

Autumn Rail Disruption

March 2019



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Economy, Infrastructure and Skills Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

Tel: **0300 200 6565**

Email: **SeneddEIS@assembly.wales**

Twitter: **@SeneddEIS**

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Autumn Rail Disruption

March 2019



About the Committee

The Committee was established on 28 June 2016. Its remit can be found at: www.assembly.wales/SeneddEIS

Committee Chair:



Russell George AM
Welsh Conservatives
Montgomeryshire

Current Committee membership:



Hefin David AM
Welsh Labour
Caerphilly



Vikki Howells AM
Welsh Labour
Cynon Valley



Mark Reckless AM
Welsh Conservatives Group
South Wales East



David J Rowlands AM
UKIP Wales
South Wales East



Jack Sargeant AM
Welsh Labour
Alyn and Deeside



Bethan Sayed AM
Plaid Cymru
South Wales West



Joyce Watson AM
Welsh Labour
Mid and West Wales

The following Members were also members of the Committee during this inquiry.



Mohammad Asghar AM
Welsh Conservatives
South Wales East



Lee Waters AM
Welsh Labour
Llanelli

The following Members attended as substitutes during this inquiry.



Rhun ap Iorwerth AM
Plaid Cymru
Ynys Môn



Dawn Bowden AM
Welsh Labour
Merthyr Tydfil and Rhymney

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Chair's foreword

Service disruption on the Wales and Borders network last autumn had a severe impact on passengers, and although the Committee appreciates the hard work that went in to putting things right, we wanted to shine a light on the possible causes, and ensure it isn't repeated.

People's expectations of the new rail franchise are simple. As the passenger watchdog Transport Focus put it: "Passengers tell us that their top priorities for the new Wales and Borders railway are getting a seat on reliable services that provide good value for money".

Back in November we were told the two main reasons for the service disruption that had afflicted the new operator: it was simply a combination of storm Callum and under-investment in an ageing fleet of trains. It turns out to be rather more complicated, and the initial findings of an independent investigation report highlight a number of possible causes and potential remedies. We set out our findings in this report, but more clarity is still needed, and so the Committee looks forward to seeing the final full report and action plan for avoiding a repeat of last autumn's disruption. Our clear message to TfW Rail is that this must not happen again.

When Network Rail and Transport for Wales came before the Committee in January, they made further public apologies for failings in the service for rail passengers. Of course such apologies are welcomed, but the process of gathering evidence about all the underlying causes of the disruption has been characterised by a lot of finger-pointing. This is disappointing, and of no real help to passengers, who just want their trains to run on time.

Welsh Government, and the operators of train and track, told us that installing Wheel Slide Protection onto trains on the Wales and Borders network will make a real difference to the passenger experience next Autumn. The Committee hopes this confidence is not mis-placed - only time will tell.

We also acknowledge efforts being made to adapt to the impact of climate change on the network, and welcome the introduction of new measures of customer satisfaction by TfW Rail. Members questioned whether more could have been offered by way of compensation, and was told that any increase in compensation levels would inevitably mean taking money out of the pot set aside for investing in much-needed improvements to the network. Although the threshold for offering compensation for delays has been reduced from 30 minutes

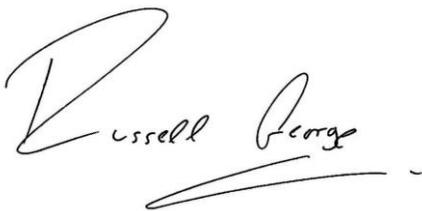
to 15, the Committee still thinks that if a similar level of disruption is experienced by passengers in the future then they must be adequately compensated.

Passengers' patience has been tested. The appointment of a new operator under much-improved franchise arrangements offers a real opportunity to improve service standards and meet customer expectations. Those expectations must be carefully managed in the short-term - as we all understand that shiny new trains will not be arriving for a while.

The Committee's report also addresses risk management, and the need for a flexible response to changes in future demand. We urge TfW to heed the warnings of experts, that delivering the "world-class service" that TfW says its customers deserve, may drive un-tapped demand that the operator and Welsh Government must be well-placed to manage in 5-10 years' time.

The Committee's scrutiny of the rail franchise has been informed by the 2016 report by the Wales Audit Office (WAO) into Welsh Government investment in rail services and infrastructure. I will write to the Auditor General for Wales to draw his attention to the Committee's findings, which may help inform any future WAO plans to examine franchise operations once TfW has bedded in and progressed further with its programme of rail infrastructure improvement.

The Committee will continue to keep a watching brief on TfW's plans to increase capacity and service levels on Welsh rail routes in 2019 and beyond. Welsh rail passengers deserve nothing less.

A handwritten signature in black ink that reads "Russell George". The signature is written in a cursive style with a long horizontal stroke underneath the name.

Russell George AM
Committee Chair

Recommendations

Recommendation 1. TfW should publish the findings of its final full investigation report into the causes of the rail disruption as soon as possible, along with an action plan setting out how it is responding to the findings and full details of its preparedness plans for Autumn 2019..... Page 29

Recommendation 2. The Welsh Government, TfW and Network Rail should work together to ensure that a) the findings of the investigation report into the autumn 2018 disruption and b) further investigative work with on-board cameras, are used to inform Network Rail's planning and prioritisation of its operations, maintenance and renewal expenditure. The Committee will seek further details of how this has been done prior to autumn 2019..... Page 29

Recommendation 3. TfW should report back to the Committee at the end of 2019 on its new performance standards and plan for communicating the full range of standards and performance data to the travelling public in a transparent manner, and one which allows meaningful comparison with previous service levels to measure progress over time. As far as possible these indicators should be published at a level which is meaningful to passengers, i.e. at the level of individual route and service..... Page 30

Recommendation 4. TfW should work with passenger groups including Transport Focus to explore ways to provide additional compensation without incurring significant cost where there is severe disruption to services, as in autumn 2018. The severe impact on passengers must be recognised regardless of the nature of the financial settlement for rail in Wales. Should disruption on this scale occur again we expect additional compensation measures to be applied.... Page 31

Recommendation 5. TfW to respond to the specific concerns raised by stakeholders when consulted on the new rail franchise and Metro, and highlighted in this report, to assure the Committee that capacity issues will be properly addressed by planned service enhancements and that capacity planning will take full account of all factors that may affect future demand..... Page 33

Recommendation 6. Past experience highlights the need for a clear approach to identifying and robustly managing rolling stock risks in future. The Committee and the travelling public must be given public assurances that TfW has made a full assessment of the risks attached to its plans for procuring and introducing new rolling stock on to the network, and how these will be mitigated, whether this published document is described as a “rolling stock strategy” or by another name..... Page 34

