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Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref

William Graham AM
Chair
Enterprise and Business Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

30 September 2014

Dear William

I am writing in advance of my appearance at Committee this week to provide a brief note setting out the Welsh Government's responsibilities in terms of rail in Wales.

The National Assembly for Wales does not have legislative competence in respect of the provision and regulation of rail services, and the Welsh Ministers have only a limited role in making decisions about rail franchises that serve Wales. The Secretary of State for Transport is the rail franchising authority in England and Wales, as provided by the Railways Acts 1993 and 2005. The legislation makes specific provision about the Welsh Ministers' role in the rail franchising process.

Before issuing an invitation to tender and entering into a franchise agreement where the services to be provided under the agreement are or include Welsh services, the Secretary of State must consult the Welsh Ministers.

The Secretary of State may not enter into a franchise agreement relating to services that are or include Wales-only services (that is services that start and

finish in Wales making no stops in England) unless the Welsh Ministers joins with him as a party to the agreement.


The Welsh Ministers do have limited power to provide, or to agree to provide, financial assistance to the franchisee for the purpose of improvement or development of any Welsh services to which the franchise agreement relates. It is on this basis that a number of the improvements to rail services in Wales have been funded by the Welsh Government.

As the Committee is aware from its inquiry into the future of the Wales and Borders franchise, the current agreement ends in October 2018. It is possible for the franchise to be extended for up to a further five years until 14 October 2023. The decision on whether an extension should be considered is a matter for the Secretary of State for Transport.

I share the views expressed by the Committee in its Charter for the next Wales and Borders franchise, which was published in December last year and I am continuing to press the UK Government for the necessary powers and requisite funding to be devolved so that the Welsh Government is responsible for specifying and procuring the next Wales and Borders franchise.

As with rail franchising, the role of the Welsh Ministers in setting the priorities and funding of the rail infrastructure in Wales is limited. The responsibility for presenting the High Level Output Specification that sets the priorities for Network Rail remains with the Secretary of State for Transport. Welsh Ministers are consultees in this priority setting process for our railway infrastructure, which limits our ability to deliver infrastructure improvements. This has been highlighted in the ongoing discussions with the Secretaries of State of Wales and Transport in relation to electrification of the Valleys Lines.

I have written to the Secretary of State for Wales about south Wales rail electrification and I am continuing to work with the UK Government to provide more detail on the costs and options required to deliver the electrification of the Valleys Lines, to which we remain fully committed.

A handwritten signature in black ink, appearing to be 'C. Jones', written in a cursive style.