



[National Assembly for Wales](#)

[Enterprise and Business Committee](#)

[Inquiry into the future of the Wales and Borders Rail](#)

Evidence from Powys County Council – WBF
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Annwyl Dr. Phipps / Dear Dr. Phipps,

Inquiry of the Enterprise and Business Committee of the National Assembly for Wales into the future of the Wales and Borders Rail Franchise: Response from Cyngor Sir Powys / Powys County Council:

We have considered the terms of reference for the inquiry are and our response to the key issues is as follows:

- 1) Whether the current franchise meets passenger needs and what lessons should be learnt from it:

The current franchise, which was specified by the UK Department for Transport, was predicated on 'no growth' in passenger demand. However, as the Network Rail Route Utilisation Strategy of November 2008 comments 'There has been continued

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strong growth in passenger demand, particularly around the Cardiff region, and since publication of the Wales RUS Draft for Consultation the growth limits have been slightly lifted, to reflect both the expected trends for the all-day and commuting segments of the market (Wales RUS, p4). Whilst we acknowledge that Arriva Trains Wales has provided investment over and above its franchise obligations we feel that the current franchise is inflexible to changes both in passenger demand within the railway industry, and in the Welsh economy in general. Consequently we believe that the new franchise, whether it is 'not for dividend' or commercial, should incorporate sufficient flexibility to react to changes in passenger demand and the need to use rail transport as a tool for economic development;

- 2) How passengers should be involved in the franchise development and Delivery:

We believe that Passenger Focus is the most appropriate organisation to undertake this role as it has a relevant knowledge base, and the expertise and capacity, to undertake the necessary exercises in passenger involvement in franchise development and delivery. No doubt Passenger Focus could be aided in the consultation process by the local authorities, the Regional Transport Consortia and the various community rail partnerships. We believe that it is important that public consultations are conducted not only with habitual rail passengers but also with other members of society who do not use rail services, and also the business community;

- 3) How communities and local government / Regional Transport Consortia should be involved. Could they be involved in specifying the franchise or perhaps even in delivering services?:

Community involvement can be mobilised through the consultation process we suggest in paragraph 2) above. Whilst we welcome the increased role of the regional transport consortia in the funding of railway infrastructure projects, and believe that this supports the current Minister of Economy, Science & Transport's emphasis on the role of transport as a catalyst for economic development, we believe that a more active role for local government / Regional Transport Consortia in the rail industry would require the provision of greater powers and funding for additional organisational capacity;

- 4) The management model to be adopted, including the Welsh Government's proposal for a not-for-dividend franchise:

In general we support the 'not for dividend' model as it would minimise the 'export' of financial resources away from the Wales & Borders system and would prevent the train operating company becoming distracted from the running of its franchise by the need to maximise shareholder dividends. We have looked closely at the two models of 'localised' provision of rail services in currently existing on the National

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Rail Network in Britain, namely a) the 'concession model' used by Transport for London for procuring the management and operation of its London Overground network, and b) the 'locally specified franchise' model used by Merseytravel Passenger Transport Executive for procuring the management and operation of its Merseyrail network. Of these two we believe that the former would work best in a tightly specified 'not for dividend' environment. However, we would caution that the 'concession model' would transfer revenue risk from the train operating company to the Welsh Government and would also be onerous for the Welsh Government in the management and monitoring of the concession;

- 5) How the franchise specification should improve the passenger experience, including issues such as franchise length, targets / incentives and the core service standards which should be included:

As we have already indicated in paragraph 4) above we believe that the new franchise, irrespective of its type, should be tightly specified in terms of: a) service frequency, b) the seating capacity of services, c) the environment and quality of rolling stock, d) connectivity between rail services, and e) rail and bus services, f) the environment and facilities at railway stations, g) the quality of information, and h) stringent revenue collection. From our examination of the TfL 'concession' and Merseytravel 'locally specified franchise' models we would envisage a contract of between fifteen to twenty years punctuated by review breaks of at least five yearly intervals, and possibly more frequently in the last years of the contract to prevent 'back sliding' by the train operating company;

- 6) The routes, particularly cross-border routes, which should be included:

- a) *We believe that the current route structure of the franchise allows for adequate links within Wales, the borders and to Birmingham and Manchester. Notable additional destinations that should be considered are Liverpool South Parkway (for John Lennon Airport) and Liverpool Lime Street via the Halton Curve, and Manchester Airport.*
- b) *Because of business and leisure travel patterns in Wales it is vitally important that Wales & Borders franchise services are able to continue access to Birmingham New Street, Birmingham International and Manchester Piccadilly stations in the future. In view of the UK Department of Transport's rail devolution policy in England we would draw the Inquiry's attention to the possibility of future competition for access to train paths between Wales & Borders services and those of passenger transport executive sponsored services in the West Midlands and Greater Manchester conurbations, particularly where increases in services are contemplated. We feel that the corridors most likely to be affected are i) Shrewsbury – Telford Central – Wolverhampton – Birmingham New Street – Birmingham International, ii) Crewe – Stockport – Manchester Piccadilly and iii) Earlestown – Manchester Oxford Road – Manchester Piccadilly.*

