EDINBURGH AIRPORT RAIL LINK BILL COMMITTEE

Tuesday 19 December 2006

Session 2

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EDINBURGH AIRPORT RAIL LINK BILL COMMITTEE
9th Meeting 2006, Session 2

CONVENER

*Scott Barrie (Dunfermline West) (Lab)

DEPUTY CONVENER

Mr Jamie McGrigor (Highlands and Islands) (Con)

COMMITTEE MEMBERS

*Mr Charlie Gordon (Glasgow Cathcart) (Lab)
*Christine Grahame (South of Scotland) (SNP)
Iain Smith (North East Fife) (LD)

*attended

CLERK TO THE COMMITTEE

Jane Sutherland

THE FOLLOWING GAVE EVIDENCE:

Geoff Cook (Network Rail)
Barry Cross (TIE Ltd)
Ron McAulay (Network Rail)
Kevin Murray (TIE Ltd)
Ian Mylroi (Transport Scotland)
Bill Reeve (Transport Scotland)
Tavish Scott (Minister for Transport)
Alan Somerville (TIE Ltd)

LOCATION

Committee Room 6

Scottish Parliament

Edinburgh Airport Rail Link Bill Committee

Tuesday 19 December 2006

[THE CONVENER *opened the meeting at 14:04*]

Decisions on Taking Business in Private

The Convener (Scott Barrie): I welcome everyone to the ninth meeting of the Edinburgh Airport Rail Link Bill Committee. I ask everyone to ensure that they have switched off all portable electronic equipment. Apologies have been received from Iain Smith, who is convening the Education Committee this afternoon, and from Jamie McGrigor. There are five items of business on the committee's agenda. Item 1 is to seek members' agreement to consider items in private at this meeting and at future meetings. The items are the assessor's report on outstanding objections; the committee's approach to its phase 1 consideration report; and the committee's draft appropriate assessment report.

The assessor's report will be annexed to the committee's consideration stage report and the committee's appropriate assessment report will be published in due course. However, at this stage, neither of the draft reports may reflect the final views of the committee. It is my view that, in considering the committee's approach to a draft report, although discussion will be helpful to us in identifying the areas to include in our final report, our initial discussions may not reflect the final views of the committee. I therefore seek members' agreement to take those items in private today and at future meetings. Is that agreed?

Members *indicated agreement.*

The Convener: Item 2 is to ask members' agreement to consider our draft consideration stage report and our draft European protected species report in private at future meetings. Although the reports will be published in the future, the draft reports may not reflect the final views of the committee. For that reason, it is the convention that committees hold discussions on draft reports in private. Is that agreed?

Members *indicated agreement.*

Edinburgh Airport Rail Link Bill: Consideration Stage

14:05

The Convener: We move to item 3. Members will recall that, in its preliminary stage report, the committee agreed to seek further evidence on certain areas during phase 1 of the consideration stage. That evidence addressed issues such as the funding for the EARL project as well as the viability and reliability of its operating timetable.

Committee paper 1 provides much more detail on the areas where evidence was outstanding from our preliminary stage report. The annexes to the paper contain the written evidence that was received. I ask members to note the written evidence and consider each annex as the basis of any questions for the relevant panel of witnesses. We will take evidence from Network Rail, Transport Scotland, the Minister for Transport and the promoter. In addition, written evidence has been received from the Minister for Tourism, Culture and Sport and from Edinburgh Airport Ltd, which I invite members to consider as written evidence.

The committee has a number of questions for the witnesses. I ask that all responses to questions be brief and focused, as that will allow good progress to be made while ensuring that all areas of interest to the committee are explored. I strongly encourage only the most appropriate witness to respond to the question that is being asked.

Our first panel is from Network Rail. I welcome Ron McAulay, who is director, Scotland; Susan Anderson, who is route enhancement manager; and Geoff Cook, who is senior commercial schemes sponsor. I will kick off the questioning. Can Network Rail confirm that eight services an hour in each direction will be capable of operating via the new EARL infrastructure?

Ron McAulay (Network Rail): The simple answer is yes.

The Convener: That was nice and concise. If we can continue like that, that will be great. Can you please provide examples of the services that may call at the airport one or two times a day?

Geoff Cook (Network Rail): It has been stated several times that 62 stations on the network will be connected to Edinburgh airport station. On the basis that the services that will go via the new EARL infrastructure are the existing services diverted over the new route, a small number of what we know as the Tayside local stations—Broughty Ferry, Balmossie, Monifieth, Barry Links and Golf Street—are included in those 62 stations.

Currently, they receive only one train service a day in each direction. Those are the only five stations that are in the one-service-a-day category; others, such as Lenzie and Gleneagles, will have two or three services a day. At the other end of the spectrum, Edinburgh Waverley and Haymarket stations will have eight services an hour.

The Convener: I mean no disrespect to those small stations or the people who use them, but they are not major destinations like Inverness, Aberdeen and Dundee.

Geoff Cook: No. Absolutely not. They are small locations.

The Convener: Okay. That is useful.