Conclusions

Conclusion 1. Although adverse weather can lead to greater rail disruption, and storm damage accounted for some loss of capacity on the network, this did not account for the particularly severe level of disruption experienced by rail passengers on the Wales and Borders network in autumn 2018. Nevertheless the Committee welcomes ongoing efforts by Network Rail and TfW to build resilience into the rail network to adapt to the challenges of climate change. Page 17

Conclusion 2. Although the precise balance of factors that led to the disruption is currently unclear, the Committee sees evidence that the issue is being addressed in preparation for autumn 2019, in particular with the installation of Wheel Slide Protection across the Welsh rail fleet. The final outcomes of the investigation into the causes of the disruption should be used to inform Network Rail's plans for the operation, maintenance and renewal of the Network, developed in collaboration with TfW. And the Committee will seek evidence that this has happened. ..Page 20

Conclusion 3. While the Committee welcomes TfW's current plans to invest in rolling stock to increase capacity on the network, it seems clear from the evidence provided that more could have been done at an earlier point to improve the capacity and quality of the Welsh fleet. Greater capacity on the network before the autumn might have reduced the impact of service disruption on passengers to some degree. Despite the impact of the cancellation of electrification programmes on available diesel rolling stock, the fact that TfW has been able to move to secure additional carriages in recent weeks leads the Committee to question why this could not have happened earlier..... Page 23

Conclusion 4. There have clearly been difficulties in the relationship between the governments, but unfortunately the real losers in all this have been rail passengers. We believe passenger interests have to some extent been lost in discussions between the governments and those involved in running the network. Page 24

Conclusion 5. The Committee remains very disappointed that a forward-thinking strategy for investment in rolling stock, as recommended in 2013, was not implemented by Welsh Government. A strategy could have been developed that was capable of mitigating short-term pressures and flexing to take account of changes in rail infrastructure plans, and managing the risks associated with those changes. A flexible strategy would not have required the firm commitments on valleys electrification which the Welsh Government and TfW suggest..... Page 24

Conclusion 6. It seems clear that lessons have been learnt from the deficiencies in the previous contract under which Arriva Trains Wales operated the Wales and Borders network, and that Transport for Wales Rail will be operating under significantly different contractual obligations, with direct oversight from Welsh Government. While the evidence given was conflicting in places, there was nothing concrete to suggest that the former franchise holder had not met its contractual obligations, such as they were. In fact the evidence suggests that the contractual obligations were met, but that the limitations of the contract itself were the issue..... Page 26

Conclusion 7. The Committee wants to see all parties involved in funding and operating the Welsh fleet channelling all their efforts into delivering the service that customers deserve, rather than seeking to apportion blame or deny responsibility for past failures. Page 28

Conclusion 8. The Committee welcomes the commitment to customer-focused measures and removing any barriers to the provision of a seamless service for rail users. It looks forward to scrutinising the effectiveness of the new performance management regime in future sessions with Transport for Wales. Page 29

Conclusion 9. The Committee recognises that commercial penalties must be funded, but is of the view that if a similar level of disruption to passengers happens in the future then the operator should be held accountable. Passengers are not responsible for or interested in franchise financial arrangements, but must bear the brunt of disruption - and the impact can be very severe. The Committee believes that by considering passenger needs it should be possible to identify options to give something back to passengers without incurring significant cost where there is severe service disruption. It believes that TfW should consult passengers, and work with Transport Focus. to identify approaches of this type. Page 30

Conclusion 10. The Committee welcomes the introduction of Delay-Repay 15 compensation for passengers on the Wales and Borders network. However, while this change in approach is welcome, and Members recognise that better compensation must be funded from somewhere, we believe it is still important that rail passengers receive additional compensation when service falls far short as it did in autumn 2018. The Committee also notes that until network capacity issues are addressed, there will be passengers who fall outside the compensation regime if they are unable to board overcrowded trains in the first place. Page 31

Conclusion 11. Restoring a “normal service” to passengers does not equate to a service without problems of overcrowding, timetable delays, missed connections and disruption to passengers. TfW and Welsh Government must work together to ensure that plans for increased capacity across the network are realistic and regularly reviewed to take full account of all factors that may affect future demand. Page 33

Conclusion 12. There is a weight of expectation attached to the introduction of new, better trains. While the benefits are clear, there are also significant risks attached to introducing the new bi-mode, and in particular the un-tested tri-mode trains in the Cardiff City Region. On behalf of expectant rail users, the Committee wants assurances from TfW and Welsh Government that the risk management regime for introducing the new rolling stock is both flexible and robust. This should include assurances that sufficient existing rolling stock is available to deal with any slippage in the timetable for the new rolling stock. Page 34

Background

Following scrutiny of Transport for Wales on 29 November 2018, the Committee agreed to take further evidence on service disruption under the new rail franchise on 9 January 2019.

- 1.** The key cause of rail service disruption in autumn 2018 appeared to be leaf fall and “low adhesion” on rails leading to wheel flats, and trains being taken out of service as a result. When witnesses from Transport for Wales (TfW)¹ appeared before the Committee in late November, just over a month after TfW Rail took over the rail franchise from Arriva Trains Wales, the witnesses were unable to fully explain why rail disruption was so severe in autumn 2018.
- 2.** The Committee invited Network Rail, the former franchise operator Arriva, and TfW to give further evidence in January 2019 on the causes of the autumn rail disruption and what action was being taken to prevent any re-occurrence in 2019.
- 3.** The Committee thanks the witnesses for sharing their time and expertise with the Committee.

¹ Transport for Wales was established in 2015 as a wholly Welsh Government owned subsidiary company limited by guarantee. It’s initial purpose was to procure, develop and operate the new Welsh rail franchise and Metro services on the valleys lines. The contract was subsequently awarded to Keolis Amey in June 2018, and TfW Rail Services became operational on 14 October 2018.

1. Autumn Rail Disruption

What happened...

4. On 14 October 2018, KeolisAmey – operating as TfW Rail – took over the Wales and Borders rail franchise previously operated by Arriva Trains Wales (ATW). In the same week “Storm Callum” hit Wales and over subsequent weeks significant service disruption resulted from the need to take trains out of commission for repair due to storm damage and “wheel flats”.

5. At the worst point the fleet was reduced to 86 trains from a total of 127. In evidence to the Committee on 29 November 2018 TfW indicated that it expected services to have recovered by week commencing 10 December. TfW told the Committee that TfW Rail aims to operate at around 110 trains where ATW “were operating on 103”.

