

## Consultation on Scotland's Rail Infrastructure Strategy

### 1. INTRODUCTION

- 1.1 The report provides the Board with a summary of Transport Scotland's consultation setting out their vision for rail infrastructure in Scotland. The consultation considers the challenges and opportunities for Scottish railways and outlines a number of proposals that Scottish Ministers believe can help to maximise investment in rail infrastructure to support the growth predicted and to deliver dependable customer services from 2019 onwards. SEStran have received an extension to the 24 February deadline to allow a position to be agreed by the Board and then submitted by Friday 3 March.

### 2. CONSULTATION

- 2.1 Transport Scotland are seeking views on their proposed approach to the rail infrastructure investment strategy from April 2019. A copy of the consultation document can be found here: <https://consult.scotland.gov.uk/rail-policy/rail-infrastructure-strategy-from-2019> and a copy of the consultation questions are outlined in the Appendix 1 to this report for information. The results from this consultation will help to inform Scottish Minister's High Level Output Specification (HLOS) which is a process aimed at improving performance, reducing journey times and increasing capacity and capability of the Scottish rail network.
- 2.2 The recent Network Rail Scotland Route Study highlighted a historical trend of near 100% growth in passenger numbers in the last 2 decades for the SEStran area. The study detailed the first steps needed towards a future proofed, safe and resilient railway such as increasing capacity on the East Coast Main Line and increased capacity through Edinburgh Waverley. It also forecasts a continued maturing of the Edinburgh commuting market, with a morning peak constrained by a lack of available developmental land near gateways. SEStran's comment on that aspect of the study it that it is essential to avoid a situation where inclusive growth is seriously constrained due to an 'unchallenged' lack of development opportunities.
- 2.3 Rail in the South East of Scotland plays a significant and ever increasing role in the transport mix of the region and the outcome of the Rail Infrastructure Strategy, Network Rail's periodic review and forthcoming plans for specific rail investments will have great relevance to the region. Growth and development in South East Scotland has led to the location of important areas of employment and housing in new locations, and resulted in a more dispersed pattern of travel demand. One obvious effect of this is the rapid growth in traffic levels on the Edinburgh city bypass. Given the substantial increase in population and households anticipated over the next 10 to 15 years this trend can be expected to increase. It will be key for inclusive growth moving forward that we have a sustainable strategy for rail investment.

- 2.4** Rail services in the SEStran area were used by 43 million passengers in 2014/15, with a significant focus on gateways such as Waverley and Haymarket. This level of demand represents nearly a quarter of the total Scottish usage. Indeed, rail usage growth in the SEStran area since the end of the recession has been close to 6% per annum, higher than both Scottish and UK averages analysing Office of Rail Regulation (ORR) figures. There is also clearly a significant role for Rail Freight services. Albeit with a clear potential for reduction in volume, given amongst other factors, the ending of significant coal-fired power production within the SEStran area, but hopefully there is also an opportunity for greater inter-modal freight traffic.
- 2.5** Transport Scotland have been clear that this consultation is on the strategic pillars of an infrastructure strategy and not on specific projects (see Appendix 2). Therefore, this paper does not go into detail on specific priority projects for SEStran but Chief Officers were keen that a list was submitted as part of our consultation response. Instead it is proposed that we support the outlined vision and approach in our response. Whilst, highlighting that there continues to be key connectivity priorities around major Edinburgh gateways, Falkirk and Clackmannshire to both Edinburgh and Glasgow and also clear gaps in cross-regional connectivity with East Lothian and Midlothian, clear growth potential in West Lothian, as well as a need for continued analysis of further enhancement to Borders infrastructure and services, alongside increased investment in key Fife based infrastructure and service priorities.
- 2.6** One of the specific issues the Strategy consultation raises is the previous establishment of several broad-based funding streams e.g. Station Funds, a Freight Fund and the need for a discussion as to whether these should continue into the future. There has previously been clear support within SEStran for the continuation of these funds but also a recognition that whilst well-intentioned they may not be the best way in the future for delivering certain investments. It could also be seen as sensible given the scarcity of resource to consider a move towards a more flexible and responsive approach to planning scheme delivery which enables the delivery of a well-planned, realistically timetabled and robustly financed approach.
- 2.7** Within the SEStran area, rail is becoming an increasingly significant mode for local journeys, and is the best alternative to car use for longer distance commuter journeys. Between 2001 and 2011, the proportion of SEStran residents travelling to work by train increased by over 40%. Whilst, this may be due to as the Scotland Route Study suggests, that the regional geography prevents car-based commuting from achieving high market shares into many of the key employment areas, this shouldn't be a source of complacency in terms of continued objectives of a greater modal share for sustainable and collective modes of travel. It would seem integral to the Scottish climate change commitments that we continue with a strategic approach to rail infrastructure investment that facilitates outcomes that reduce further emissions from transport but also make our infrastructure resilience to the change in climate which is already unavoidable given previous cumulative emissions.