In paragraph 4.4 of your written submission, you comment on the scale of performance disbenefit. Can you expand on that?

Ron McAulay: By modelling the services that EARL would provide on to the existing timetable, we see what I would describe as a comparable performance. The table under paragraph 6.3 of our written submission shows the difference in relatively small percentage changes in what we call the public performance measure. You can see that there are some disbenefits there. We are saying that, basically, the counter to any disbenefit is the fact that there is greater connectivity into the airport. Am I answering your question or were you looking for more than that?

The Convener: No, that was useful. I am sorry that I did not connect the issue to the paragraph that you have indicated. Having read it, I see that it makes some sense.

Christine Grahame (South of Scotland) (SNP): Are the trains that you have used for the modelling for the timetabling tried and tested and in use in the network just now?

Ron McAulay: The trains that are included in the class 2 services—which are the more local services—are tried and tested. However, the ones that are included in the class 1 services are the new rolling stock that would be required to make the timetable work.

The Convener: In your submission, you refer to adverse impacts of the additional flat junctions that are introduced by the EARL scheme. What are those impacts and why do they affect all services?

Ron McAulay: Any junction introduces the potential for conflict between trains. Provided that everything runs to the timetable and the margins are correct at those junctions, everything should run all right. If we run into any perturbation and trains end up running late, there is greater potential for disruption.

The Convener: Can that be mitigated to any extent by increased signalling?

Ron McAulay: There are many ways of mitigating it. We do that day in, day out when operating the railway. We allow greater margins in the timetable, reduce headways on signals so that there is greater flexibility in the timetable and so on.

The Convener: Am I right in thinking that, every time an additional stop is introduced in a line, there will be a consequential delay in the running of the trains, or can that be mitigated?

Ron McAulay: If we introduce another stop, we work more time into the timetable. We have to allow for that in the timetable. When we draw up a timetable, we take into account the stops, the characteristics of the rolling stock, the line speeds that are available and the infrastructure and we draw up a timetable that will work effectively.

The Convener: Are there any adverse impacts of EARL and other rail projects that should be taken account of in the Network Rail high-level output specification performance targets? If there are, will that involve setting lesser targets?

Ron McAulay: In our paper, we say that the timetable that is in existence at the moment is relatively old and has been added to over many years. The number of services that are running on the timetable is significantly more than it was when the timetable was first drawn up. We need to revisit the timetable and refresh it or recast it in order to make it more suitable for the level of service that is running on it at the moment. However, that is not an unusual thing. It is simply something that should be done on a more regular basis than it has been.

The Convener: Would you expect there to be any major departure from the timings for trains?

Ron McAulay: It is difficult to say. In our paper, we point out the process that we are going through with the RailSys performance model. We have done tasks 1 and 2, which were about setting the baseline and having the infrastructure in the model that would allow us to run various timetables and so on to check that it was correct. We then added in the projects that are listed in the paper—the Stirling-Alloa-Kincardine line, the Airdrie to Bathgate line, the Borders line and EARL—which are the ones that affect this part of the network.

The next two stages are about evolving the optimum timetable for the network. We are some distance away from completing all that work, but we have been working on it with Transport Scotland for quite some time. Rather than being specifically about EARL, it is about getting the benefit out of good timetabling across the network.

14:15

Christine Grahame: I return to the issue of the new rolling stock, which you said was for class 1 journeys. What would those be?

Ron McAulay: Class 1 journeys are the longer-distance ones. I would include journeys such as Edinburgh to Glasgow and Aberdeen to Edinburgh in that description.

Christine Grahame: But we do not have the rolling stock and we have not seen any of this working in practice.

Ron McAulay: That is correct.

Christine Grahame: It is simply a model. How confident are you that your projections for timetabling are accurate, even if we get the rolling stock on time?

Ron McAulay: There are class 22x—or class 220—trains that have the kind of acceleration and braking characteristics that we are talking about. Transport Scotland is considering those issues as part of its rolling stock strategy. Its officials are better able to answer questions on rolling stock than I am.

Christine Grahame: I will come back to that.

Mr Charlie Gordon (Glasgow Cathcart) (Lab): I refer you to paragraph 5.3. Will you clarify the scale of what you refer to as the

"significant deterioration in network performance"?

Ron McAulay: We are talking about the existing timetable. The model has been a bigger task than we anticipated. The paragraph does not refer to the scale of that task, but I wanted to highlight that.

In developing the model, we imposed on the existing timetable the timetables of all the different major projects, which are listed in the paper. If all of that is put on to the existing timetable, the result is a deterioration in overall performance. We go on to say that we need to continue the RailSys project that is under way and rewrite the timetable to ensure that we take on board all the major projects and get the best solution in the end.

Mr Gordon: In paragraph 5.3, you seem to go further than that. You say that the deterioration

"would result from an incremental approach to the implementation of these major projects."

You seem to be saying, "Let's stop deciding on major rail projects one at a time. Let's look at them all in the round and go for some kind of big bang."

Ron McAulay: It is important that we do not look at one project in isolation. That is the purpose of the RailSys project that we have been working on with Transport Scotland.

