceptable performance. In their place is a brand new air-conditioned c2c fleet, half of which carries CCTV technology, a new fare structure to encourage travel and a new more open and communicative interface between rail staff and customers. Off-peak volumes are up through promotions including £1 fares into London at the weekend. In the most recent customer survey, 81% of customers reported that they were satisfied or very satisfied with the service. Following extensive consultation with the trades unions and passenger groups, Driver Only Operation (DOO) will be introduced during 2004. Over half of the guards employed on these services have been redeployed in additional full time customer facing roles.



MAKING PUBLIC TRANSPORT THE NATURAL CHOICE (continued)

We remain alert to opportunities for improving integration where all passengers will benefit, and there are further good examples to report this year:

- The completion of the Bull Ring project in Birmingham has enabled the restoration of good connections between the majority of city centre bus routes and the rail stations at New Street and Moor Street;
- Further roll-out of the PlusBus scheme, which enables passengers to buy their rail ticket with "go-anywhere" validity for the bus network in their destination town or city. Gaps in coverage are rapidly being reduced, and most Scottish cities were added during 2003. The Hertfordshire County Council "Interlink" schemes will be added during 2004 serving a range of major LondonLines stations, such as Watford and Stevenage.
- Whilst ScotRail has always been in the vanguard of integrated multi-modal ticketing, until now such tickets have not been available for purchase on the bus itself. In partnership with First Edinburgh buses, we have brought on-bus purchase of integrated ticketing to Scotland, with a range of through bus-rail journeys to Edinburgh via Newcraighall.
- The famous "Eden Branch Line" which links with the world-renowned Eden Project in Cornwall to the rail network with a dedicated bus link is now carrying two million passengers each year. This is from a standing start when Wessex Trains and its partners launched the link operated by The Truronian Bus Company.

All bids for train franchises now include a commitment to explore the opportunities for integration and for linking with other forms of transport. Recent developments have included the abolition of the charge for carrying cycles on ScotRail.

With inevitable engineering works on the rail network, the provision of quality rail replacement coach services is also a key service which the Group provides through its coach operations.

INVESTING TO INCREASE PATRONAGE New trains, new coaches, new buses... refurbished stations, new destinations and new liveries... 2003 saw many examples of how the Group is investing to make travel a more comfortable and pleasant experience. Since privatisation we have introduced new trains onto our c2c, Central Trains, Gatwick Express and ScotRail services. New trains will be introduced at MML during the course of this year.

During the year, the 1000th low floor easy-access bus was brought into service at TWM. New buses, including articulated single deckers ('bendi buses') were also introduced in Coventry. We continued to encourage local people to discover their neighbourhood via initiatives such as the Balti Triangle and Tolkien Trail campaigns in Birmingham and bus guides to Solihull, Walsall and Sutton Coldfield.

In coaches, we took delivery of 17 new Volvo B12Bs, each with air conditioning, CCTV and toilet facilities. We are also progressing our 'Future Coach' project, which involves us working closely with manufacturers to identify and meet future needs, including compliance with the requirements of the DDA.

On trains, we completed the transformation of the c2c service and are on target to complete the refurbishment of the MML rolling stock by May 2004, at a cost of some £20 million. Stations have been made safer and more welcoming across the network, with the introduction of new cafés and refreshment stalls as well as improved waiting areas and information systems.

Technology has been a strong theme throughout the year, as we invest to meet the growing expectations of today's customers. In addition to information screens, many new buses and coaches incorporate screens which show local information and entertainment, such as wildlife films and news reports.

RECOGNITION FOR EFFORTS External recognition of our efforts across our UK operations during the last twelve month period included:

- National Customer Service awards 2003 were awarded to Matt Foster of Central Trains (named Young Customer Service Professional of the Year) and Shona Ruffin of Midland Mainline (Customer Service Professional of the Year);
- The Coach division won a Regional Gold Award and Grand Prix Award from the Institute of Public Relations for the National Express coach rebrand launch;
- Midland Mainline received an award, "Best Relunched/Redesigned Newsletter" for their relaunched internal "Express" magazine at the "British Communicators in Business" awards in May;
- TWM's Operation Safer Travel initiative was awarded a "Highly Commended Community Safety Certificate" in the Crime Concern Awards 2003. Their submission was based around our "SMART Schools project;" and
- BAA Heathrow Gold Award to National Express coaches as part of BAA's Clean Vehicle programme.