

Report to Partnership Meeting 11 September 2026

RESEARCH AND STRATEGY DELIVERY

Route and Branch - HITRANS Rail Development Strategy

Purpose of Report

To update members on the Rail Development Strategy. The emerging themes are below; the full strategy is still being finalised.

The Vision

Route and Branch sets out a renewed long-term case for rail investment across the Highlands and Islands in a context shaped by post-pandemic travel change, rail industry restructuring, public ownership of ScotRail and Caledonian Sleeper, and the need to decarbonise transport. The strategy updates the earlier Room for Growth programme and argues that HITRANS should continue to play a proactive role in shaping the future of the regional rail network to support the community and sustainable growth.

The strategy is closely aligned with wider regional and national policy. It reflects the aims of the HITRANS Regional Transport Strategy, the Highlands and Islands Regional Economic Strategy, the National Transport Strategy 2, and Scotland's climate policy framework. Across these policy documents, rail is positioned as a key enabler of inclusive growth, net zero transition, regional resilience, and social inclusion, particularly for rural, remote and island communities.

The strategy's vision is to deliver a decarbonised, resilient and integrated rail network for the Highlands and Islands that supports communities, strengthens the economy, improves connectivity, and contributes to a fair and healthy net-zero future. Its objectives are to improve inclusive access, accelerate decarbonisation, promote sustainable growth, transform service quality and integration, and support healthy and thriving communities.

Why Rail Matters in the HITRANS Region

Rail has a distinctive and strategic role in the Highlands and Islands. The region covers nearly half of Scotland's land area but contains only a small share of its population, with many communities dispersed across remote mainland and island geographies. It also has an ageing population, higher car dependency than the national average, and increasing pressure on transport systems from tourism, second-home travel, and renewable energy development.

Rail therefore serves several functions at once. It is a lifeline mode for some communities, a regional connector to Inverness and other service centres, a strategic link to the Central Belt and London, and a sustainable transport option for tourism and freight. It may also become increasingly relevant to the delivery of major renewable energy projects, which could create significant new demand for freight movement of materials, equipment, and workers.

Market Performance and Key Trends

Rail demand in the HITRANS area has been resilient compared to the rest of Scotland and the UK. Station usage in the region recovered to 101% of pre-COVID levels by 2024/25, compared with 86% across Scotland. This stronger recovery is attributed largely to the area's high share of leisure and visitor travel, which has rebounded more strongly than commuting and business travel elsewhere, although there is evidence of recovery in the commuting and business market.

However, recovery is uneven by route. The West Highland Line has shown particularly strong growth, driven by tourism and local demand, while the Highland Main Line and Aberdeen–Inverness have also recovered above pre-pandemic levels. In contrast, the Far North Line and Kyle of Lochalsh Line remain below 2018/19 usage, reflecting weaker commuter recovery and wider service and performance issues.

Demand is also highly seasonal. The West Highland Line in particular experiences very strong summer peaks, while the Kyle line also shows substantial tourism-related seasonality. This points to a mismatch between uniform year-round service patterns and actual demand, strengthening the case for more flexible and targeted service planning.

Competition is becoming more acute with intense competition from coach and air. Coach services now offer higher frequencies, lower fares, and often comparable journey times on several corridors. On London travel, aviation remains dominant, with air volumes between Inverness and London far exceeding rail and the Sleeper unable to compete on a fare basis. Competition will continue to impact on rail as the concessionary fare scheme and £2 fare cap impact on travel behaviours.

Main Challenges Facing the Network

There are four main challenges for rail in the HITRANS region.