I am sorry, convener, but the sun is in my eyes. You may have been thinking that I was getting too close to Geoff Cook. I am leaning over towards him to keep out of the sun.

Instead of looking at one project in isolation, we are taking a longer-term view of the timetable and of the ways of making improvements to performance across the network in Scotland. We feel that we should look at the bigger picture to take account of all those projects and improvements.

Mr Gordon: So you are suggesting that the incremental approach of politicians is problematic. Equally, I could argue that you have not perfected the RailSys model. In other words, your operational modelling response is not keeping pace with the decision-making process.

Ron McAulay: The RailSys project is taking longer than I would have hoped—I give you that. However, it is not at a stage that causes us concern. If we take EARL in isolation, we reckon that it will work and that it will not create major problems or disruption in the timetable. In the paper, we are saying that if we add in all the projects, we will need to look again at the timetable. We will need to do that if we are to ensure that we get the best timetable at the end of the process. That is why we will develop the RailSys model right through to the end of the project.

Mr Gordon: The EARL RailSys simulation exercise compared the impact of EARL on the current rail timetable. How comparable are the conclusions that were drawn from that exercise to the situation in future under a new operating timetable?

Ron McAulay: It is difficult for me to say what a future run of the model with a completely different timetable will say. By looking at the timetable and sorting out issues that have built up over the years, I expect to see improvements in overall performance.

Mr Gordon: How confident are you that the new rolling stock can meet the enhanced acceleration performance criteria that Transport Scotland and the promoter have specified? Christine Grahame alluded to that earlier and you refer to it in paragraph 6.5 of your paper.

Ron McAulay: If my memory serves me right—I suggest that the committee might want to confirm this with Transport Scotland—some trains already have the specified acceleration and braking characteristics, but we might not have the right bodies to suit the mechanics of the train. I do not claim to be an expert on rolling stock. The rolling stock strategy is being taken forward by Transport Scotland.

Mr Gordon: What are the barriers to the procurement of rolling stock that meets the criteria?

Ron McAulay: Again, that is a question for Transport Scotland. It has done much more research into rolling stock than I have done. If I were to answer that, I would be talking without full knowledge.

Mr Gordon: I presume that if there is any trade-off in the procurement of rolling stock, you do not want it to be with acceleration capability?

Ron McAulay: If it is not possible to get trains with the specified acceleration and braking characteristics, we would have to rerun the model, but my strong impression is that it will not be a problem to get trains with those characteristics.

Mr Gordon: At paragraph 8.2.2 of your additional written evidence you refer to an out-of-hours shuttle service between the airport and Edinburgh. How feasible is it to operate such a service without impacting on maintenance activities?

Ron McAulay: One benefit of the scheme is that it will give us greater flexibility to shift trains from the north lines that run into Haymarket and Waverley to the south lines and vice versa. I qualify my statement because we have not tried to plan everything, but the scheme should give us enough flexibility to run a shuttle service early in the morning if that can be accommodated around the need for maintenance.

Mr Gordon: Will you summarise the separate infrastructure enhancements that you mention in paragraph 6.6? Has funding been secured to deliver all of those?

Ron McAulay: In paragraph 6.6, we refer to schemes that are funded from the Network Rail discretionary fund scheme. Network Rail holds—on behalf of the industry—a budget for infrastructure improvements that will result in performance improvements for the industry as a whole. Examples include a reduction in headways on the Forth rail bridge—the closing up of some of the signalling will allow more flexibility in the timetable—and work to convert Newbridge junction from a single-headed junction to a double-headed junction.

We have some £20 million to spend in Scotland in the next three or four years. Some of the work has been approved, but some of it is still in the design and development stage. I do not have the figures with me.

Geoff Cook: We have authorised the implementation of £3 million-worth of work within the £20 million programme. We are only a year into the programme and there is a lead time for the

development of schemes. The rate will accelerate towards the end of the control period.

Mr Gordon: It is handy to know about that programme, for future reference.

Ron McAulay: In case you think that the fund is an open pot of money, I point out that the industry as a whole has to agree that the schemes will result in improved performance and the fund is closely monitored by the Office of Rail Regulation.

Christine Grahame: I am trying to get my head around the complexities of the timetabling. It is ridiculous for a mere politician to try to do that, but I am trying to understand. Are you saying that the existing journey times for local services will not be deleteriously affected by EARL?

Ron McAulay: The appendix to our paper contains a table that shows the impact on journey times.

Christine Grahame: Yes. It appears that some journey times will be adversely affected.

Ron McAulay: Yes. The previous table to which I referred you shows overall performance against a timetable. What I said is that the overall performance is comparable with today's performance.

Christine Grahame: But the table in the appendix shows that some journey times will increase by three minutes or five minutes.

Ron McAulay: That is correct.

Christine Grahame: Given the knock-on effect, will there not be a significant impact on the network if quite a lot of journey times are increased?