- 2.8** Members have pointed to the increasing need to continue with the electrification of the rail network within the SEStran area to deliver the ambitions of the Scottish Government's Draft Climate Change Plan (RPP3) and companion draft Scottish Energy Strategy, outlined in greater detail in Item 12 of this agenda. Indeed, SEStran has commented in our evidence to the Scottish Parliament's Committee scrutiny process of the RPP3, that the draft Strategy and RPP3 focus on reducing the emissions impact of individualised modes of transport must not implicitly or inadvertently be allowed to strategically promote greater use of individual motorised modes over collective or active modes and so potentially contribute to the further decline of rail modes of transport. Rail will have a critical role to play in the collective transport of goods and individuals over the next 30 years or so in order to meet the 2050 Climate Change Emissions targets. It is critical that the strategy for investment and pricing of rail to consumers reflects that and the wider national transport strategy or Climate Change Plan does not inadvertently impact on this mass form of transport by promotion of ultra low emission individualised modes of transport impacting albeit not environmentally but significantly in terms of the economic and social costs of congestion and accessibility for the wider economy.
- 2.9** Investment in Rail is also critical for the continued inclusive growth of not only South-East of Scotland but Scotland as a whole. Whether that is longer-term connectivity investment regarding High-Speed Rail or short/medium term investment in East Coast Main line connectivity for example. SEStran as part of the East Coast Mainline Authorities (ECMA) alliance view this line as not "just" a railway, but a key strategic economic artery for the UK. In Scotland it connects all of Scotland's 7 Cities with London and the intervening regional economies of the UK's East Coast. It is also critical that the complementary investment in High Speed 2 services to Yorkshire and the north is made by 2032, so that the East Coast route can be freed up to let the nation [and regions] benefit more easily economically e.g. expansion of commuter services and stations in the expanding Edinburgh City Region. ECMA research shows this investment will represent excellent value for money delivering up to well over £3 of economic benefit for every £1 spent. This ratio goes up to nearly £6 when through HS2 East services are added. However, with resources tight we need a discussion about how we best fund investment in the timescale of Strategic Transport Projects Review 2.
- 2.10** The consultation also seeks comment on how trade-offs between different types of investments will be prioritised, alternative sources of funding for an investment programme, proposes an approach to specifying performance outputs and how these are balanced with wider priorities. There are also specific questions on safety and in particular closure of level crossings, as well as how innovation can be supported in the future delivery of rail infrastructure. The report also asks about other sources of funding and it will be important that the Strategy moving forward is closely aligned with the Review of the Planning System, its proposals to put infrastructure first and associated Infrastructure Levy. The Scottish Government recognise that it will not address challenges surrounding securing collective contributions for strategic infrastructure. It is not proposed that the levy replaces national

investment or investment secured via Section 75 agreements but it may be important that it also relates to any specific delivery aspects of rail infrastructure and that other initiatives such as potential future discretionary taxation powers to Cities e.g. tourist taxes as part of City Deals, can be utilised and invested in the proposed strategic rail improvements with the current/future regulatory or legal frameworks.

**2.11** There has been comments that in future the results of any performance framework should be explicitly utilised in determining the types of investment prioritised to enable a direct correlation between complaints and investment. There is also the related issue of the new powers devolved to the Scottish Government concerning consumer protection and the proposal outlined in the Strategic Assessment of Markets in Scotland for a Consumer Scotland taskforce. It would be useful to consider how transport and specifically rail users consumer experience could be considered in setting new performance targets to enhance consumer experience and prevent consumer detriment. The Scottish Government’s recent statement in December 2016 on consumer protection highlighted the need to deliver better outcomes for consumers and business and to take action to better measure impact of outcomes.

