

## THE RAIL PROFESSIONAL INTERVIEW

# CHARLES HORTON

## SOUTHERN

**It's four years since Southern took over the south central franchise with a promise to change the perception of rail travel. Managing director Charles Horton tells Chris Randall how new trains and a re-invigorated workforce have ensured the promise has been kept**

PHOTOGRAPHY: ANDREW MARDELL

Picture the scene. It's August 2001. Dawn is breaking over London's Victoria station. Inside the historic old building, crash barriers hold back a delirious, Union Jack-waving crowd that is dancing, not entirely rhythmically to the tinny noise coming over the public address system.

*'Things can only get better  
can only get better,  
Can only get, can only get'*

Keith Ludeman, the boss of Go-Ahead's rail operation, strides purposively across the concourse, working the crowd, arms raised in triumph. The excitement mounts. After five long years of Connex mismanagement, disenchanted rail travellers across the south of England can at last look forward to better times.

None of this happened of course, but it might have done. When Connex was unceremoniously kicked off the south central franchise two years early to be replaced by Govia, a joint venture between Go-Ahead and the French transport operator Keolis, the overwhelming feeling was one of good riddance to bad rubbish. Connex had promised much but in five disastrous years had delivered pitifully little.

Charles Horton, managing director of Southern, the Govia-owned train operating company that replaced Connex, recalls the mood of the time. 'Customer satisfaction was in the doldrums; performance was on the slide and getting worse; reputation was appalling; staff morale was in the doldrums. Stakeholders were openly hostile to the company – not ambivalent, openly hostile. It probably couldn't have got worse.'

Given everything that had gone before, it was inevitable

that Southern would enjoy the luxury of a honeymoon period. It received public backing for no better reason than it wasn't Connex.

Having bought out the remainder of the discredited French operator's franchise, Southern secured one of its own, to run until December 2009. It set about the task of restoring credibility, whilst taking care not to exaggerate what could be achieved in the short term.

Horton, who took over as managing director when David Franks departed for National Express in March 2003, is proud of the advances that have been made in the intervening period. He reels off a list of achievements: 'Most improved train operator for customer satisfaction; best operating performance for six years; robust delivery against our targets; good staff morale.'

The last one is arguably the most important. Southern inherited a badly trained, deeply demoralised workforce, worn down by a barrage of bad publicity and criticism about a rapidly deteriorating service. Says Horton: 'Last year we ran "Leading Southern", a 10-day leadership programme for 250 of our managers. For many of them it was the first management training they had had in their careers.'

"Being Southern", a five-day course in customer service, is the latest piece in the training jigsaw. An enthusiastic Horton says: 'Over the course of the week we talk about Southern's brand; we talk about what we are trying to achieve. There's a day on how we can improve the product and how we can market more effectively.'

In a "back-to-the-floor" exercise, Horton recently joined a group of startled staff on one of the courses. Didn't they find having the boss as a classmate intimidating? 'People quickly forget that you are the managing director,' he says unconvincingly. 'They are quite challenging. And they have a right to be. But they are also fiercely proud of Southern. Even when they are critical of some of the decisions we make, they don't say, "this is hopeless", it's "why didn't we do better?"'

It's a question Horton must have been asking himself this time last year, when Southern's new Bombardier-built Electrostar trains were hit by an embarrassing number of faults



that put many of them out of action. With delays and cancellations mounting, crisis meetings were called with Bombardier and Porterbrook, the train leasing company that financed the £856m new-train order, amid rumours of rows and ultimatums.

Horton says the problems were resolved through collaboration. 'We have worked well with Bombardier and Porterbrook. When we were having some teething troubles – and it was a heck of a challenge for us – there was no descending into blaming each other. We rolled up our sleeves and got on with finding out what was wrong. The results speak for themselves in terms of the turnaround in performance.'

The best performing trains are now clocking up 40,000 miles between faults, although some are struggling to reach half that figure. With technical problems reduced, train punctuality has climbed to 90 per cent, the best for over five years. However, that is still slightly lower than the neighbouring train operator, South West Trains, where punctuality has shot up since the timetable was comprehensively overhauled last December. Is Horton envious?

'South West Trains has been at it quite a bit longer than Southern,' he replies. 'It's been in Stagecoach ownership since privatisation. We've only been running the new franchise for two years. We are biting at SWT's heels. We are the most

**Horton doesn't attempt to hide his respect for the way SWT tore up the timetable and effectively created a new one from scratch. 'I think they did a very professional job with their timetable re-cast. It's clearly a very impressive piece of work.'**

improved train operator in terms of customer satisfaction. We have seen the best operating performance for nearly six years. But we are not ashamed to learn from what SWT and others are doing well.'