Ron McAulay: It depends on how you define "significant". The extra journey time from Edinburgh to Inverkeithing, at 5.5 minutes, is probably the worst one. The extra journey time from Dunblane to Edinburgh is 1.5 minutes, and for Edinburgh to Dunblane it is five minutes. Those differences would all have to form part of the overall timetable, so they would be built in. I am trying to look at the length of journeys—is it a matter of 27 minutes added on? Anyway, there will be an increase in journey times; I do not doubt that.

Christine Grahame: How is that going to impact on the patronage of EARL? If people know that it will take them longer to travel and that there will be a knock-on effect on other trains, will that not affect patronage? A passenger's main concern will be to get to their destination in comfort and more quickly than they could before.

Ron McAulay: There is no question about the importance of the journey time. However, reliability is also important. Knowing when they will arrive is extremely important to passengers.

I am not going to say that I have done the analysis to tell me whether the increase in journey times will have a significantly detrimental effect on the number of people who are likely to use the service. The train operating company would probably analyse the patronage numbers. My recollection is that the analysis that was done by the consultant in considering the scheme suggested that the proposal that has been put forward—the runway option—offered the best overall business cost ratio, taking into account the overall number of people who would continue to use the service. Is that not the case?

Christine Grahame: You know that I have my doubts about the project and that I approach it with a sceptical but, I hope, just attitude. There still appear to be quite a lot of ifs and buts to do with the network.

A lot of other individual projects are being factored in. As Charlie Gordon has said, an incremental approach is being taken rather than a big-bang approach. Given the fact that all those other projects are still to happen—let alone the ones that we are talking about now and the ones that involve rolling stock—how confident are you that the service will operate as frequently and reliably as is stated by the promoter?

Ron McAulay: On the basis of the modelling that has been done to date, if the EARL project came along on its own we would have a high degree of confidence. Timetables are not set down in tablets of stone; they are reviewed, added to or deducted from every year. We have a timetable change in December each year—that is an industry-wide process. Recasting a timetable in the way that we are discussing is a major operation and would take a lot of time and effort on the part of lots of players in the industry to ensure that we get it right. However, we should not shy away from that; in fact, we should positively encourage it, to ensure that we get the best performance out of the network that we have.

Christine Grahame: You have not answered my question.

Ron McAulay: Remind me—

Christine Grahame: I asked how confident you were that the service would operate as frequently and reliably as is stated by the promoter.

Ron McAulay: Taking the EARL project on its own, I have a high degree of confidence.

Christine Grahame: Why do you say—

Ron McAulay: If you are asking me to compare that with a situation in which all the various projects are put on top of the existing timetable—

Christine Grahame: That is what I am asking.

Ron McAulay: We stated in our written submission that we think that that will have an adverse impact and that we will need to recast the timetable.

Christine Grahame: The EARL project is not sitting on its own; it is sitting with all those other projects. That is the real world.

Ron McAulay: That is correct, yes. That is assuming that all the other projects receive royal assent, secure funding and go ahead.

Christine Grahame: Paragraph 7.3 of your written submission refers to

"imbalance in traffic levels between the North Lines … and the … South Lines"

to the west of Edinburgh. You state:

"EARL creates an opportunity to relieve this problem".

How will EARL benefit the system? Can you be more precise about what the benefits will be, especially in relation to journey times and reliability?

Ron McAulay: At the moment, we have two double-track sections coming into Haymarket and Waverley. There are the lines that come in from Fife, and there is the Edinburgh to Glasgow line. The junctions at the airport will provide us with the opportunity to shift some traffic around on the north and south lines, so that we can balance them out. We see that as a potential way of sorting out the anomaly whereby, at the moment—if I get this wrong, Geoff Cook will keep me right—the south lines are more heavily used than the north lines. If we can balance out some of the loading, that should help with overall performance.

Christine Grahame: In paragraph 7.5 of your submission, you go on to say:

"However, this could have the disadvantage of reducing the number of planned trains between Edinburgh Park and the Airport".

You suggest a benefit, but then a disbenefit.

14:30

Ron McAulay: Edinburgh Park station is on what I would describe as the south line. At the moment, Edinburgh Park gets a half-hourly service on the Bathgate route.

Geoff Cook: Edinburgh Park has four trains an hour—two on the Dunblane service and two on the Bathgate service. When the Airdrie to Bathgate project is implemented, the plan is for the two trains an hour going through Bathgate to go up to four trains an hour.

Ron McAulay: What we are getting at is the number of trains that will stop at the airport and Edinburgh Park. If we go via the airport and use the junctions to rebalance the lines, some trains could be taken away from Edinburgh Park.

Christine Grahame: I have understood that. Thank you.

The Convener: I want to get this right. You are saying that some of the trains that currently come from the west—that is how I would describe them, rather than talking about "the south lines"—that is, services from Stirling or Glasgow, which you would expect to come through Edinburgh Park, would instead approach Edinburgh as if they were a Fife or Dundee train. Is that right?

Ron McAulay: Yes.

The Convener: Okay. Sorry, Christine.

Christine Grahame: No, that is fine. I will move on.

Ron McAulay: I would like to point out something else first, if I may. As a counter to what I just said, I understand that the tram will stop at Edinburgh Park and link with the airport. It is about balancing out the options or getting a compromise. If we are seeking to get the best performance out of the railway, that might mean that Edinburgh Park does not have so many trains going to the airport stopping there.

