# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE**  | **New Delivery Model - the future of rail in Wales and the Borders** |
| **DATE**  | **8 February 2021** |
| **BY** | **Ken Skates MS, Minister for Economy Transport & North Wales** |

I am writing to update Members on the future of rail in Wales and the Borders.

Members will recall that I wrote on 22nd October 2020 specifically on the future delivery model Transport for Wales will be implementing which will allow us to adapt our plans to a post-Covid era.

I am pleased to report that following a detailed and thorough transition process, Transport for Wales working in close partnership with Keolis Amey, as of 7 February, TfW is now operating the Wales and Borders rail service under our subsidiary, Transport for Wales Rail LTD.

Rail passenger numbers have reduced significantly due to Covid-19, but our services still remain critically important for people across Wales and the borders. Despite the broader challenges presented by Covid-19, and the complexity of the transfer process, I’m pleased that we have continued to deliver services throughout the transition with no detrimental impact to passengers.

The delivery of key commitments, such as the creation of the Metro, the delivery of brand-new rolling stock for the Wales and Borders rail network and other improvements remain a priority for Welsh Government, and its delivery arm Transport for Wales . This is in spite of the challenges we are currently facing as a result of the coronavirus pandemic. Transport for Wales continue to work closely with all partners and their supply chain to ensure they deliver our plans and services with safety as the top priority.

From 7 February, the partnership between Transport for Wales, Keolis and Amey will now be made up of three key components:

* The delivery of day to day rail services is now the responsibility of a new publicly-owned subsidiary of Transport for Wales (Transport for Wales Rail LTD), allowing government to have an even greater role in the delivery of rail services in Wales and the borders, reflective of the new commercial realities of the post Covid-19 environment. With huge uncertainty over passenger revenue, this provides us with the most stable financial base to manage rail services as we emerge from the pandemic.
* Infrastructure management and transformation of the Welsh Government-owned Core Valley Lines will continue to be delivered under the current contract with AMEY Keolis LTD. This will provide stability for the programme to ensure effective delivery of the South Wales Metro transformation work which is already underway.
* A new partnership with Keolis and Amey, led by Transport for Wales, has been developed, which will allow the people of Wales to continue to draw on the international experience and expertise of these partners to help TfW to deliver important commitments such as integrated ticketing, on demand transport systems, cross modal design and delivery, in addition to the ongoing integration of light and heavy rail.  The partnership is in the form of a majority TfW owned joint venture, which will be known as ‘Transport for Wales Innovation Services’.

Members are all too aware that we are still in difficult times and we can’t afford to be complacent as we navigate our way out of the pandemic. However, our ambition to continue to deliver a high-quality public transport system and our commitment to delivering this Government’s ambitious vision remains. Seeing the impact on people and communities across Wales and its borders has heightened our awareness of the importance of the services TfW deliver, and the wider climate change and social justice priorities are as important as ever. Whatever the future looks like, good quality, integrated sustainable transport is a critical part of how we build back better.

I am sure members will share our desire to see this new model flourish and continue to deliver on our ambitious plans for the future.