

Enterprise and Learning Committee

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Arriva Trains Wales/Trenau Arriva Cymru Limited

Future Railway Infrastructure in Wales

1. Franchise & Company Overview

1.1 Arriva Trains Wales was awarded the Franchise to operate the Wales & Borders passenger train services by the Strategic Rail Authority on 18 October 2003 with a commencement date of 7 December 2003. The length of the Franchise Term was for fifteen years but punctuated by three Performance Review Periods of essentially five years duration.

1.2 Operation of the train services is dependent on subsidies provided by both the Department for Transport for English train services and the Welsh Assembly Government for Welsh train services. The annual level of subsidy for train service provision is specified within the Franchise Agreement and is for those collective services prescribed by the Passenger Service Requirement.

1.3 The Franchise Agreement does not commit Arriva Trains Wales to any obligations on major investment. The bid was accepted by the Strategic Rail Authority as a 'do nothing' Franchise and any service enhancements are therefore inevitably funded from external sources. Despite this, Arriva Trains Wales has invested over £20m in facilities to improve the service to its customers. Examples include the establishment of a new train maintenance depot at Machynlleth to improve fleet reliability and train presentation standards, providing improved customer information facilities, additional security at stations and on trains and the installation of ticket gates and ticket vending machines in stations.

1.4 The train service network profile is diverse and consists of a mix of long distance, rural and urban commuter services. Rolling stock is equally diverse and consists of a fleet of 127 diesel multiple units ranging from single car types to three car units, the latter being the most modern type in the Fleet but already nine years in service. The average age of the Fleet is 16 years and the leases for the entire fleet expire coterminous with the end of the Franchise Term in 2018.

1.5 We operate 243 stations of which only 43 are staffed by Arriva Trains Wales personnel and 11 are operated on an agency basis. We employ approximately 2,100 staff across the business.

2. Future Railway Infrastructure Issues

2.1 Electrification of Railway Lines

The recent UK Government announcement on the electrification of the South Wales Main Line is to be welcomed for the overall beneficial aspects this will bring in terms of commerce and the environment to South Wales. As this project only covers a very small part of our network of services, this will not have any significant operational benefit, however a very small number of our services could operate with electric trains.

Arriva Trains Wales' long distance and mainline services would still operate through a mix of electrified and non-electrified sections of the rail network. However, the Valley Lines and Local Services passenger network is reasonably self-contained and could therefore benefit from electrification and appropriate rolling stock. In the case of the latter, due consideration could be accorded to whether the network could run as a 'heavy' or 'light' rail operation. The South East Wales Transport Alliance has made reference to this aspiration both in their Regional Transport Plan and updated Rail Strategy.

We also note that electrification of the Wrexham-Bidston line of route has been allocated a 'high ranking' status within the 'Rail Forward' programme and we would support this scheme going forward.

2.2 Improvements to the North-South Line

We are currently working closely with Welsh Assembly Government on initiatives that could bring about faster journey times, improved reliability of train services and increased capacity along this route. Chapter 3 of the National Transport Plan makes reference to targeted investment in this regard and we are pleased that the capacity potential between Shrewsbury and Saltney Junction will increase by 2011. From an operational and customer service point of view, we strongly feel that improvements in line-speeds on the Marches line should be pursued as soon as possible and are pleased that this has been allocated a 'high ranking potential for early investment' status in the Rail Forward Programme.

2.3 Improvements to the North-South Line (Cont'd)

Given that our Class 175 trains are already capable of 100mph, it follows that increasing line-speeds on this route is a logical step. Notwithstanding this fact, we are always extremely keen to assist and work with Welsh Assembly Government to formulate a strategy which also examines the case for rolling stock and timetable options to address our customers' aspirations and future growth both in the medium and long term. We are pleased to have delivered and successfully operate the additional North-South fast service (Y Gerallt Cymro) on behalf of Welsh Assembly Government and continue to work closely with them on further specification development of the

product and any further enhancements of the services between North and South Wales.