Christine Grahame: Will the services that will access the airport be able to accommodate the predicted number of additional passengers? What will be required to make that possible?

Ron McAulay: Our forecasting of demand for the service shows that we will have to start considering capacity issues in the central belt.

Sorry—I thought that you were about to ask another question.

Christine Grahame: No, I am just leaning forward to listen. I am concentrating hard—I will have a headache by the end of the afternoon.

Ron McAulay: Okay. Where was I?

Christine Grahame: Capacity issues.

Ron McAulay: Yes. Demand for the services is forecast to grow over the years. We have published a route utilisation strategy, and our forecasts suggest that capacity will be an issue not just with EARL but across the central belt. We will have to consider, for instance, how trains are laid out to provide as much capacity as possible for passengers. We will have to consider whether we can lengthen trains or increase services. We have already included some suggestions within our RUS to try to relieve some of the capacity issues.

Christine Grahame: So you are talking about more carriages and, presumably, longer platforms.

Ron McAulay: That will depend. At the moment, the RUS contains some suggested changes to increase platform length at stations such as Bishopbriggs, which will help to take some of the

load of some of the services coming out of Glasgow Queen Street away from the Glasgow to Edinburgh services. We will be able to take six-car sets out to Bishopbriggs. Some proposals have been made. Within the next 10 to 15 years, we will have to consider other issues as we address capacity matters.

Christine Grahame: How would that be done at Queen Street?

Ron McAulay: Queen Street will be a difficult station to address—there is no question about that. We have some thoughts on how we might increase the number of six-car platforms, which would help to increase capacity, but if we wish to go beyond six-car platforms, we have a problem.

Christine Grahame: A big problem.

Ron McAulay: A technically difficult one, yes.

Christine Grahame: A tunnel.

Ron McAulay: It is a difficult one, yes.

Christine Grahame: Let us make some assumptions. You have completed your modelling. The enhancements are delivered. Somehow, we overcome the problem of Queen Street station and its tunnel—I throw that in lightly, or perhaps not so lightly. Will EARL deliver economic benefit to Scotland?

Ron McAulay: That is not really a question for us to answer.

Christine Grahame: No, I do not think that it is.

Ron McAulay: I do not think that it is either.

Christine Grahame: I just thought that I would say it.

The Convener: You were chancing your arm, Christine.

I think that that completes our questions for you. Thank you very much for coming. There will now be a slight hiatus while we change witnesses.

I welcome our second panel, who are from Transport Scotland. We are joined by Bill Reeve, head of rail delivery, and Ian Mylroi, head of rail projects—whose name we have got right this time.

What types of changes, if any, will Transport Scotland seek to make to Network Rail's high-level output specification as a result of the EARL operation? How will that impact on Network Rail funding?

Bill Reeve (Transport Scotland): Because we envisage the railway being constructed and delivered during the next control period for Network Rail, we would expect the high-level output specification to include the project, so that Network Rail knows that it is coming and can resource up appropriately to assist with its

delivery. We would need to signal the expectation that the service pattern will change substantially when the railway is constructed, which is consistent with what Ron McAulay told you about the need to develop new timetables for Scotland, and we expect the funding to be part of the statement of funds available, which will accompany the high-level output specification.

The Convener: You heard our questions to the Network Rail witnesses. We were all concerned about operational delays as a result of the EARL project and the other projects that are in the pipeline. What is your role in ensuring that delays are kept to a minimum, or that there are none at all?

Bill Reeve: We see EARL as part of the development of the Scottish railway network, and we think of how to develop service patterns, having regard to performance, in the context of Scotland's railways and the national transport strategy. We see EARL as part of the solution that helps us to address successfully the growing demand on the current network, so we look at EARL as a substantial addition to the capability of the Scottish railway network. It gives us a four-track main line between Edinburgh and Winchburgh, and indeed to Dalmeny, and we see that as something that increases the capability and flexibility of the network. We are looking for an improvement in the outputs of the network and, as Network Rail has suggested, we believe that the way to realise that is through the development of a timetable that optimises the outputs of that enhanced infrastructure.

The Convener: When we were preparing our previous report, we were most exercised by the issue of fares. What weight will be given to improving social inclusion in setting the fares on the EARL line?

Bill Reeve: We set EARL in the context of a national fares policy for the railways in Scotland, rather than in isolation. You will know from the evidence that we have submitted that we are working on the development of a fares policy for railways in Scotland. Again, I refer you to the national transport strategy, which includes social inclusion as one of its principal objectives. The fares policy will be consistent with the national transport strategy.

The Convener: I hear what you are saying, but my reason for asking that specific question was that you did not mention social inclusion in what you said about fares policy in the submission that we have before us today, so I wonder what weight would be given to that. Are you saying that it is included in your national strategy, so that it did not need to be mentioned in today's submission?