6. It seems a key cause of the difficulties was leaf fall and adhesion (i.e. where leaves stick to rails and passing trains compress them into a slippery layer that reduces grip). This phenomenon can lead to “wheel flats”, where the train wheels slide on rails flattening sections of the wheel. If severe, this can cause damage to tracks and trains. Carriages are taken out of service to allow their wheels to be machined or the wheel sets replaced.

7. On 19 November 2018 TfW Rail tweeted and published a letter apologising for delays, cancellations and other issues with its services:

“We’re sorry that over recent weeks too many trains have been cancelled, delayed or have arrived with fewer carriages than normal. We know that overcrowding and uncertainty are big challenges for people, and we want to apologise that you haven’t received the service that you deserve and expect.”

8. During a Committee meeting in November 2018, TfW said that it was unclear why there was a particular problem that autumn. The Committee was told that TfW had commissioned an independent review by a specialist, and following the meeting in November TfW offered to return to discuss the review’s findings.

9. The Committee also noted the response of Welsh Government to questions about service disruption. In Plenary on 20 November 2018, the First Minister referred to years of under-investment in the track, a problem which he said Welsh Government had no control over since it is not devolved, and to the fact that 30 per cent of the rolling stock was impacted by storm Callum. The First Minister

went on to refer to “the fact that Wales only gets 1 per cent of rail infrastructure investment”. This figure of 1 per cent refers to “enhancement expenditure” – i.e. upgrades and new infrastructure which would seem to be less directly relevant to the causes of service disruption than operation, maintenance and renewal (OMR) expenditure.

10. Additionally, data from the Office of Rail and Road, drawn from Network Rail’s Regulatory Financial Statements, shows that while enhancement spending in Wales between 2011-12 and 2015-16 was about 1% of total enhancement spending in Britain as a whole by the DfT and Scottish Government, this figure has increased to 5% in both 2016-17 and 2017-18 – a fact also highlighted in oral evidence from Network Rail. We also note that Wales received 6% of total British expenditure on renewals (i.e. like-for-like replacement) and 5% of expenditure on maintenance between 2011-12 and 2015-16. The Committee was pleased to be told by Network Rail that it was of the view that the Operations, Maintenance and Renewals (OMR) budget for rail Control Period 6 (2019-24) was adequate.

11. While the Committee notes and welcomes this increase in enhancement spending for the record, it agrees with the First Minister that historically Wales has received less than its fair share of funding, and would highlight that the Wales Route has about 8% of total British track kilometres, and 9% of total British rail route kilometres. Enhancement spending in Wales therefore remains a concern for the Committee and it will continue to keep a watching brief on this. The Committee recognises that Network Rail has less direct control over enhancement spending, which is a matter for the UK Government in its funding choices, than the OMR budget.

12. The Cabinet Secretary for Economy and Transport² also answered questions on the causes of the disruption, which in Plenary on 28 November he summarised as “Storm Callum, autumn conditions and the poor quality of the rolling stock that we inherited from Arriva Trains Wales have impacted on Transport for Wales”. This led to media criticism of ATW and on 5 December 2018 the Committee directly asked the Cabinet Secretary whether he was “blaming” ATW or the contract. He answered that it was primarily the contract, which was “not fit for purpose”, adding that ATW had met the contract conditions but that they were so low that “the trains only needed to be maintained to a minimum”.³

² Following a cabinet reshuffle by the new First Minister for Wales in December 2018, Cabinet Secretaries were renamed as Ministers, and Ministers re-named as Deputy Ministers.

³ Economy, Infrastructure and Skills Committee, 5 December 2018 paragraph 222

Communication and Engagement with affected passengers

13. When the Committee asked TfW in November 2018 what its message was to passengers, the Chief Executive was clear: “This is not what the service is going to be like in the future. This is not what you can expect from us. We are going to put you at the centre of everything that we do”. This message was reiterated in the follow-up session with TfW in January, and the Committee also welcomed the apology given by Network Rail for “what was clearly [that] unacceptable performance”. Passenger watchdog Transport Focus welcomed the fact that following the disruption TfW had run full-page apologies in the press, and had introduced and then improved on “delay repay” arrangements for passengers experiencing delays. However Transport Focus also told the Committee that “Whilst this offers very welcome compensation to passengers for delays, it doesn’t do anything for short-forming and overcrowding. We have asked TfW to think about how those passengers could be compensated”⁴. The issue of compensation is explored later in this report.

14. Transport Focus ran some focus groups for the Williams Rail Review⁵ in January 2019 and found for groups in Cardiff that “although passengers were aware that TfW had taken over, they didn’t know any more than that, hadn’t heard about any plans or seen them on social media – but wanted to know what was planned”. This suggests that there is more work for TfW to do on understanding the channels passengers want to use, and in putting their message across.

15. Clearly a number of factors were potentially responsible for the rail disruption, and the Committee sought further information.

⁴ Additional evidence received from Transport Focus, 6 February 2019

⁵ www.gov.uk/government/consultations/williams-rail-review

2. What caused the service disruption?

The Committee explored a number of possible causes and aggravating factors for service disruption with witnesses.

16. At the time of the autumn rail disruption, Transport for Wales and Welsh Government had pointed to adverse weather conditions and years of under-investment in rolling stock as key factors. Arriva also issued a statement rebutting media criticism of its management of rail services under the previous contract. In its follow-up session with the current and previous franchise holders and Network Rail, the Committee tried to establish the underlying cause(s) and therefore whether appropriate action was being taken to prevent a re-occurrence in the future.

Weather conditions

17. When giving evidence in November 2018, James Price of Transport for Wales warned that “we’ve seen a significant step-up of adverse weather events, both in duration and severity, every year since [2015]”. However, evidence from Network Rail was that although leaf-fall was a bit earlier in the season, overall the seasonal weather profile was similar to previous years. So although storms and flooding on some routes had been a problem in autumn 2018, the Committee heard that there was not a significant difference in weather conditions to account for the higher level of disruption compared to previous years. Network Rail said:

“Every autumn is different, so there have been different patterns over the last few years. But compared to last year—it was similar to last year’s.”⁶

Track treatment regime

18. Network Rail noted that they had spent “twice as much” on clearing vegetation from rail routes in 2018, and that adhesion issues had arisen even where clearing had taken place. This suggests other factors were at play.

19. Immediately prior to taking evidence the Committee was given early sight of an executive summary of the independent investigation into the causes of the high number of wheel flats. The findings pointed to some possible causes but

⁶ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 145

were not conclusive, and the witnesses confirmed that further investigation would be needed.

