

WRITTEN RESPONSE TO THE ENTERPRISE AND LEARNING COMMITTEE'S RESPONSE TO THE NETWORK RAIL CONSULTATION ON THE ROUTE UTILISATION STRATEGY FOR WALES BY IEUAN WYN JONES DEPUTY FIRST MINISTER AND MINISTER FOR THE ECONOMY AND TRANSPORT.

I welcome the Committee's ongoing interest in railway provision and rail improvements. Our One Wales commitments are clear – this Government will continue to deliver on delivering a 21st century rail service for Welsh passengers. I have announced investments to upgrade the infrastructure on the Cambrian mainline, the modernisation of Newport Station the reinstatement of Gaer Junction and an indicative commitment to a programme of investments in the Cardiff Area and surrounding Valleys network with partnership funding from Network Rail and the Department for Transport (DfT). I set out below my response to the Committee's recommendations.

Recommendation 1 – Demand Forecasts

The Committee welcomes the assumptions made in the draft RUS about future growth in passenger demand and in particular that commuting flows in the Cardiff area could continue to grow at a higher rate than previously forecast. It is important that Network Rail, the Welsh Assembly Government and the Train Operators work together to monitor changes in passenger demand on an annual basis and update their forecasts and plans for growth accordingly.

The Committee is concerned that if passenger demand across Wales does grow by 25% or more over the next ten years and by 40% or more for the commuting peak in the Cardiff area, then the programme of infrastructure improvements outlined in the draft RUS will not be sufficient to cope with this level of growth.

The Committee seeks a reassurance from Network Rail that additional investment in the railway infrastructure in the Wales RUS area can be accommodated should this be necessary over the next ten years to cater for higher levels of demand.

Response

In my response to the committee's recommendations on Planning for Future Railway Provision in January 2008, I explained the demand forecasts set out in the Wales Rail Planning Assessment (WRPA) and the DfT's Higher Level Output Statement (HLOS).

I noted that high growth demand forecasts had been produced to take account of the strong trend in growth on the Valleys routes into Cardiff. I confirmed that the Welsh Assembly Government will plan for growth on the basis of the high growth scenario for Cardiff. I committed to the continuation of demand monitoring and forward demand modelling. I committed to an updated forecast being published in the Route Utilisation Strategy (RUS) and

that the Welsh Assembly Government intends to provide sufficient rolling stock to meet the level of forecast demand by 2014.

I can now confirm that the current round of demand forecasting referred to in the Network Rail consultation RUS has been progressed and the detailed results will be published in the final post-consultation version of the RUS later this year. I understand that the group comprising Network Rail, DfT, Arriva Trains Wales economists and analysts, and the Welsh Assembly Government Rail Team, has considered evidence suggesting that strong growth has continued in Valleys.

I reiterate my commitment to provide sufficient rolling stock to meet this level of forecast demand in the period to 2014 (the end of Network Rail's Control Period 4). 900 additional Valleys peak seats by 2014 were announced in my Cabinet Statement on 2nd June on the Cardiff/Valleys enhancements. This represents a capacity increase of 15 per cent over the high peak hour baseline included in the DfT's Higher Level Output Statement (HLOS).

My Cabinet Statement also announced up to an additional 1200 peak seats to be provided with new Taff Vale and Rhymney peak express services. These will be introduced after 2014, when required to meet demand, and will represent an additional capacity increase of 30 per cent over the peak hour baseline.

The Committee's final recommendation in this area is to "seek reassurance from Network Rail that additional investment in the railway infrastructure in the Wales RUS area can be accommodated should this be necessary over the next ten years to cater for higher levels of demand".

It will be for Network Rail to respond on this point. But I would observe that the package set out in my Cabinet Statement of 2 June represents the delivery of the optimum capacity and service pattern to provide the committed capacity and frequency of services to Queen Street and Cardiff Central for the foreseeable medium term as noted by the Committee. These improvements will not rule out future upgrades.

Recommendation 2 - Cardiff Queen Street Improvements.

Recommendation

The Committee welcomes the fact that the draft RUS includes the removal of the capacity constraint between Cogan Junction and Cardiff Queen Street and the joint announcement by Network rail, the Welsh Assembly Government and the Department for Transport of an agreed programme for this and other improvement works to provide the capacity for 16trains per hour at Queen Street.

However the Committee considers that the potential growth in commuting passenger rail demand, particularly in the light of the Welsh Assembly Government's transport priority of reducing car dependency, will mean that a

new bridge span over Newport Road is still likely to be needed within the next ten years and planning for its construction should therefore begin.

Response

I am grateful to the Committee for welcoming the joint package of improvements set out in my Cabinet Statement of 2nd June.