2.4 Network Line-speed and Capacity Improvements

It is a fact that, within Wales, the highest line-speed is currently 90mph yet our Class 175 trains are capable of 100mph. Whilst this may be the case, across the whole network, line-speeds in some areas are still inadequate for the remainder of the fleet compromising timetable improvements, train service performance and connectional opportunities for the customer. We have identified opportunities where line-speeds can be improved and shared this information with Network Rail. In some instances, even modest improvements will yield a significant number of positive impacts for the customer and potentially make the timetable operation more efficient. In so far as delivering higher line-speeds to improve journey times are concerned, it is essential that the customer's perception is gauged so that investment is prudently applied. It is also important to take account of the speeds of other modes of transport if decisions on line-speed investments are to be made on the basis of encouragement of modal shift or competition. Also, an essential consideration for investment must be the affordability of rail over other modes of transport.

If transport policies or stakeholder aspirations are to be satisfied, it logically follows that the capacity of the infrastructure can absorb that demand. To that end, it is essential that decisions on investment are made in a timely manner as lead-in times for delivery could be very long.

2.5 Network Line-Speed and Capacity Improvements (Cont'd)

It should be noted that capacity improvements should also address the impact of establishing new stations and faster rolling stock as well as the issue of increased train service frequencies.

Network Rail's Wales Route Utilisation Strategy provides a useful example in South Wales where train service frequency can be increased on the Vale of Glamorgan route. It also proposes the solution for growth within the whole Valleys network with the infrastructure required between Cardiff Queen Street and Cogan Junction. In our opinion, in addition to item 2.2, this would have to be considered as one of the top priorities in infrastructure investment along with the added aspiration to improve line capacity on the South Wales mainline west of Cardiff. Catering for future demand should also include the option of running longer trains.

2.6 The Severn Tunnel and Alternative Severn Rail Crossing

At present, Arriva Trains Wales does not operate any trains via the existing Severn Tunnel but we would always consider opportunities for expansion through this portal should there be a positive business case for doing so. The recent announcement on electrification would seem to infer that an alternative crossing such as the proposed barrage is not an option to be considered.

2.7 Light Rail in Urban Areas

We have no particular view on this operation but would be interested in seeing workable options presented when available.

2.8 New Stations and New/Re-opened Lines

As mentioned in 2.3, before contemplating new stations, there would need to be a detailed assessment of line capacity so that journey times for all Companies are not degraded to the extent that the customer's experience would make rail travel unattractive. At the same time, it would be essential to consider improvements (such as car parking) at existing stations and, inevitably, rolling stock capacity. By the very nature of this rail franchise, new stations are funded by third parties and we subsequently assume the responsibility for their management.

2.9 New Stations and New/Re-opened Lines Cont'd

Whilst suggestions on new stations are made with the best of intentions, we would urge due diligence in the evaluation process so that investment is wisely committed and based on sound socio-economic reasons. We would also suggest that this principle is applied to the issue of new or re-opened lines.

2.10 Increasing the Use of Rail for Freight

On this matter, we would only serve to highlight the existing infrastructure capacity constraints. We would also not wish our high levels of train service performance compromised together with a proportionate deterioration in customer satisfaction.

2.11 Welsh Assembly Government and Rail Planning & Development

Any need for change to the processes whereby Regional Transport Plans or other development plans are formulated is ultimately a matter for Welsh Assembly Government. However, we believe a root and branch review is required to ensure that future development and investment in railway infrastructure is based on sound strategies which address actual need and provide the best value for money. Whether Welsh Assembly Government might gain additional powers to directly fund infrastructure in Wales should be considered in tandem with the confidence that there is a robust process of formulating railway infrastructure strategies.

3. Summary

3.1 We are grateful to the Enterprise and Learning Committee for the opportunity to provide input on matters which are extremely important to the future of the railways in Wales. We hope that the information provided is of value and that it will assist in the future direction of strategy.

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