20. Questions were raised by the interim review report and Network Rail about “fluids” or contaminants on the rail head, and the role of manual sanding versus automatic sanding of rails to prevent wheels sliding. Witnesses seemed to point to other possible factors in addition to leaf contamination, and Network Rail said it was working closely with TfW to investigate those possible causes and work out what future mitigation to put in place.

Climate Change Adaptation

21. In considering the possible role of weather conditions there was a recognition of work the rail industry was doing to assess the impact of climate change and how to adapt to that. Network Rail pointed to the use of camera technology on trains to try to understand more about this.

22. The Committee also heard that Network Rail was taking action specifically in relation to flooding. Network Rail pointed to a significant funding settlement for operations, maintenance and renewal of the Welsh network - that is investment in works to increase “asset reliability”, and said that in the last 18 months it had also deployed some significant technology, particularly in rural areas known to have hotspots for flooding:

“we can’t stop the water coming; but what we can do is get early-warning systems in place. And, this year, during storm Callum, we’ve seen for the first time sites historically that would have been flooded where we managed to take evasive measures and get works done out there early on.”⁷

Conclusion 1. Although adverse weather can lead to greater rail disruption, and storm damage accounted for some loss of capacity on the network, this did not account for the particularly severe level of disruption experienced by rail passengers on the Wales and Borders network in autumn 2018. Nevertheless the Committee welcomes ongoing efforts by Network Rail and TfW to build resilience into the rail network to adapt to the challenges of climate change.

23. The Committee also questioned TfW on the operation of an emergency timetable as part of its planning to respond to adverse weather events, citing the example of some passengers having to be rescued from flood waters by the fire brigade during Storm Callum. TfW said that it had “planned to and did put in

⁷ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 183

place plans to run into an emergency timetable by pre-cancelling certain services ahead of known winter conditions”,⁸ but noted the balance to be struck between the frustration caused by reduced services and the need to ensure passengers were not stranded or units put out of action due to storm damage.

24. TfW also did not favour running a planned seasonal “autumn timetable” of reduced services, as some other operators did. This was due to problems with predicting seasonal conditions, and therefore potentially causing unnecessary disruption for passengers, as well as the risk of appearing to boost its overall performance by operating a pre-planned reduced timetable. James Price said:

“with modern technology and the ability to change timetables really quite quickly, what we should be doing is ... having an effective, well-communicated emergency timetable that we can move into very quickly, but equally move out of very quickly to restore services to normal.”⁹

Repairing wheel flats

25. The amount of rolling stock taken off the network for repair was the major reason for disrupted services. The Committee heard that TfW had learnt lessons in dealing with an unexpectedly high number of wheel flats, and had taken steps to increase its capacity to repair rolling stock at different locations around the network in order to get trains back into service as quickly as possible.

26. The Committee recognises the effort made by staff in keeping the rail service running during challenging autumn conditions. Tom Joyner spoke of how important it had been for the former franchise operator to thank its fleet and train-driving colleagues “who’ve worked extremely hard throughout 2018, and particularly in the run-up to the autumn, to prepare for autumn and to prepare for the franchise handover”.¹⁰

Installing Wheel Slide Protection

27. The absence of Wheel Slide Protection sets (WSP) on the majority of rolling stock on routes in Wales appears to have been a significant factor. Evidence from both TfW and Network Rail backed up the Cabinet Secretary’s view, as given to the Committee on 5 December 2018, that installing WSP on all the trains in time for autumn 2019 would be an important step. The Committee notes this,

⁸ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 296

⁹ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 396

¹⁰ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 229

although highlights that WSP was also absent in past years. Since Network Rail said that the autumn weather had not been significantly different to previous years, and spending on vegetation management had increased significantly in 2018, it is unclear why the absence of WSP became such a significant issue in autumn 2018. The addition of WSP would seem to be a potential solution, rather than its absence being a primary explanation for the severity of the disruption.

28. Bill Kelly of Network Rail noted that other operators, including GWR which used some of the same tracks as TfW in the same timeframe but with WSP fitted on its trains, had pointed to the importance of WSP to improving performance. He said:

“...undoubtedly, the future fitment of wheel-slip protection will be a key factor in improving performance as we go forward.”¹¹

29. Tom Joyner, former Managing Director of Arriva Trains Wales, pointed out to the Committee that this technology had not been available to be fitted to the majority of the type of older trains on the Welsh network when ATW was in charge:

“The fact is that, when we were running the railway, there was not an available prototype for wheel slide protection for class 150 trains.”¹²

Other operational factors

30. The initial results of the independent investigation showed that in addition to the presence of contaminants causing low adhesion, the absence of WSP and the use of manual sanding, driving technique and brake set-up and “potential contaminants between brake blocks and wheels” could also be potential causes. Having reviewed the On Train Monitoring Recorder data on a number of trains with wheel flats, the interim report found that “high levels of braking at high speeds for operational or safety reasons could cause slide under certain conditions”. It recommended that drivers “might need additional tools and support to help during poor rail head conditions”. The shape of the wheel flats indicated a combination of slide (during braking) and slip (low adhesion) as causes.

31. Transport Focus acknowledged that weather conditions were “particularly bad” in autumn 2018 and wheel flats had been a real problem, but also said train

¹¹ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 140

¹² Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 296

units had failed for other reasons, and that the handover from ATW to TfW Rail had played some part.¹³

32. The Committee welcomes efforts to address all the possible factors that may have contributed in some way to the disruption.

Conclusion 2. Although the precise balance of factors that led to the disruption is currently unclear, the Committee sees evidence that the issue is being addressed in preparation for autumn 2019, in particular with the installation of Wheel Slide Protection across the Welsh rail fleet. The final outcomes of the investigation into the causes of the disruption should be used to inform Network Rail's plans for the operation, maintenance and renewal of the Network, developed in collaboration with TfW. And the Committee will seek evidence that this has happened.

Rolling stock – strategy and management

33. It is well-documented that the Wales and Borders franchise has the oldest train fleet in a British franchise, and evidence from witnesses highlighted the age of the current fleet of trains. The initial investigation report pointed to a significant increase in the number of wheel flats in the previous two years, and that some were caused soon after the wheels had been re-profiled. The Committee asked representatives of both TfW and Arriva about plans to deploy better rolling stock onto the network, both in the short-term to increase capacity, and longer-term by introducing new trains.

