

Measurement template

Field	Notes
Short title	Rail subsidy per passenger mile
Technical definition	<p>Total subsidy is broken down by:</p> <ol style="list-style-type: none"> 1. subsidy paid directly to train operators by Government (or premiums received from operators), which in the supplementary table is broken down into: <ol style="list-style-type: none"> a) net franchise payment b) revenue support/share c) Passenger Transport Executive (PTE) grants 2. an allocation of the Network Grant (that is, payments made directly to Network Rail) <p>Though not strictly additive, a total figure is included.</p> <p>These figures are expressed as rates per passenger mile travelled, and are shown for each DfT franchised train operator.</p>
Rationale	<p>This indicator has been designed to give the public information about the amount of subsidy paid to train operating companies, both directly by the Department for Transport and indirectly via Network Rail.</p>
Formula	<p><u>1. Train operator subsidy</u></p> <p>Headline figures are published by the Office of Rail and Road based on passenger kilometres, so a conversion to miles is needed.</p> <p>Franchise payments are payments to or from train operators contracted in their franchise agreements and also include variations brought about by policy changes or initiatives.</p> <p>Revenue support/share consists of payments to or from train operators that vary depending on the financial performance of the operator.</p> <p>PTE grants are grants that DfT pays to PTEs to pay for rail services in their area.</p> <p><u>2. Network Grant</u></p> <p>This is calculated by taking the total Network Grant, apportioned according to each franchise's share of fixed track access charges, charged by Network Rail to run trains on the network (http://orr.gov.uk/data/assets/excel_doc/0018/11385/schedule-of-fixed-charges.xls)</p>

	<p>Example: c2c in 2009/10</p> <p>total passenger km = 905m</p> <p>∴ total passenger miles = 562m</p> <p>Train operator subsidy = -£3.3m</p> <p>∴ Train operator subsidy per passenger mile = -0.6p</p> <p>In 2009/10, c2c accounted for 1.3% of total fixed access charges paid to Network Rail (excl. First ScotRail)</p> <p>1.3% of Network Grant = £41.2m</p> <p>∴ Network Grant per passenger mile = 7.3p</p> <p>Total subsidy per passenger mile = -0.6p + 7.3p = 6.7p</p>
Start date	May 2011
Latest data	Financial year 2015/16
Behavioural impact	N/A
Comparability	Changes to franchise boundaries can make year-on-year comparisons difficult.
Collection frequency	Annual
Time lag	Financial year data (April to March) are published in August. 2015-16 data was updated in October following a delay in the publication of official statistics.
Data source	<p>a) Source: train operator totals are available in the DfT audited Financial Accounts. The further breakdown is provided for this indicator separately by the Department.</p> <p>Subsidy data by train operator are published by the Office of Rail and Road (ORR): http://orr.gov.uk/</p> <p>b) Network Grant data are supplied by DfT Finance. Fixed track access charges are published by ORR.</p>
Type of data	<p>a) Subsidy data are National Statistics when published by ORR. The further breakdown is DfT management information.</p> <p>b) Network Grant data are official statistics as they appear in DfT published accounts.</p>
Robustness and data limitations	<ul style="list-style-type: none"> • There is no recognised rule for allocating the Network Grant across franchises. Using fixed track access charges

	<p>to allocate the grant by train operator is an appropriate rule, albeit somewhat arbitrary.</p> <ul style="list-style-type: none"> • Changes to franchise boundaries can make year-on-year comparisons difficult.
Collecting organisation	DfT
Return format	Pence per passenger mile
Geographical coverage	DfT franchised train operators (Great Britain)
How indicator can be broken down	By train operator and type of subsidy