

Rt Hon Patrick McLoughlin MP
Secretary of State for Transport
Department for Transport
Great Minster House
33 Horseferry Road
London, SW1P 4DR

30 September 2015

Dear Patrick,

Enterprise and Business Committee request for further information

As you know your officials gave evidence to the National Assembly for Wales' Enterprise and Business Committee on 17th September. The session was extremely helpful. I and the other committee members are very grateful both to you for making your officials available, and to them for providing such useful evidence. I would ask you to pass on our thanks for their evidence.

Following the meeting the Committee agreed to write to you to request some further information.

While the St David's Day Command Paper stated that there was "no consensus" on taking forward the Silk Commission proposal that funding Network Rail should be devolved, the Welsh Government's position remains that these powers should be devolved. The Enterprise and Business Committee is planning to undertake an inquiry into the future of Welsh rail infrastructure in the spring where the question of infrastructure powers will inevitably arise.

It would therefore be very helpful if you could, as far as possible:

- Clarify what is meant by the statement that there is "no consensus" on devolution of funding for rail infrastructure, and in particular the issues raised by those parties who do not believe devolution to be appropriate; and
- Set out your current position on how investment in Welsh infrastructure would be funded if responsibility for Welsh infrastructure were ultimately



devolved. Specifically the likelihood that any transfer of powers would be accompanied by an increase in the Welsh Block Grant, and how Network Rail's liabilities might be apportioned.

I appreciate that the second point is currently hypothetical. However, given that the Welsh Government is continuing to press for these powers, and the fact that this Committee will be considering these issues in the spring, it would be helpful for us to understand your position before discussing these issues with the Welsh Government and making any recommendations in this area.

Kind regards,

A handwritten signature in black ink that reads "William Graham". The signature is written in a cursive style with a large, prominent 'W' and 'G'.

William Graham

Chair, Enterprise and Business Committee