34. Tom Joyner said that in June 2018 ATW had handed over to TfW “a suite of options” (eight in total) for renewing and/or re-deploying rolling stock, in advance of TfW taking over the franchise. However, plans to introduce refurbished 769 type trains to the Valleys lines had run into delays with the supplier which was carrying out the modifications. The Committee has had sight of those detailed options presented to TfW in June 2018, which would have required additional staff to be deployed and rolling stock to be moved from one part of the network to another. Each of the options were assessed by ATW in terms of their “deliverability”.

35. After meeting with the Committee in January, James Price of TfW confirmed its approach to the options presented by ATW: “Discounting those that were not suitable for our infrastructure, the remaining options would have likely resulted in reduced capacity on the Valley Lines. After careful consideration and discussion

¹³ Additional evidence received from Transport Focus, 6 February 2019

with relevant parties, a decision was taken not to proceed with these options and instead delay introduction of new Chester-Liverpool services”.

36. Members were told by TfW that its longer-term plans for brand new rolling stock were in hand but it was too early to see the benefit of that. The Committee noted there would be a delay in introducing some of the refurbished rolling stock for technological reasons, but that TfW was bringing in additional refurbished rolling stock in 2019 to try to increase capacity on the network in the meantime. In follow-up after the Committee meeting, James Price confirmed that TfW will be introducing 84 carriages over the coming year, some to enter service in April/May, with the remainder by the end of 2019.¹⁴

37. The Committee recognises that the UK Government’s decision to cancel planned electrification programmes across the UK has impacted on the general availability of diesel rolling stock to bring onto the Welsh network. Welsh Government explained this shortfall to Members in November. Because of the expectation that diesel trains would be “freed up” from lines converting to electric trains, “there hasn’t been any diesel trains manufactured for quite some time, and the UK, as a whole, in a time of passenger growth, is really suffering from that absence of diesel rolling stock. And we were at a really difficult moment in time where we needed to go and get new rolling stock”.¹⁵

38. James Price of TfW also told the Committee that:

“Many operators across the country are currently waiting for newly built trains and are therefore hesitant to release their existing units in case of delays. However, to further bolster availability before our new fleet arrives, we have done all we can in the current environment and we’re currently negotiating commercial arrangements for up to 32 additional carriages (on top of the 84) and hope to announce something soon.”¹⁶

39. Whilst welcoming this investment in the network, the Committee has questioned whether taking a more forward-thinking strategic approach to rolling stock at an earlier point could have increased capacity on the rail network more quickly.

40. In 2013 the Assembly’s Enterprise and Business Committee had recommended that the Welsh Government “develop and publish a rolling stock

¹⁴ Additional evidence received from James Price, Transport for Wales

¹⁵ Economy, Infrastructure and Skills Committee, 5 December 2018 paragraph 228

¹⁶ Additional evidence received from James Price, Transport for Wales 15 January 2019

strategy as a matter of urgency”, in part “to enhance the future capacity and quality of trains for the long-term”.¹⁷ That recommendation was only accepted in principle.

41. When the issue was raised again with the Cabinet Secretary for Economy and Transport on 5 December 2018, the Committee was told that rolling stock had been a matter for UK Government at that time, and that although they had raised investment in rolling stock with the Department for Transport no action was taken. The Cabinet Secretary for Economy and Transport said:

“Well, the contract was based on the assumption of zero growth, and there was very little within the contract that would enable us to compel Arriva to bring into action new rolling stock. It was also an issue that the UK Government were responsible for. We were managing it from 2007 on the basis of an agency agreement, but, ultimately, it was UK Government.”¹⁸

42. The Cabinet Secretary went on to say that, because rolling stock was a matter for the UK Government, there was no point in Welsh Government developing a strategy then, because they had no ability to deploy or implement a strategy at that time, and also pointed to the fact that the assumption of electrification at that time would have made such a strategy redundant in the light of current plans for the Metro. Welsh Government also told the Committee that UK Government wanted investment to be dealt with as part of the new franchise:

“So, these problems have been stored up by design by the previous owners of that contract and it’s for us to try and unpick that over the 15 months we’ve got between now and the end of 2019.”¹⁹

43. When questioned on this in January 2019, James Price of TfW defended the decision not to produce a rolling stock strategy or procure more rolling stock earlier, and told the Committee:

“For Transport for Wales to procure anymore stock before taking up the reins in October 2018 we would have had to take a decision as to whether we should have had light rail, heavy rail or tram/train on the Valleys lines. The wisdom at that time would have been light rail, which

¹⁷ Enterprise and Business Committee Report: The Future of the Wales and Borders Rail Franchise, December 2013 www.senedd.assembly.wales/documents/s22565/Report%20-%20December%202013.pdf

¹⁸ Economy, Infrastructure and Skills Committee, 5 December 2018 paragraph 186

¹⁹ Economy, Infrastructure and Skills Committee, 5 December 2018, paragraph 218

evidence now shows would have been the wrong decision to take because we have now got the benefit of heavy rail and light rail technologies running together.”²⁰

44. The Department for Transport subsequently wrote to the Committee on 29 January 2019, copying its evidence to Welsh Government, to challenge the premise that rolling stock was a matter for the UK Government following the “Joint Parties Agreement” (JPA) signed in 2006 – under which the Welsh Government took responsibility for the management of the Arriva Trains Wales contract.

45. The DfT pointed out that the Joint Parties Agreement describes the different rights and liabilities between the two governments in managing the franchise, that it confirms the Welsh Government’s responsibility for the franchise, and that a separate agreement transferred the funding attributable to Wales-only and Welsh Services from 1 April 2006, with funding built into the block grant from 1 April 2008. The letter also says that: “this division of responsibilities in the JPA was followed in practice, as a number of changes to the ATW rolling stock fleet took place during the 12 years of the JPA, which were agreed and funded by the Welsh Government using its discretion under the devolution arrangements as it saw fit”.²¹

46. The Committee recognises the difficulties arising from what it considers to have been a poor contract, awarded in 2003 by the then Strategic Rail Authority on behalf of the UK Government. The contract saw no need for investment over 15 years and the condition of the rolling stock is fundamentally a consequence of this. While the Committee notes the DfT’s point about the Joint Parties Agreement, the fundamental issue here arises from poor decision-making in 2003. The condition of the rolling stock should have been fully recognised in the funding agreement which accompanied the transfer of responsibility in 2006 and it is not clear to the Committee that it was.