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- 7) The rolling stock needed for the new franchise. What factors need to be considered and how this should be procured? Will new rolling stock be required?:
- a) *We draw the Inquiry's attention to the Network Rail Network Route Utilisation Strategy documents on i) Electrification Strategy, October 2009 and ii) its 'refresh,' October 2012 and iii) Passenger Rolling Stock & Depots, September 2011. The latter broadly identifies three types of rolling stock needed for the future: a) high speed long distance trains for what was known as inter-city network (e.g. South and North Wales to London), b) high-density train types for urban networks (e.g. Cardiff Valleys), and c) medium density rolling stock for inter-regional and rural services (e.g. the Cardiff – Holyhead, Cambrian, Heart of Wales services. We are in broad agreement with Network Rail's analysis but would stress that future rolling stock types must pay more attention to passenger comfort, which includes a clear view out of train windows!, and adequate space for luggage, bicycles and other items.*
 - b) *Whilst we support railway electrification we are concerned that as electrification spreads across the National Rail Network Wales & Borders franchise services may be curtailed due to an unwillingness to run diesel rolling stock 'under the wires' for economic and environmental reasons, or because appropriate new rolling stock types are not available. Inevitably electrification means that the diesel fleet 'age profile' will increase as earlier classes are withdrawn from services. For example our 'nightmare scenario' is all passengers from Aberystwyth and Pwllheli and Heart of Wales line diesel services having to change at Shrewsbury to electric services for the West Midlands. We note that in France SNCF has hybrid electric / diesel multiple units available for services supported by the regional governments. We also note with particular interest from the 'Railway Gazette International' website on 19/08/13 that Network Rail, that Network Rail, the UK Department for Transport and the Rail Standards & Safety Board have a project to experimentally convert a class 379 electric multiple unit to an electric / battery hybrid for testing on the Old Dalby railway test track, and later in battery mode on electrified branch lines in East Anglia. If this test is successful it may well indicate the way ahead, although in our experience of monitoring vehicle battery technology substantial improvements are always 'just around the corner.'*
- 8) Whether additional lines, enhancements to existing lines, new stations or other infrastructure are needed:
- a) *Up to the end of Network Rail Control Period 6 2019 – 2023 the main task will be to bring the existing Wales & Borders railway network up to acceptable standards of maintenance, capacity and capability, together with electrification wherever this can be justified. Beyond this we believe that extensions and enhancements should be examined in the light of the wider social and economic development benefits that they deliver.*

b) *The issue of north – south rail links within Wales is likely to be raised at frequent intervals in the future, as has been the case since the ‘Beeching’ closures of the mid – 1960s. We believe that this would involve the restoration of links on some 80 miles / 128 km of abandoned infrastructure, or more appropriate new infrastructure, in two or three previously operated corridors. We believe that the restoration of an internal north – south link does have the potential to make the railways in Wales a more useful transport system within the country, a more meaningful tool of social and economic development, as well as a more coherent entity from an operational point of view. We also believe that expenditure on such a link would avoid the costs of some road improvements and provide some additional employment. We feel that this issue merits an inquiry in its own right and that the costs involved should be properly assessed against the potential benefits.*

9) Whether the franchise can support an enhanced relationship between Network Rail and the franchise operator and the benefits this might bring:

We have looked at the benefits of the two types of ‘alliancing’ in existence between Network Rail and train operating companies and believe that the ‘deep alliancing’ model of shared management and operation between Network Rail Wessex and South West Trains may be transferrable to the Wales & Borders network. We look forward to hearing the views of Network Rail Wales / Cymru and the train operating companies.

10) Other comments:

We are of the view that the Welsh Government should develop and own a strong corporate identity for the Wales & Borders franchise, as does the Scottish Government for the Scotrail franchise, and Transport for London for its various operating divisions such as London Underground Limited. This would have the advantage of: a) establishing the ‘ownership’ of the franchise irrespective of the actual operator, b) set a framework in which the incumbent operator is able to develop its marketing without being distracted by the need to also develop a corporate identity, c) act as ‘free publicity’ for the ‘Wales brand’ on cross border services to the English conurbations.

We draw the Inquiry’s attention to the importance of the Welsh community rail partnerships (CRPs) which are active on the Borderlands line (Wrexham Central – Bidston), the Cambrian lines (Aberystwyth / Pwllheli – Shrewsbury), the Chester – Shrewsbury line and the Conwy Valley line (Llandudno – Blaenau Ffestiniog). To date the CRPs have mainly concentrated liaison between the rail industry, local authorities and their local communities, on developing use of their lines and acting as the catalyst for small community involvement initiatives such as public art at railway stations and railway safety projects.

However, we feel that the CRPs can also be useful in promoting enhancements and new modes of operation on ‘deep rural’ services. For example the Chester – Shrewsbury Rail Partnership sponsored the ‘Chester – Shrewsbury Line Study’ of



March, 2007 which provided the impetus for the current speed enhancement works on the Shrewsbury to Wrexham section and the planned re-doubling of the Wrexham North to Saltney Junction section of their line. The Heart of Wales Line Forum and Powys County Council commissioned the Jacobs Consultancy to undertake the 'Heart of Wales Line Enhancement – WeITAG Appraisal,' a benefit / cost analysis into proposals for service frequency improvements. This was completed in March 2010 and is still 'under consideration' by the Welsh Government. The appraisal considered four options for increased Monday to Saturday services and two for increased Sunday services.

There a suspicion that 'deep rural' railways revenue / cost profiles may be skewed by the application of 'nominal' or 'book' costs by Network Rail, and to a lesser extent by train operating companies. Consequently, the Heart of Wales Line Forum has also been working on a project to explore options for local management of the line and ways in which operations and infrastructure costs could be contained at a more appropriate level. To summarise, the CRPs could well be the key that unlocks cost containments and efficiencies on Wales' 'deep rural' lines in a Wales & Borders franchise where 'one size does not fit all.'

Yr eiddoch yn gwir / Yours sincerely,
Marc Lewis.

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