Bill Reeve: Absolutely. It would be astounding if it was not included, as the fares policy is one of

the means of implementing the national transport strategy on Scotland's railways. Issues such as connectivity, journey time and social inclusion are included in those priorities. There must clearly be a balance, but it is an important factor in our consideration.

The Convener: In paragraph 7 of Transport Scotland's written evidence, what are the enhancements that are being considered that will enable improvements to be delivered on all services?

Ian Mylroi (Transport Scotland): Sorry, is the question specifically about rolling stock?

The Convener: My question is on rolling stock and journey times, both of which are mentioned in paragraph 7 of the submission.

Ian Mylroi: As the committee heard from Ron McAulay earlier, rolling stock with the specified performance is already used on other parts of the network. Ron McAulay was absolutely right in that respect. We have carried out performance modelling on three potential trains, two of which are currently in service and one of which is not yet available. The two that are currently in service are the Virgin Voyager, which has transformed cross-country routes across Britain, and the trans-Pennine express train, which was built by Siemens and has started successfully to come into service on the Leeds-Manchester-Liverpool axis. There are, therefore, some existing trains that have the performance that we are looking for.

We will achieve better journey times from such trains purely and simply because their greater acceleration capability means that they can get away from stations and speed restrictions more quickly. We will be able to improve journey times both through the new EARL infrastructure and through the benefits that will accrue at every station at which the trains stop, all the way up to Aberdeen, or wherever the destination might be. Having more powerful trains that can accelerate more quickly will save journey times.

The Convener: Charlie Gordon will return to the rolling stock issue in a few minutes. Would any other enhancements enable such improvements to happen, or is it simply a case of having improved rolling stock?

Ian Mylroi: "Scotland's Railways" includes a number of paragraphs on how we want to improve journey times to many places, including Aberdeen. Transport Scotland has already done some work on planning changes to the timetable to allow us to improve journey times on the Aberdeen line, before EARL comes along. We have considered proposals for the December 2008 timetable—so some things are already happening. The proposals for the Aberdeen line involve a different stopping pattern. If the calls at stations can be

made by other services, we can provide a faster journey time to Aberdeen and a no-worse journey opportunity to everywhere else on the line. Journey time improvements are not purely about rolling stock performance, but that is certainly a contributory factor in the longer term.

The Convener: Does a different stopping pattern mean that fewer services will stop at stations between Edinburgh and Aberdeen?

Ian Mylroi: No, it means that the Aberdeen train will not stop at all intermediate stations; other services will provide the same level of frequency at those stations. Our proposal involves putting additional services into the network.

Mr Gordon: I want to continue on the issue of rolling stock—

Ian Mylroi: You surprise me.

Mr Gordon: Paragraph 11 of the Transport Scotland submission outlines a number of deadlines for the rolling stock programme. Given that deadlines provided to the committee during preliminary stage have, with the best will in the world, already slipped, what margin of slippage has been allowed for in the deadlines for rolling stock timescales that are given in paragraph 11?

Ian Mylroi: The table in paragraph 11 assumes that we will order nothing until September 2008, which is still a long way away. My personal hope is that we will do rather better than ordering rolling stock in September 2008. The way to de-risk the programme is to work very hard now—as we are doing—to bring forward the order date to ensure that we have all the trains in place. I am quite convinced that the timetable is deliverable. We have had lengthy debates with five or six key players in the rolling stock manufacturing industry and they are happy that the timescale is achievable in light of what we want them to do and what they believe is happening in other parts of the network. I am quite happy that, if we do not order a train until September 2008, we will get them in time to deliver what we need. I am equally convinced that we should work hard to bring forward the beginning of the plan. That is exactly what we are doing.

Mr Gordon: September 2008 seems to be the one date that does not appear in the table at paragraph 11.

Ian Mylroi: September 2008 is the date that is given for "Vehicle Design Period" at the top of the table.

Mr Gordon: So the vehicle design period is the ordering period?

Ian Mylroi: Yes.

Mr Gordon: The industry will design trains not on spec but in reaction to an order from Transport Scotland. The trains that you want are not available on the market at the moment. Will the big order that you place create a market to some extent?

14:45

Ian Mylroi: The perfect train that we would like does not exist today. That is not unusual. The components that will be used to make the train we want certainly exist, and the technical equipment is all out there and working. The body shell and interior layout that we want do not exist at the moment, but they are relatively easy to engineer. I am quite confident that the train can be made up from components that are available in the market today. The design period is just about getting the right components in the right place and integrating them properly. There are no difficult issues.

Mr Gordon: So there is not the same level of risk as if you were getting someone to design a brand new product and you were the first guinea pig?

Ian Mylroi: I would not want to be the first guinea pig for a brand new train. As you are well aware, we have been there and done that in Scotland with the class 334, which in its early days was perhaps not the most successful train.

I want to build on the experience that we all have from previous rolling stock projects and buy trains that are evolutionary rather than revolutionary: the next step in the design process. The Virgin Voyager train is working well and has the performance we need, but it does not have enough seats. The class 185, which is used on the trans-Pennine express, is much closer to what we want in Scotland, so it would be a very good base from which to start. Those are two products in the United Kingdom that are very close to what we want. Others that are similar to what we need are being developed for other parts of Europe. I am quite confident that the market can deliver what we want within the timescale in which we need it.

