

POLICY REVIEW OF PUBLIC TRANSPORT IN WALES

RESPONSE BY PRISM RAIL

1. Introduction

1. This short paper is a response to the request from the National Assembly's Environment, Planning and Transport Committee for submissions to help formulate a strategy for a policy review of Public Transport in Wales. This paper will address the aspirations of three of the current TOCs:-

Central Trains

Wales & West Passenger Trains

Valley Lines Trains

2. The recent acquisition by National Express of Prism Rail has brought together three of the major train operating companies in Wales. This has strengthened both the economic and management base within Wales and offers greater opportunities to develop our all Wales franchise bid.

2. Existing Rail Franchises

1. A total of seven Train Operating Companies (TOCs) are currently responsible for providing passenger rail services in Wales. They provide important rail links to and from Wales and between the geographically isolated north and south of the country. Services have been perceived as patchy and lacking in cohesion. Issues such as reliability and punctuality have also attracted some considerable attention. Despite this the public and operators alike recognise that the rail network in Wales is a key element of any future integrated transport policy.

3. Re- Franchising in Wales.

1. The recent decision by the Shadow Strategic Rail Authority to re-examine the current franchise map of Wales has given both rail users and operating companies an opportunity to re-evaluate the existing rail network. To address or amend any problem areas and put in place enhancements which will provide a rail service fit for the 21st century.
2. This re-examination will allow, for the first time since privatisation, Wales to investigate the possibility of an integrated transport system, based on identified enhancements, supported by the SSRA and other sources of funding. This, in addition to a franchise period of some 20 years, will allow the successful franchise bidder to meet the long-term aspirations of the public, the Assembly and other key organisations.

4. Aspirations of Prism Rail

1. Prism Rail has been at the forefront of the discussions on re-franchising in Wales. Following the announcement by the SSRA in December 1999, Prism Rail embarked on an extensive round of public consultation and meetings with key bodies at all levels of the Welsh community. It soon became apparent that there was a cherished aspiration in Wales to establish a truly integrated public transport system, which would meet the needs of as many travellers as was possible.
2. The decision, by the SSRA to adopt the recommendations of the Gibb Rail Study, and to ask for bids based on the option of a single Welsh rail franchise, encouraged Prism Rail to undertake further investigation. We continued to discuss our franchise aspirations with as many key opinion formers as possible and undertook further consultation at all levels of Welsh life.
3. Our Vision document has been widely circulated and outlines in detail our proposals for the single Welsh franchise. We believe that this "vision" meets the aspirations of the National Assembly for Wales and recognises the need to address issues such as social inclusion, economic prosperity and the environmental sustainability of Wales.

5. Additional Powers

1. Each train operating company in Wales has recognised that the establishment of the National Assembly has been a key development in Welsh daily life. Its effect on those areas under the direct control of the Assembly has been significant. Despite this positive image the general population is still confused about which areas of legislation are or are not their direct responsibility.
2. The TOCs quickly established a dialogue with the NAW. They have been eager to support Assembly Members and civil servants by providing information and resources, which in turn has helped promote a greater understanding of the passenger carrying rail industry and its constraints.
3. Currently, the NAW is responsible for highways, buses, the promotion of integrated transport and rail freight issues. It does not have devolved responsibility for passenger rail matters. The SSRA has appointed a representative from Wales, who is charged with representing the views of the Assembly and of Wales. Rail matters are still dealt with on a Westminster basis and it is clear that more work needs to be done on synchronising legislation as it passes through the House of Commons.
4. Funding remains the responsibility of the SSRA. Within Wales its distinct social and economic problems have a direct bearing on the travel needs of the public. A majority of Welsh rail services operate at a loss and require high levels of subsidy. The communities served by the existing rail network have unique social and economic problems, which have been recognised by the European Union and resulted in the greater part of Wales being awarded Objective One status.
5. We believe that the NAW should develop improved channels of communication with both Westminster and the SSRA. The Environment, Planning and Transport Committee would benefit from discussing new legislation in advance of Westminster. Similarly, funding issues could be given a platform within the committee and passed on to the SSRA. Their decisions should then be debated in plenary and dove tailed into the legislative process.

6. Funding Provision

1. The need to increase funding opportunities in Wales has been mentioned above. Any future rail franchisee in Wales will need to attract additional levels of subsidy. It is unclear whether the NAW will be able to invest any significant sums of money in the Welsh rail network and under the current funding framework the SSRA is responsible for financing the rail network. Any persons and organisations with an interest in passenger rail services in Wales should recognise and support a greater level of public subsidy for the Welsh network. Without this additional financial support it is unlikely that any significant improvements to both rail services and infrastructure will be achieved.
2. Additional financial support could be achieved for those areas within the designated Objective One area. A great deal of interest has been created within Wales by this

European funding opportunity. It is an excellent chance to address the economic problems of our small, economically and geographically diverse country. A major element of the funding package is transport. This includes travel to training and employment opportunities, plans for reducing peripherality and opportunities to increase leisure \ tourism travel.

3. As one of the rail operators currently involved in the re-franchising process we have become increasingly concerned about the Objective One timetable. We are aware that the current re-franchising schedule is out of step with that of Objective One and that we need to ensure that the funds available for rail improvements have been allocated for use by the successful franchisee.
4. As part of our consultation process we have produced and distributed a complete list of improvements across Wales. Included, within this list are those projects, which are eligible for Objective One funding. The response to this list has been most positive. It is clearly understood that Objective One funding is an integral part of the funding package in Wales. A number of Local Authorities are already pursuing applications, which involve improvements to services within their areas. They do not always recognise that their bid is part of an all Wales framework. This has led to a rather patchy approach. It would be most helpful if some form of "umbrella" bid was established to promote rail services on an all Wales basis and ensure that key improvements are undertaken in a logical and effective way.
5. To provide a truly integrated transport network the NAW and SSRA must work more closely together to manage and fund the provision of coach and rail services that connect and offer a seamless interchange. Many parts of Wales are geographically isolated and the only way to reach them will be by providing an effective network of this kind.

7. Review Stages

1. As a company we feel that it would be improper of us to comment further on any short term or longer term changes within the existing statutory, regulatory and organisation framework.
2. We have clearly identified above the existing challenges to the passenger rail industry in Wales, based on the experience of operating three out of the seven rail services. Due to the constraints of the current re-franchising process in Wales we are unable to comment further.

8. Conclusions

1. National Express is keen to continue their existing relationship with the NAW. We recognise as a company that the National Assembly of Wales has a pivotal role in the future of rail services in Wales. The introduction of an all Wales rail franchise will offer

new opportunities to improve rail, coach and bus links. It will also enable all those involved to plan for long term development by working in partnership.

2. Our vision document highlights these new opportunities and we believe that they meet the aspirations of the NAW and will help Wales take the first steps to establishing an integrated public transport system.

Sian James, September 2000