He clearly thinks SWT did well with its new timetable, and isn't afraid to say so. 'I think they did a very professional job. They looked at the problem, they analysed it very carefully and they came up with a good result. It's clearly a very impressive piece of work.'

Horton is planning a similarly bold initiative, although passengers will have to wait until December 2006. 'On Southern we could do even better. We could make performance more robust than it is at the moment. We could



Photo: www.railimages.com

speed up some journey times down to the coast, which is always a big prize. We could take 10 minutes off the typical journey time to Chichester, by elimination of splitting and joining (trains) and by improving the running times. And we could improve the way in which capacity is used by running the services more effectively.'

With punctuality rising across the entire rail network, some senior figures from within the industry are suggesting that now might be the time to concentrate on other problems, such as overcrowding. 'You have to do everything,' cautions Horton. 'Our objective is to get everyone in this company to think like a passenger. A passenger's most basic requirement is to have a train that turns up. So we need to avoid cancellations.'

Most passengers also want a seat. Using Passenger Load Distribution, a clever piece of software fitted to many of its trains, Southern is able to identify services where overcrowding is a problem - by weighing passengers! 'We know that the average passenger is 75 kilograms,' chuckles Horton. 'PLD determines from that average weight, roughly how many people are on the train.'

Identifying overcrowding is one thing. Eliminating it is a much bigger challenge. The SRA's Route Utilisation Strategy for the Brighton main line, with its plan to abolish the Gatwick Express and run more frequent trains to the south coast, is still sitting in Alistair Darling's in-tray more than a year after it was first published.

Predictably, Horton thinks getting rid of the Gatwick Express makes sense. 'In terms of making better overall usage of capacity on the Brighton main line it's clearly the right thing to do. On balance there has to be some cost for a much bigger gain. We are in a situation where the majority are getting a much worse service than they should get.'

BAA doesn't agree and is fighting to retain the dedicated rail-air link. The owner of Gatwick Airport believes that squeezing airline passengers with suitcases on to already crowded commuter trains is the wrong way of dealing with the capacity problem and has been lobbying the Government to abandon the idea. The row is set to rumble on until Darling makes a decision.

Meanwhile, Southern is faced with the challenge of running over 1,500 trains a day on one of the most congested rail networks in the country. Overseeing the complex operation are staff from both Southern and Network Rail, who work alongside each other in a high-tech control room at the train operator's Croydon headquarters. Horton is a long-time advocate of integrated control centres. 'In terms of decision making, sure you are going to create some tensions by having an integrated

## NEW LOOK SELHURST



Rail minister Derek Twigg (right) with Govia chief executive Keith Ludeman at a ceremony to mark the refurbishment of Selhurst.

Southern's Selhurst train depot in south London has been given a £50m makeover as part of a comprehensive upgrade of train maintenance facilities across the company's rail network.

The new look Selhurst will provide a modern environment for Southern's Electrostar and Turbostar fleet as well as some trains operated by sister-company Thameslink. Southern's suburban fleet will continue to be maintained there.

The refurbished depot has a new cleaning shed, improved staff facilities and nine additional train parking roads. A new carriage washer has been installed and the network of

sidings has been remodelled to provide parking for 108 train carriages.

Fourteen CCTV cameras and a central control room offer increased security.

Keith Ludeman, chief executive of Govia, the parent company of both Southern and Thameslink, said: 'the new-look Selhurst is a result of hard work by many people over the past three years. It's a project that Govia is proud to have delivered.'

'Another reason to celebrate this project is the huge improvements we have been able to make to the working conditions of the depot staff.'

control centre, but as long as the spirit and the attitude are right between Network Rail and the Tocs, it must be better.

'A key thing is having the right relationships at a more senior level, so that when things go wrong you learn lessons and do something different next time. There are times when rows take place. But the relationship is mature and positive enough to be honest about our differences and do something about it.'

Some disagreements are caused by the system of delay attribution, when Network Rail and train operators apportion blame for late running trains. 'The tension and friction caused by delay attribution can be hugely disruptive on occasions,' sighs Horton. 'The antidote is to get your service performing better. When your service is performing well, the rows go away.'

That the service is performing significantly better than it was four years ago when Southern took over the franchise is indisputable. Horton gives credit to parent company Go-Ahead for allowing him to get on with the job without interference. 'There is a simple philosophy in the group that the best businesses are those which are closest to the passengers or communities that they serve. You can't run a company and make it close to the community from a headquarters that inevitably has a different perspective or a different attitude or a different set of priorities.'

Horton's own philosophy is straightforward. 'My objective is to get everyone in this company to stand in the passengers' shoes.' In a railway frequently pre-occupied with operational issues, that's not as easy as it sounds. Southern can at least boast that it has gone much, much further to achieving that aim than its predecessor, Connex ever did.



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## Planning and Designing for the Future



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