Conclusion 3. While the Committee welcomes TfW’s current plans to invest in rolling stock to increase capacity on the network, it seems clear from the evidence provided that more could have been done at an earlier point to improve the capacity and quality of the Welsh fleet. Greater capacity on the network before the autumn might have reduced the impact of service disruption on passengers to some degree. Despite the impact of the cancellation of electrification programmes on available diesel rolling stock, the fact that TfW has been able to move to secure additional carriages in recent

²⁰ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 444

²¹ Letter from Peter Wilkinson, Department for Transport, 29 January 2019

weeks leads the Committee to question why this could not have happened earlier.

Conclusion 4. There have clearly been difficulties in the relationship between the governments, but unfortunately the real losers in all this have been rail passengers. We believe passenger interests have to some extent been lost in discussions between the governments and those involved in running the network.

Conclusion 5. The Committee remains very disappointed that a forward-thinking strategy for investment in rolling stock, as recommended in 2013, was not implemented by Welsh Government. A strategy could have been developed that was capable of mitigating short-term pressures and flexing to take account of changes in rail infrastructure plans, and managing the risks associated with those changes. A flexible strategy would not have required the firm commitments on valleys electrification which the Welsh Government and TfW suggest.

Access and due diligence

47. The Committee heard conflicting evidence from the former Managing Director of ATW and the CEO of TfW about access to the rolling stock prior to the franchise handover in October 2018. When giving evidence to the Committee about the franchise handover in November 2018, James Price of TfW referred to a “bust up” which took place “about four or five weeks out”:

“The concern was, in the initial phases, that access wasn’t, perhaps, as free as it should have been and that we had to go down a legislative route to get that. I have to say, after we had that initial kind of bust-up about it, access became much freer.”²²

48. Tom Joyner of Arriva was not aware of any problem in relation to access being given to TfW prior to take-over and said he said he was surprised to hear that and had not been raised with him:

“My view is that, whether it’s a perceived problem or there’s a problem, if you’ve got a problem, then the thing to do is to say, ‘I’ve got a problem. I’d like you to do something.’”²³

²² Economy, Infrastructure and Skills Committee, 29 November 2018 paragraph 54

²³ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 228

49. With the benefit of considerable experience in the rail industry he stated that he could “categorically say that this was one of the smoothest franchise handovers that I’ve seen”.²⁴ The former managing director of ATW also defended its commitment to its staff, saying that the organisation was proud of the way it had handled the change-over with staff going on to work under the new franchise: an employee survey in 2018 showed that “84 per cent of our people felt engaged and motivated to work for Arriva Trains Wales”.²⁵

Arriva Trains Wales contract obligations

50. When he came before the Committee in November, the chief executive of TfW was critical of the previous contract, in terms of what Arriva had to deliver “at the back end of the franchise”. He noted that any commercial organisation will, in the main, “get out in a safe but at-the-least cost way”.²⁶ It was also suggested that in relation to the franchise handover, all parties were constrained by the rules governing that handover, and the TfW Director of Rail Operations noted that access had to be controlled because ATW still had to run a safe operation: “they still had a business to run, they had a service to deliver”.²⁷

51. Tom Joyner, former managing director of Arriva Trains Wales, told the Committee that:

“our priority was to run the service for the customers to the best of our abilities, and then also to hand over the franchise in a professional manner to Transport for Wales. In preparation for autumn, we did far more than was contractually committed.”²⁸

52. He went on to outline in detail what had been done to prepare for autumn 2018 prior to the handover:

“we committed that all wheelsets would have a significantly greater than normal wheel life remaining, at the beginning of autumn; we discussed the best way to maintain the wheel lathe at Cardiff Canton depot with Transport for Wales and KeolisAmey; we employed additional resource throughout the summer; and we also employed an additional temporary gang of radiator cleaners to undertake leaf

²⁴ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 263

²⁵ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 264

²⁶ Economy, Infrastructure and Skills Committee, 29 November 2018 paragraph 39

²⁷ Economy, Infrastructure and Skills Committee, 29 November 2018 paragraph 36

²⁸ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 240

clearance duties. We communicated all this to Transport for Wales as we were progressing through the summer. We trained all train drivers. We've trained them over a number of years in what can be quite a difficult task of driving in autumn conditions. So, that's long been an Arriva policy to invest in the training of train drivers, and we did that again in 2018, preparing them for the autumn when we weren't going to be running the railway, but at the same time it was the right thing to do to invest in that training. We finally took Transport for Wales through everything that we've done at a formal meeting in October, and Transport for Wales acknowledged the work that we'd done—they thanked us for it, and recognised the work that the team had done in that formal meeting in October 2018.”²⁹

53. The Committee heard that there had been a problem relating to IT arrangements for transfer of data during the franchise handover, but not compelling evidence that access to the fleet before the handover had been a significant aggravating factor in managing the impact of autumn conditions on the network.

54. Given the public criticisms of the contract made by Welsh Government and the chief executive of TfW, the Committee asked Tom Joyner if he felt that the previous franchise holder had in any way felt “scapegoated” in relation to the autumn rail disruption. The former managing director of Arriva Trains Wales responded by saying that the operator was proud of what it had achieved over the life of the franchise:

“We achieved a huge amount in the 15 years that we were running Wales’s railways and we did that in partnership with the Government. If you look at some of the best achievements that we have completed together, we’ve taken passenger numbers from 16 million to 33 million. When we inherited the franchise, we ran 600 trains a day; we now run well over 1,000. So, Arriva Trains Wales and Arriva have invested significantly in the franchise over that time and we’ve done so in partnership with a whole range of different partners, including the Welsh Government.”³⁰

Conclusion 6. It seems clear that lessons have been learnt from the deficiencies in the previous contract under which Arriva Trains Wales operated the Wales and Borders network, and that Transport for Wales Rail will be operating under

²⁹ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 240

³⁰ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 273

significantly different contractual obligations, with direct oversight from Welsh Government. While the evidence given was conflicting in places, there was nothing concrete to suggest that the former franchise holder had not met its contractual obligations, such as they were. In fact the evidence suggests that the contractual obligations were met, but that the limitations of the contract itself were the issue.

Accountability and the Relationship between Network Rail and the new operator

55. When the Committee considered the performance management regime in its 2017 report “On the Right Track? The Rail Franchise and South Wales Metro” the consumer organisation Transport Focus called for the Operator Development Partner agreement (ODP), in other words the contract for the operator to deliver rail services to customers, to “embed a genuinely customer-service focused culture” and a need to put effort into building long-term relationships with their passengers.