Christine Grahame: If Charlie Gordon has finished asking about the trains, I have a question.

Mr Gordon: I am sticking with the trains, but I am happy to let you in in a minute.

Christine Grahame: I will come in after you have finished asking about the trains.

Mr Gordon: As the RailSys modelling has been slightly delayed thus far, how does Transport Scotland intend to avoid delays in rolling stock procurement arising from delays in completing the modelling?

Ian Mylroi: You are right to say that the model has been a little delayed, probably because the process of building it has taken longer than people

anticipated. However, much progress has been made. As has been outlined, the model is being used, so we are through the difficult part of the process of building and validating it. We are now using it and it is telling us what we need to know about the performance of the railway. The key aspect of the rolling stock that the model needs to know is how fast it goes and how it brakes. We have that information, because we have the rolling stock performance assumptions that we used in the EARL business case. I do not think that there is a connection between a delay in building the model and a delay in ordering the rolling stock.

Christine Grahame: How many trains will we need?

Ian Mylroi: That is a good question, and quite a difficult one. If the EARL infrastructure appeared magically tomorrow, we would need far fewer trains than we would if we added on the organic and general growth of passenger numbers on the railway. As you will know, passenger numbers on Scotland's railways have grown by about 25 per cent in the past couple of years. We expect the number of passengers to continue to rise over the coming years.

The quantity of rolling stock that we need to buy for EARL is determined by where we are now, the growth in passenger numbers that will occur on the railway network in the next few years, the growth that EARL will bring along and the growth that will come beyond the opening of EARL. Quite a bit of work is being done to determine passenger numbers. In our rolling stock procurement targets, we would go for a core number with options to buy more trains as precisely how many we need becomes clearer.

Christine Grahame: Share some of your ideas about the core number.

Ian Mylroi: Most of the services that we are talking about for EARL are existing trains that are being diverted, so the core number will be a little bit bigger than the current fleet but not massively bigger. The core number will be of the order of—

Christine Grahame: I am waiting for a number.

Ian Mylroi: It will be of the order of 40 three-car trains for the express network and 11 or 12 three-car trains for the Edinburgh to Glasgow network, plus the additional number of trains that is necessary for growth purposes.

Christine Grahame: We have some figures now.

Ian Mylroi: It will be of the order of 40-odd three-car trains.

Christine Grahame: Is additional funding needed for that?

Ian Mylroi: Indeed.

Christine Grahame: How much?

Ian Mylroi: The EARL business case makes assumptions about the additional cost of operating the new rolling stock and those numbers are in it.

Christine Grahame: Will you remind me how much purchasing or leasing the trains—you will lease them; I remember that, but I am not a train boy—will cost per annum?

Ian Mylroi: I do not have that number in front of me at the moment. I am sorry. The numbers are in the business case.

Christine Grahame: The figures are in the business case, but is the funding for the rolling stock already in the total amount for the EARL project?

Ian Mylroi: The assumed change in the cost of operating the railway once EARL is in place is included in the business case for the project. The rolling stock is not a capital purchase item, as you rightly said.

Bill Reeve: I will add one more germane fact that might help to put the issue in perspective. If we are acquiring new, more powerful, trains to displace some of the current trains, we will save the cost of the lease of the existing trains when they are handed back at the end of their existing lease. It is about a difference in the price of the rolling stock.

Christine Grahame: Has that been described?

Bill Reeve: Yes, it has been described in the business case. When you consider the additional, incremental cost of the more powerful trains, please have regard to the fact that we expect extra revenue because more passengers will be carried. There is a balance.

Christine Grahame: I wondered about the numbers because I am the punter asking questions on behalf of the public. You said that design starts in 2008—I hear what you said about the bits and pieces being in existence—and, three years later, the service will commence. Can all the trains be produced in that time?

Ian Mylroi: Absolutely. As I said, we have had meetings and conversations over the months with everybody who is likely to bid to build the trains and they are all happy that the timetable is robust. I have no problem with it as a build programme.

Christine Grahame: Have they agreed the costs as well?

Ian Mylroi: Nobody in the commercial world is going to agree at this stage a price for a train that we have not yet ordered.

Christine Grahame: So the leasing cost that is in your table is a projected figure, not a firm one.

Ian Mylroi: It is projected. That is absolutely right.

Christine Grahame: That is all I wanted to know.

Mr Gordon: Paragraph 16 of your additional evidence mentions the element of compromise on the rolling stock's internal layout. Have you resolved that? If so, what was the outcome?

Ian Mylroi: No we have not. We talked about that when I was at the committee previously. What I said then remains the position. We have done little work in the past two or three months on the detail of the interior layout, although we have started to look at some artist's impressions of what the layout might be like. Consideration of those issues continues. It is clear that we have to reach a compromise between masses of luggage space and extra seats, but we have not resolved that issue yet.