**2.12** The need to design future infrastructure so that there is “headroom” expansion for success e.g. Alloa and Borders railways released latent demand is perhaps a key trade-off to consider in prioritising different types of investment albeit it could delay the delivery of schemes given resource will be used to deliver capacity in the absence of current demand. Also the need for an increasing planning of transport strategy alongside land-use development to ensure preventative action at the start is built into the system could be a key innovation moving forward in the management and delivery of rail infrastructure. A large proportion of the SEStran population live within a small distance of a rail station(s) it will be key that smart ticketing and active travel provides opportunities for interchange between modes moving forward. There is also potentially a need to consider as Scotland’s transitions to an Inclusive Growth pathway for economic development about how projects and services are analysed in terms of economic benefit return in order to capture the non-tangible and agglomeration impacts of an Inclusive Growth agenda on the investment in the Scottish and in particular SEStran rail network in the future.

**3. CONCLUSION / RECOMMENDATIONS**

**3.1** The Board are invited to provide comment on the consultation paper and mandated the Chair to sign off the consultation response by 3 March.

George Eckton  
**Partnership Director**  
 23<sup>rd</sup> February 2017

Policy Implications	Strategy has potential for significant impact on the delivery of rail aspirations for SEStran area.
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Financial Implications	None
Equalities Implications	Potential to increase rail access to areas where currently under-represented in terms of direct access and enable the delivery of socio-economic regeneration.
Climate Change Implications	The potential for further growth of travel to be accommodated on collective modes of transport and reduce latent demand for space on the regional road network.

**Appendix 1** – List of Consultation Questions

**Appendix 2** – List of SEStran Strategic Projects

1. Do you agree with our vision and approach? Will they help us to achieve the Scottish Government's purpose of increasing sustainable and inclusive economic growth?
2. How might we make trade-offs and prioritise between different types of investments, while ensuring that our actions are aligned with our vision?

Note that this question refers to the types of trade-offs that may be required (e.g. where improvements to journey times may impact on levels of connectivity, or vice versa) rather than actual names/locations of schemes promoted or supported by stakeholders.

3. Do you support the move to a more flexible 'pipeline' approach to scheme delivery, that does not force us to make early decisions on a detailed specification prior to the commencement of the five-year regulatory control period, without receipt of a robust business case?
4. What are your views on the retention or removal of individual ring-fenced funds?
5. What alternative sources of funding could be used to help deliver the rail investment programme?
6. Do you agree with our approach to emissions reductions and climate change adaptation? What else should be considered?
7. Do you agree with the proposed approach to specifying performance outputs?
8. How should performance be balanced against the wider priorities for reduced journey times and the full utilisation of existing and new capacity?
9. Do you have a view on our approach to safety? How can the closure of level crossings be better supported?
10. Do you support our approach to innovation and new technologies?
11. Do you have any other views on how innovation could be better supported through the HLOS process and Network Rail's broader management of the rail infrastructure?

## 11. Appendix 2

- Further capacity enhancements in the Edinburgh suburban networks including as a priority the maintenance and development of 'Cross Rail' services across Edinburgh. This is considered this to be an essential component of tackling increasing demand for travel around the outer orbital corridor of the city.
- Re-opening of the Levenmouth railway line to passenger and freight services (feasibility work has already been undertaken) and the extension of the Borders line from Tweedbank to Carlisle.
- Improved local rail services throughout the area with the provision of new stations at locations including Winchburgh, Bonnybridge, Cambus, Grangemouth, East Linton, Reston, Newburgh and/or Oudenaarde. Some of these will be dependent on demand and funding from new development.
- Alloa – West Fife – Dunfermline services along the route to Longannet power station site.
- 4-tracking between Prestonpans and Wallyford and/or potentially between Prestonpans and Longniddry to form a dynamic loop for freight trains. This would have a significant advantage of enabling an additional (potential) station at Blindwells should the East Lothian Development Plan support a major development in this area.
- Winchburgh Junction and Almond Chaord – taking account of the new developer funded Winchburgh station.
- Grade separation of Upper Greenhill Junction and should incorporate in the design the possibility of a Bonnybridge station.
- Dunfermline Bypass – any scheme should incorporate without the design scope the potential development of a rail-halt at Halbeath P&R.