56. At the scrutiny session in January, TfW emphasised the need for fundamental change in the relationship and collaborative working between the rail operator and Network Rail, in order to deliver “one railway”. James Price emphasised the positive working relationship he had with the Managing Director of Network Rail Wales and Borders Route, and pointed to cultural changes they were looking to make within the industry as a whole, for example in relation to performance management where a more sophisticated, aligned approach is being developed both for the relationship with Network Rail and for TfW Rail itself. James Price pointed out that the current penalty regime was wasteful and unhelpful when it came to shared accountability:

“Now, one thing we may well do quite soon on that is something called schedule 4 and schedule 8 payments, which are payments that are made to and from the operator and the provider of the track where people are to blame for doing different things. In Wales, we move around £800,000-worth of fines a year. Sometimes Network Rail pay for it, sometimes we will pay for it, but we probably spend £1 million moving £800,000 around. So, even if it was achieving something, it’s a waste of money.

So, a big thing, and we would be the first people in the UK to do this—we could simply remove that. That would be the start of working more closely together, being more objective.”³¹

57. TfW subsequently told the Committee it was aiming to have in place an Executed Alliance Agreement between Network Rail and TfW Rail Services by Spring 2019 which will set out the detail behind the partnership, specifically including shared targets.

Conclusion 7. The Committee wants to see all parties involved in funding and operating the Welsh fleet channelling all their efforts into delivering the service that customers deserve, rather than seeking to apportion blame or deny responsibility for past failures.

³¹ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 421

3. Next steps and future plans

Transport for Wales outlined its future plans to mitigate against a repeat of the 2018 service disruption

58. The Committee was given assurances that introducing Wheel Slide Protection to the Welsh rail fleet would be an important measure to mitigate against a repeat of the events of autumn 2018. Members also heard that further investigative work would be commissioned, and that Network Rail and Transport for Wales would be taking a strong collaborative approach to working together to deliver “one railway”.

Recommendation 1. TfW should publish the findings of its final full investigation report into the causes of the rail disruption as soon as possible, along with an action plan setting out how it is responding to the findings and full details of its preparedness plans for Autumn 2019.

Recommendation 2. The Welsh Government, TfW and Network Rail should work together to ensure that a) the findings of the investigation report into the autumn 2018 disruption and b) further investigative work with on-board cameras, are used to inform Network Rail’s planning and prioritisation of its operations, maintenance and renewal expenditure. The Committee will seek further details of how this has been done prior to autumn 2019.

Performance Standards and Penalty Regime

59. TfW said that the penalty and incentive regime of the new operator will change “massively” in 2019, including focusing on “passenger time lost”, and bringing in new quality measures around cancellations and missed station stops, with three customer satisfaction measures instead of one. He did add a caveat that here might be instances where weather conditions occurred, such as a flooded track, that were outside the ability of the operator to deal with and react to, and so there was a “reasonableness test” to the way that penalties were applied.

Conclusion 8. The Committee welcomes the commitment to customer-focused measures and removing any barriers to the provision of a seamless service for rail users. It looks forward to scrutinising the effectiveness of the new performance management regime in future sessions with Transport for Wales.

Recommendation 3. TfW should report back to the Committee at the end of 2019 on its new performance standards and plan for communicating the full range of standards and performance data to the travelling public in a transparent manner, and one which allows meaningful comparison with previous service levels to measure progress over time. As far as possible these indicators should be published at a level which is meaningful to passengers, i.e. at the level of individual route and service.

Customer Focus and Compensation for Passengers

60. The Committee asked TfW if its passengers should receive additional compensation, or a freezing of fares, as a result of the service disruption on Wales and Borders routes, as they have in other places. It had noted that the Northern, TransPennine Express, Thameslink and Great Northern franchises had announced additional compensation, over and above existing compensation arrangements for passengers affected by the May 2018 timetable changes.

61. TfW told the Committee that, from the evidence it had so far, the factors causing the autumn 2018 disruption on Wales and Borders routes “were most likely out of the control of the operator, and potentially, also, or most likely out of the control of Network Rail as well. Therefore, trying to get any commercial penalty out of those two organisations would probably be the wrong thing to do”.³² Whilst acknowledging that the service had not been good enough, James Price of TfW said that this meant commercial penalties were unlikely to come into play and that any compensation would therefore have to come directly from TfW, therefore either directly from some other part of Government spending, or from funds earmarked for future rail investment by TfW.

Conclusion 9. The Committee recognises that commercial penalties must be funded, but is of the view that if a similar level of disruption to passengers happens in the future then the operator should be held accountable. Passengers are not responsible for or interested in franchise financial arrangements, but must bear the brunt of disruption – and the impact can be very severe. The Committee believes that by considering passenger needs it should be possible to identify options to give something back to passengers without incurring significant cost where there is severe service disruption. It believes that TfW should consult passengers, and work with Transport Focus, to identify approaches of this type.

³² Economy, Infrastructure and Skills Committee, 9 January 2019 Paragraph 431

62. Measures that TfW were taking to improve compensation more generally include making “Delay Repay” easier for people to get their money back, and plans to move to “Delay Repay 15” at the end of January 2019, meaning passengers delayed by more than 15 minutes would be able to claim compensation in the future. TfW also said it was looking at overcrowding issues, noting that passengers who could not get on a train at all due to overcrowding would not be able to be compensated for a delayed journey.

Conclusion 10. The Committee welcomes the introduction of Delay-Repay 15 compensation for passengers on the Wales and Borders network. However, while this change in approach is welcome, and Members recognise that better compensation must be funded from somewhere, we believe it is still important that rail passengers receive additional compensation when service falls far short as it did in autumn 2018. The Committee also notes that until network capacity issues are addressed, there will be passengers who fall outside the compensation regime if they are unable to board overcrowded trains in the first place.

Recommendation 4. TfW should work with passenger groups including Transport Focus to explore ways to provide additional compensation without incurring significant cost where there is severe disruption to services, as in autumn 2018. The severe impact on passengers must be recognised regardless of the nature of the financial settlement for rail in Wales. Should disruption on this scale occur again we expect additional compensation measures to be applied.

Capacity Issues

63. TfW’s evidence to the Committee emphasised the speed at which it had returned the network to “business as usual”. However, as noted above, overcrowding and capacity issues will remain a huge problem for passengers over the short- to medium-term, even with the introduction of some additional rolling stock in advance of the new trains coming online in 2021.