- service quality and competitiveness remain constrained by long journey times, uneven frequencies, and poor timetable integration. Historic aspirations for faster Highland Main Line and Aberdeen–Inverness services have only been partially delivered.
- network resilience has deteriorated. Performance analysis shows that delay minutes have increased significantly over the past decade across almost all lines. The principal causes are worsening severe weather impacts, ageing rolling stock, and operational vulnerability in rural networks with small traincrew depots and limited redundancy.
- infrastructure and fleet are ageing. Much of the region relies on older rolling stock, including fleets expected to remain in service well into the 2030s. Infrastructure constraints include jointed track, low route availability on freight lines, signalling systems of considerable age, limited passing loops, and accessibility shortfalls at stations.
- affordability and accessibility remain barriers. Although a range of railcards exists, bus concessionary schemes make coach travel much cheaper for many users although there are communities where rail is available but bus is not, meaning current concessionary structures do not fully support equitable access to public transport. From a physical accessibility perspective there are many stations on the network which limit access to the rail network for those with mobility needs.

Strategic Response and Recommendations

Rail in the HITRANS region now requires a shift from incremental change to a more coordinated transformation programme.

RnB promotes a number of key policies and interventions to address the challenges highlighted above. Underpinning all of these policies are a proactive rolling stock strategy based on a dedicated, standardised fleet and the progressive use of battery electric traction supported by discontinuous electrification which offers the best balance of decarbonisation, journey time savings, service quality improvement, and affordability relative to full electrification.

Alongside rolling stock renewal, a Highlands Management Unit is recommended to strengthen regional influence over rail planning and service quality while keeping ScotRail as operator. This is intended to ensure that local priorities, including resilience, connectivity and branding, are better reflected in decision-making.

The service improvement package is ambitious but meets the objectives. Recommended measures include improving interchange at Inverness, enhancing Aberdeen–Inverness frequencies and journey times, introducing an hourly service to Invergordon with better Far North connectivity, strengthening summer capacity on the Kyle line, moving toward hourly Highland Main Line services with sub-three-hour journeys, expanding West Highland Line services, and improving ferry-rail integration. Collectively, these proposals aim to respond to both resident needs and tourism demand.

Reliability and Performance give our residents confidence to use the services, this will be enhanced by a recommendation to define Economic and Socially Necessary services, reducing all-day disruption through better risk management of weather-vulnerable locations, and strengthening preventative maintenance.

Freight in the region is expected to be a substantial opportunity to align rail investment with renewable energy growth and support development of freight terminals in the Far North, reuse of Needlefield Yard for additional intermodal traffic, and exploration of parcel distribution by rail to rural areas. These measures are intended both to cut road traffic and to create long-term economic and environmental value.

For passenger access, RnB prioritises accessibility improvements at busy stations such as Nairn, Kingussie and Aviemore, platform upgrades to support level boarding, a review of fare policy in light of bus concession and fare cap schemes, and continued development of potential new stations including Inverness East, Evanton, Faslane, Torlundy and Carrs Corner. The Fort William Integrated Transport Plan and the longer-term Inverness Station Masterplan are also identified as major opportunities.

Delivery Priorities

In the short term, the rolling stock strategy underpins many of the recommendations. Prioritising building the case for battery operation on the rural network, pursuing fares reform, improving ferry integration, progressing accessibility upgrades, protecting socially necessary services, and ensuring renewable energy planning supports rail freight are key short term aims which will lay the foundation for medium term plans. In the medium term, delivery priorities include further electrification decisions, business cases for new stations, and development of the Inverness Station Masterplan.

Rail in the Highlands and Islands is not a marginal transport issue but a strategic regional asset. The evidence suggests that demand is resilient, the role of rail is widening, and the costs of inaction are growing. The recommended programme therefore seeks to combine decarbonisation, service reform, accessibility, resilience and regional governance into a single long-term agenda for a modernised Highland rail network.

The Study

RTS Delivery

Impact – HITRANS RTS strategic fit, economy, Net Zero, transport investment

Policy

Impact – NZ 2045 decarbonisation, transport efficiency, mode shift, integration

Financial

Impact – The study is fully funded.

Recommendation

1. Members are asked to note the report.

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