

Written evidence submitted by Growth Track 360 (RIW0010)

Introduction: About Growth Track 360

The North Wales and Mersey Dee Rail Task Force ('Growth Track 360') was formed in 2016 to campaign for:

- electrification of the North Wales Mainline railway from Holyhead Port to Chester in England;
- followed by electrification onwards from Chester to Crewe (for connectivity to London and the English Midlands); and
- to Warrington for connectivity to Manchester and its international airport which serves both North Wales and Cheshire.

When it became apparent that the UK Government (UKG) via the UK Department for Transport (DfT) could not at that time contemplate affording electrification outside of a select few high priority routes, an alternative strategy of rail improvements was developed supporting electrification in the longer term.

Growth Track 360, therefore, adopted an incremental policy of improving the frequency, journey times, quality of rolling stock and relevance of the destinations of train services to grow patronage. Increasing passenger numbers will enhance businesses cases for rail enhancements. This strategy also supports the desire of Growth Track 360 to see modal shift of passengers and freight from road to rail to reduce congestion, greenhouse emissions and harmful pollution.

The Growth Track 360 Task Force is a partnership formed with the support of the Welsh Government, the DfT and the Wales Office. The Partners are:

- The North Wales Economic Ambition Board (NWEAB), representing the six local authorities in North Wales: Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham with political leaderships across the parties;
- The Cheshire and Warrington Local Enterprise Partnership (known as 871CandWEP), embracing Cheshire West and Chester, Cheshire East and Warrington Councils and the private sector;
- The Mersey Dee Alliance (MDA) which consists of Cheshire West and Chester Council, Wirral Borough Council, Flintshire County Council and Wrexham County Borough Council;
- Business interests represented by the North Wales Mersey Dee Business Council and the Cheshire West and North Wales Chamber of Commerce;

- Higher and Further Education support the work of Growth Track 360 through membership of the constituent partnerships (NWEAB and 871CandWEP), the universities represented being Bangor, Wrexham-Glyndwr and Chester, and the four FE Colleges being Coleg Cambria, Grwp Llandrillo Menai, West Cheshire College and Reaseheath College); and
- Liverpool City Region (LCR) is represented by the Chair of the Combined Authority Transport Committee who has oversight of Merseyrail, whilst Wirral Council is both a member of the MDA and the LCR.

Recently, the Task Force has been building relationships with Network Rail (particularly the Wales Route), Transport for the North (TfN) and Transport for Wales (TfW). Officers of these bodies have joined the Growth Track 360 Board to advise its members.

Growth Track 360 also works closely with the Mersey Dee and North Wales All Party Parliamentary Group (APPG) in the UK Parliament. This APPG brings together MPs from all parties representing North Wales, with those from English constituencies in West Cheshire and Chester and parts of the Wirral.

We now turn to the specific questions raised by the Committee in its call for evidence.

1. Where does responsibility lie for rail infrastructure in Wales?

Responsibility for rail infrastructure has not been devolved to Wales other than the Core Valley Lines around Cardiff, so the UKG DfT is responsible for investment decisions in the areas of both Wales and England represented by Growth Track 360.

However, our experience is that the UKG all too often acts as if it does not hold this responsibility in Wales. If organisations such as Growth Track 360 call for significant investment in Wales's railways, Ministers and officials in the DfT will respond that this is not a priority for them. Moreover, they will contend that if Wales really wants to see such investments then the Welsh Government should be paying for them.

When the argument for devolution of railway infrastructure has been made by the Welsh Government and other stakeholders, this has hitherto been resisted by the UKG, although we eagerly await the recommendations from the Williams Review which have been widely trailed as including greater decentralisation. We believe that the past obstructionism is caused in part by the reluctance of the UKG to consider what a fair allocation of devolved financing would be. Other witnesses to this inquiry have already described in both written and oral evidence the disparity in funding for railways in Wales given the size of the network.

Network Rail maintains the mainline railway network in Wales as a company wholly owned by the UKG. This organisation consults operators and stakeholders on investment priorities but all decisions have to pass through the byzantine complexities of the Governance for Railway Investment Projects (GRIP) and related DfT business case processes. These almost invariably ensure that the only schemes granted investment are those already favoured by the DfT and the rail industry establishment, whilst the empirical effect is to starve our areas of Wales and the neighbouring parts of England, with any significant sums finding their way to the Great Western corridor in the south.