64. When questioned by the Committee on the problems with the Valley lines, James Price of TfW was at best cautiously optimistic:

“...when we talk about significant change, I don’t think we’re talking about everyone will always get on, I don’t think we’re talking everyone will always get a seat, what I think we are talking about is a measurable percentage increase in performance, a measurable percentage increase in capacity, and it should feel different for a passenger to be using the

service from maybe the end of March onwards and certainly by the beginning of May.”³³

65. With regard to service level enhancements under Tfw, when the Committee sought stakeholder views on the new rail franchise,³⁴ the responses from Railfuture, Rowland Pittard and Professor Mark Barry all pointed to capacity issues not being addressed on specific parts of the network, including the Ebbw Vale and Maesteg lines. The campaign body Railfuture has suggested that the benefits of service improvements are not spread evenly across the whole of Wales:

“Railfuture considers that the plans for increases in new services are unfairly spread across Wales and the Borders and bears little resemblance to population or economic needs. A study of the population totals for each Welsh and each border county could be used as a basis for the provision of rail services especially for services to Cardiff, Chester and Swansea. However we cannot find a correlation between population and future rail services.”³⁵

66. In his evidence to the Committee’s Rail Franchise and Metro scrutiny last year, Professor Mark Barry of Cardiff University pointed out the need to try to assess “both latent and induced demand, given the substantial uplift in the capacity, capability and attractiveness of rail services”.

67. In South Wales in particular, Prof Barry said that plans for network capacity should take account of factors including: population growth and employment being more focused on key hubs such as Cardiff City Centre/Bay, Newport, Pontypridd and Merthyr; greater employment in these hubs; the current relatively low share of public transport journeys indicating an “untapped” market; the impact of road congestion and air quality on people’s transport choices; and more people being attracted to using the “new improved” train services:

“Collectively, these factors will likely drive a significant above trend increase in demand for rail services across the region. Therefore, I do not think it unreasonable to test scenarios where 3 to 4 times more people than today want to use ‘Metro rail services’ by 2026 – with significant numbers wishing to travel to/from and within Cardiff itself. Given the low current base a four-fold increase is still less than 50% of total

³³ Economy, Infrastructure and Skills Committee, 9 January 2019 paragraph 391

³⁴ Rail franchise and Metro scrutiny: Stakeholder views:
<http://senedd.assembly.wales/mgConsultationDisplay.aspx?id=328>

³⁵ Rail franchise and Metro scrutiny: Stakeholder views:
<http://senedd.assembly.wales/mgConsultationDisplay.aspx?id=328>

demand on the primary rail corridors. In assessing the extendibility features of Metro this must be a consideration and to do so 'easily' and 'affordably'. We do not want to be in a position in 2026 when we have generated a significant uplift in demand and are faced with early need to retrofit more total network capacity - we must address that question now. In doing so, we need to address perhaps the most significant constraint on the entire network, this is the 'Cardiff West junction' in Canton which limits services to the Vale of Glamorgan and on the City line in the west of Cardiff. The City Line, like the Coryton line, is restricted to 2tph which is a major under provision of Metro services to large parts of Cardiff itself - especially given its growing population, road congestion and air quality issues."³⁶

Conclusion 11. Restoring a "normal service" to passengers does not equate to a service without problems of overcrowding, timetable delays, missed connections and disruption to passengers. TfW and Welsh Government must work together to ensure that plans for increased capacity across the network are realistic and regularly reviewed to take full account of all factors that may affect future demand.

Recommendation 5. TfW to respond to the specific concerns raised by stakeholders when consulted on the new rail franchise and Metro, and highlighted in this report, to assure the Committee that capacity issues will be properly addressed by planned service enhancements and that capacity planning will take full account of all factors that may affect future demand.

Risk Management

68. Plans for introducing new rolling stock to the network are complex, including bringing in new bi-mode tram-trains and un-tested tri-mode trains in the South Wales region. There has already been a delay in bringing in the refurbished Class 769 rolling stock to boost capacity on the Valley lines. There are risks attached to introducing the new rolling stock in terms of delivery, operation and maintenance, as outlined in evidence to the Committee from Professor Barry. He noted how in developing the South Wales Metro, policy drivers such as the need to operate diesel-free by 2023, to mix rail with freight, and to operate within a fixed capital envelope, were factors in driving a procurement policy that had higher costs and delivery risks attached:

³⁶ Rail franchise and Metro scrutiny: Stakeholder views:
<http://senedd.assembly.wales/mgConsultationDisplay.aspx?id=328>

“Recent UK experience of introducing new types of rolling stock has exposed previously unknown/unexpected issues & costs. To note, Merseytravel will spend two years evaluating the new Stadler 777 Battery train before committing to full passenger operation possibly in early 2020s given the uncertainties related to opex³⁷ and performance.”³⁸

69. When the Committee questioned James Price about the introduction of the new trains he was confident that the plans for introducing the new trains was “robust” and that the risks were being managed:

“My view is, as long as we are fully aware of what the risks are, and we’re prepared for it and we look ahead and don’t wait for it to fail, we’ll be okay.”³⁹

Conclusion 12. There is a weight of expectation attached to the introduction of new, better trains. While the benefits are clear, there are also significant risks attached to introducing the new bi-mode, and in particular the un-tested tri-mode trains in the Cardiff City Region. On behalf of expectant rail users, the Committee wants assurances from TfW and Welsh Government that the risk management regime for introducing the new rolling stock is both flexible and robust. This should include assurances that sufficient existing rolling stock is available to deal with any slippage in the timetable for the new rolling stock.

Recommendation 6. Past experience highlights the need for a clear approach to identifying and robustly managing rolling stock risks in future. The Committee and the travelling public must be given public assurances that TfW has made a full assessment of the risks attached to its plans for procuring and introducing new rolling stock on to the network, and how these will be mitigated, whether this published document is described as a “rolling stock strategy” or by another name.

³⁷ Opex = Operational expenditure, or operational expenses, e.g. maintenance and repairs

³⁸ Rail franchise and Metro scrutiny: Stakeholder views:

<http://senedd.assembly.wales/mgConsultationDisplay.aspx?id=328>

³⁹ Economy, Infrastructure and Skills Committee, 29 November 2018 paragraphs 167-170

Annex: Witnesses

The following witnesses provided oral evidence to the Committee on the dates noted below. Transcripts of all oral evidence sessions can be viewed in full at:

<http://record.assembly.wales/Search/?type=2&meetingtype=446>

Date	Name and Organisation
29 November 2018	James Price, Transport for Wales
	Alexia Course, Transport for Wales
5 December 2018	Ken Skates, Minister for Economy and Transport
	Simon Jones, Welsh Government
9 January 2019	Bill Kelly, Network Rail Wales and Borders Route
	Alison Thompson, Network Rail Wales and Borders Route
	Tim James, Network Rail Wales and Western Route
	Tom Joyner, Formerly of Arriva Trains Wales
	James Price, Transport for Wales
	Nass Dadkah, Transport for Wales