While that package provides the committed capacity and frequency improvements into Queen Street and Cardiff Central – as I set out above - it avoids the need to construct a third track over the Newport Road bridge north of Queen Street. Nothing in the joint package of improvements or the Network Rail Cardiff Area Resignalling Programme rules out the eventual improvement of the bridge but commencing the detailed programme of planning and design for this is not currently justified.

Recommendation 3 - Freight

The Committee would like to see a greater emphasis in the RUS on the Assembly Government's emerging freight strategy and on the need to invest more in the railway infrastructure in Wales to encourage a modal shift of freight from road to rail.

Response

This recommendation is for a response from Network Rail.

The Welsh Assembly Government's commitment to transferring freight from road to rail is clear under One Wales and the Wales Freight Strategy. I am keen that the regional Consortia should reflect this in their Regional Transport Plans.

The Welsh Assembly Government Rail Team recently published updated guidance on Freight Facilities Grant, available on the Welsh Assembly Government website

<http://new.wales.gov.uk/topics/transport/rail/1557566/?lang=en>

and readily responds to all enquiries from interested operators.

Recommendation 4 - Committee on Rail Infrastructure and Improved Passenger Services – priority schemes

The Committee welcomes the inclusion in the draft RUS of most of the priority schemes identified by the Railway Infrastructure and Improved Passenger Services Committee of the Second Assembly. It would like to see the final version of the RUS set out clearly a list of schemes to be taken forward, indicating sources of funding and time scales for their completion.

The Committee would urge Network Rail and the Welsh Assembly Government to reconsider the case for a fifth train on the Heart of Wales Line, in order to improve accessibility and promote social inclusion and tourism.

The Committee would also urge the Minister to publish a list of schemes and service enhancements that the Welsh Assembly Government intends to support as soon as possible after the final RUS is published. This should include a firm commitment to the extension of the Ebbw Valley line to Newport in the 2009-2014 control period.

Response

The Wales RUS – which I welcome in principle – is a demand-led assessment of network capacity, pinch points, and a commentary, and in some cases appraisal, on potential rail improvements known to be under consideration by stakeholders. It sits under the WRPA and the Wales Transport Strategy. It is part of a series of RUS reports for each railway region. It is produced by a railway industry management group and I am glad that at the working level the Welsh Assembly Government Rail Team has been fully involved, and that the consultation document recognises the work that has been undertaken to improve our railway by the Welsh Assembly Government, the regional Consortia and others.

It is important to realise that the RUS is not a decision making instrument in terms of rail improvements. It is a technical planning document, which is there to assist decision-makers.

I committed in my response to the Committee's recommendations on Planning for Future Rail Provision that the Welsh Assembly Government will publish a forward programme of rail investment projects. I said that this will be when the RUS is completed and when I am in a position to reflect the priorities of the regional Consortia when the Regional Transport Plans are published. This rail programme will be included within the National Transport Plan and this will be the appropriate forum for setting out schemes to be taken forward, their funding and programme timescales. This is not a function of Network Rail.

In the meantime, my officials and the Consortia are in discussions with the Welsh European Funding Office about progressing a number of schemes with the potential benefit of Convergence funding.

Recommendation 5 – Stations

The Committee welcomes the plans to improve some of the major stations in the Wales RUS area, but considers that a programme of investment to make improvements at smaller unstaffed stations is also needed.

Response

I intend to make a detailed announcement on a number of schemes to improve railway stations in conjunction with the National Station Improvement Programme later this year. Welsh Assembly Government match-funding will again enhance Network Rail's ability to invest and upgrade.

Recommendation 6 - Electrification

Recommendation

The Committee supports investigation of the possibility of electrification of the South Wales Mainline from Swansea and Cardiff to London and of the Valley lines.

Response

Network Rail and the Department for Transport retain the responsibility for the railway infrastructure. The DfT has asked a rail industry working group to consider future electrification of more of the network and is specifying the next generation of High Speed Trains – the Intercity Express – in power modes including dual power diesel and electric. The Welsh Assembly Government is committed to reducing CO2 emissions and in principle I would support increased electrification on lines in or to Wales because of the potential impact in lowering emissions. Future electrification is being considered under the Network Route Utilisation Strategy and I look forward to Network Rail's forthcoming consultation on this.

Recommendation 7 - New railway line – London to Cardiff

Recommendation

The Committee supports Network Rail's intention to review the case for the construction of a new rail line between London and South Wales.

Response

Network Rail has announced that it has commissioned a strategic review of potential future high-speed rail lines. This will consider five major strategic routes including the Great Western and West Coast Main Lines, which are both of great importance to Wales. I have made my views on the need for improvements to the Great Western clear to Network Rail and the DfT during the current Great Western Route Utilisation Strategy. This includes the need for journey time reductions. I have asked Network Rail and the DfT for a meeting on the study of new lines between London and South Wales.