A further layer of complexity is added by the relationship between Network Rail, the DfT and the LCR. LCR was the first region of the UK to secure control over its local rail operating contract, which has resulted in huge benefits for the citizens and the economy of the area. However, with responsibility for the infrastructure still residing with the DfT and Network Rail, the LCR has to manage complex relationships when wishing to seek investment straddling the border with Wales.

Whilst the DfT controls access to development money and has form in always choosing its favoured schemes to take forward, the rise of TfW has enabled well informed challenge to be made, especially when working in concert with Transport for the North (TfN) and the LCR.

2. How effectively do the UK and Welsh Governments cooperate with one another in the management, and funding, of rail infrastructure in Wales?

With railway infrastructure being a reserved matter but control of most train services in Wales having been devolved, there is a potentially crucial role for the Wales Office in liaising between the Welsh Government and the UKG.

Our experience hitherto is that this liaison and advocacy role has been poorly performed by the Welsh Office under governments of all parties. Lacking civil service expertise in transport infrastructure and with rail not being seen as a priority by most Ministers, the Welsh Office is not taken seriously by the DfT.

In the early days of devolution, the Welsh Government compounded this problem by refusing to work collaboratively with the Wales Office and acting territorially with the UKG. Efforts have been made in more recent times by the Welsh Government and the Wales Office to rectify these issues, and the successful devolution of the Wales & Borders operating franchise with the blessing of the DfT is an example of how positive outcomes can flow from cooperation.

The structure of Network Rail is critically important to how investment decisions are made for Wales. The Wales Route straddles the border with England, reflecting the nature of railway geography and the fact that so many key interchanges for the Wales & Borders services operated by TfW are located in England. However, the Wales Route then sits within a wider Wales & Western Region which reaches as far east as London Paddington and as far south as Penzance. This contrasts with the position in Scotland where the Route and the Region are coterminous.

This industry structure combined with rail investment being a reserved matter means that the Welsh Government sits rather lower down on Network Rail's ranking of priority stakeholders than is the case for the Scottish Government. The practical effect is that Network Rail tends to offer Wales incremental improvements rather than transformational change linked to wider economic, environmental and societal goals.

Foolish outcomes can result, such as on the cross-border Wrexham to Shrewsbury line where Welsh Government investment in double tracking on its side which increased speed and track quality was not matched by a complementary scheme in England, negating speed and quality improvements on the Welsh side.

Another – and very current – example of the failure to take account of the rail needs of Wales is found in plans for Manchester where DfT planning means that Welsh services will likely be eliminated from the Castlefield corridor, removing direct services to Piccadilly station and the Airport without proper reference to the connectivity needs of the Growth Track 360 region. The recasting of service patterns in the wake of the pandemic under the ‘Build Back Better’ agenda should be accomplished taking into account whole system benefits to the economy, the environment and society rather than from the shortsighted perspective of timetable management from a different era.

Indeed, whilst the rail industry is full of highly accomplished and dedicated people, it suffers from systemic incompetence such as the frequent and massive overruns of cost and delivery timescales for enhancements which make it difficult for advocacy groups such as Growth Track 360 to put forward reliable estimates for schemes.

3. Should responsibility for railway infrastructure in Wales be fully devolved?

We are attracted to the opportunities presented by full devolution of rail infrastructure control and investment to the Welsh Government, but this would need to be accompanied by a fair funding package from the UKG taking into account not just future enhancements but also the profound historic underinvestment in the network west of the border.

The Scottish Government currently sets a High-Level Output Specification (HLOS) and a Statement of Funds Available (SOFA) for the rail network on terms very similar to those set by the DfT for England and Wales. This arrangement seems to have worked well for the past 15 years and could be adopted for Wales with suitable adaptation to take account of the high degree of interaction of local services across the border. Just as with the Wales & Borders franchise, there would be a need for partnership working to protect the views and interests of communities in England not represented in the Senedd. Growth Track 360 is the prototype for such relationships.

In the absence of devolution, Wales would still benefit from DfT funding of major schemes such as electrification with more local delivery models found for smaller but still significant projects. For example, TfW is the station operator at a number of key locations in England such as Chester and Shrewsbury and is fully capable of completing modernisation schemes on the English side of the border.

Much of the future for rail devolution to Wales depends on what settlement is reached between the UKG and England’s city regions and Sub-National Transport Bodies such as TfN. Wales could be part of a whole system approach recasting the way the network is managed with England’s regions and the Devolved Administrations having more of a collaborative say over the whole network, its funding and its improvement.

4. What share of investment has Wales secured in its rail infrastructure since privatisation came into effect in 1994, and how sufficient is this level of investment?

As stated earlier, we support the written and oral evidence of other distinguished witnesses to this inquiry regarding the historic shortfalls in funding to the rail network in Wales.

We would stress, however, that North Wales has been notably neglected with funding extending to little more than repairs, renewals, end of life signalling upgrades and so on.

The UKG's agendas of levelling-up, building back better and working towards net zero carbon all combine to suggest that rail in North Wales and the bordering counties of England should be high on the priority list for upcoming investment (especially for electrification of routes). We pick up this point in our answer on the Union Connectivity Review below.

In our submission to the Chancellor's Spending Review announced in November 2020 and again in our submission to the upcoming Budget, we have applied for seedcorn funding to enable us urgently to take forward development work on three transformational projects for North Wales and the Cheshire-LCR region including electrification of the main line between Holyhead, Chester and Warrington, upgrading of the Wrexham-Liverpool line and improvements to Chester station.

5. How is funding allocated to rail infrastructure projects across the UK and how are the different infrastructure needs of the regions and nations of the UK assessed?

The allocation of investment in Great Britain's railways is unaccountable with interminably long and drawn-out processes supported by assessment criteria which could have been designed to slow decision-making. This system enables senior officials in the DfT to hand out further cash on the basis of benefit-cost ratios enhancing those parts of the existing network which have gained from past investment.

There is no visible network strategy involved, and certainly not one linked to wider economic, environmental and societal benefits. The recent report from the South East Wales Transport Commission is the first tangible example of such linkages being made but these are confined to a part of Wales far away from us.

North Wales would benefit from a structured analysis of the whole cross border network and how it can be maintained and developed to meet economic, environmental and societal needs based on post-pandemic and post-Brexit passenger and freight demand.

We welcome the changes to the Treasury Green Book announced by the Chancellor as part of the Spending Review in November 2020 which, if implemented correctly, could break the cycle on investments being primarily directed on narrow cost-benefit criteria to parts of the rail network which have previously benefited from earlier funding.

6. What will be the impact of the Covid-19 pandemic for the railway network in Wales (including the sustainability of services and potential impact on investment in railway infrastructure)?

Passenger and freight rail along with public transport more widely urgently need a set of recovery plans so that they can lead in decarbonisation through modal shift whilst taking account of post-pandemic markets based on less commuting and business travel but increased domestic leisure and tourism. This is especially important for the Growth Track 360 territory which includes the world class beauty and heritage of North Wales along with the historic destination city of Chester.

Enhancements to the local rail network sought by Growth Track 360 supported by coordinated bus routes and the encouragement of active travel would allow us to see a reduction of the private car mode share for travel to the work locations which make our region a powerhouse able to play a pivotal role in the economic recovery of the UK.

7. What opportunities are there for Wales as a result of the recently launched Union Connectivity Review?

Growth Track 360 strongly supports the Union Connectivity Review and has made a detailed submission to Sir Peter Hendy which may be viewed here:

[https://cogitamus.co.uk/wp-content/uploads/2021/01/UCR.Response.V2.11Jan21.pdf?utm_medium=email&utm_campaign=Growth Track 360- Union Connectivity Review&utm_content=Growth Track 360- Union Connectivity Review+CID_b986129438c1965ab9931748ce6c168b&utm_sour](https://cogitamus.co.uk/wp-content/uploads/2021/01/UCR.Response.V2.11Jan21.pdf?utm_medium=email&utm_campaign=Growth+Track+360+-+Union+Connectivity+Review&utm_content=Growth+Track+360+-+Union+Connectivity+Review+CID_b986129438c1965ab9931748ce6c168b&utm_source=)

There are two aspects to connectivity in the GT360 cross border area: -

- Everyday travel to work commuting within the GT360 area which cross the England/Wales border at a rate of 28,000 journeys per day each way.
- Long distance commuting and connectivity between North Wales and the GT360 area with the major cities of the Union

Investment in both types of connectivity by road and rail are necessary to strengthen the Union and meet goals common across the Union to reduce deprivation, enable sustainable growth, recover from Covid-19 and eliminate greenhouse gas emissions.

The UCR offers an opportunity for the UKG to champion and deliver such investment and unleash the economic potential of the North Wales and Cross Border areas.

Conclusion

Growth Track 360 trusts that this evidence will be of assistance to the Committee and would be delighted to arrange for witnesses to answer questions at a virtual oral evidence session.

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