Mr Gordon: So we are essentially talking about seat configuration. More fundamental aspects, such as where the doors are, will have to be resolved. You talked about procuring an existing body and putting it on to an existing chassis, to use shorthand.

Ian Mylroi: Absolutely.

Mr Gordon: The issue is really about the seat configuration and luggage space.

Ian Mylroi: We are clear about the basic shape of the train. It will have the doors at the one-third, two-third position, which is proven to give the easiest loading times on the Edinburgh to Glasgow route, for example, where loading times are very important. It is correct that we have not yet resolved the detail of seat and luggage-rack layout.

Mr Gordon: The convener will be thrilled to hear that I am moving off rolling stock now. What discussions have you had with the promoter on preparing the EARL tunnel for rail electrification? TIE told us some months ago that electrification can be accommodated within the scheme's proposed limits of deviation.

Bill Reeve: It has always been part of our specification to TIE that it should future proof the design to take account of electrification. We have gone through the functional specification for the work in some detail. Network Rail has conducted a further technical review and confirmed that the design is capable of accommodating electrification clearances.

Ian Mylroi: There are no technical difficulties in providing 25kV overhead electrification in the new-build EARL infrastructure.

Mr Gordon: Will that additional cost fall on the promoter?

Ian Mylroi: I thought that that was where you would go next. I step back from the EARL infrastructure and take you back again to "Scotland's Railways", which talks about considering electrification of various parts of the rail network, of which the central belt is one. We have started a study with our colleagues from Network Rail to look at the Edinburgh to Glasgow route in particular, and associated bits of railway, to decide whether we should consider electrifying it.

The work has gone well thus far. Network Rail has done good work to help us with our thinking and we are now moving forward to consider more of the details. That study is independent of EARL—we have looked at whether electrification of the Edinburgh to Glasgow line would be sensible, with or without EARL. The fact that the EARL infrastructure will be capable of accepting electrification should we choose to do the rest of the route was obviously important and exactly what TIE is planning for us. No decision has yet been made on electrification of any part of the network, but if we do the route, I imagine that we would extend it to the EARL infrastructure as well.

Mr Gordon: That takes us back to the incremental approach that Network Rail bemoaned in its additional evidence.

Ian Mylroi: We are indeed back to the incremental approach, but if you look at the major projects portfolio of Transport Scotland or the Scottish ministers, the approvals process requires each project to be thought about in isolation. Transport Scotland's approach is to ask, "In the round, how best can we deliver this and optimise it and make it work properly?" That is the skill that we bring to the party.

Mr Gordon: Yours is a joined-up skillset. After all the dust has settled, if some things have not been joined up properly, we come knocking on your door.

Bill Reeve: That is our job. You spoke about Network Rail bemoaning the incremental approach. I think that what I heard Network Rail say was, "If we were to develop the timetable using a purely incremental approach, it would be sub-optimal." We agree absolutely with what it went on to say, which was that that is not the right thing to do.

The right thing to do is to develop a timetable that takes account of the potential of all the additions to the capability of the network. That includes the enhanced capability at the west end of Edinburgh, the four-track railway to Winchburgh and Dalmeny and some of the signalling work that will be done on the Forth bridge. I want to be rather more positive about that approach.

By the time we add all the increments, if all we do is change the timetable a little each time we

add an increment, we will miss the big picture. The integrated approach is about exploiting that new capability.

Mr Gordon: Your view is interesting, but it is not my view. I accept that my use of "bemoan" was an interpretation. What I was reading into that paragraph in Network Rail's evidence was that it said, in effect, "I wouldn't have started from here; I would have started with a clean sheet of paper and I'd like to have known what all my big projects were going to be in the same timescale." However, we are where we are.

My last question is specifically about the point that Mr Mylroi has just touched on—the electrification study for the Edinburgh to Glasgow route. What journey time benefit would be realised from the electrification of that route? You discuss it in paragraph 24 of your evidence.

Ian Mylroi: We talk about electric trains having faster acceleration than diesels, and they do. We have considered electric trains and their performance on the Edinburgh to Glasgow line. It is clear that they could run on that route, via the airport or not, in a journey time that is measurably better.

Mr Gordon: "Measurably better" being what?

Ian Mylroi: At this stage, we have not looked at how such journeys fit into a timetable. At this point, I would rather not stick my neck out and say—

Mr Gordon: You could give me a range.

Ian Mylroi: If the train does not go via the airport or stop very often, it would be relatively straightforward to get the journey time down by five or six minutes, depending on where it stopped and clashes with other journeys.

Mr Gordon: Surely the current journey time with diesel rolling stock could be reduced by something like that figure if no stops were made except in Glasgow and Edinburgh.

Ian Mylroi: I admit that I have not done the sums on that, but if that happened, the journey time would undoubtedly reduce.

Mr Gordon: That does not sound like a lot to write home about. Will you be a bit more definitive about the journey time benefit from electrification of the E and G?

15:00

Ian Mylroi: Journey time benefit is not one of the elements that have driven us to consider electrification.

Mr Gordon: It is one of your two bullet points in paragraph 24 of annex B, which says that electrification is worth considering to minimise emissions and improve journey times.

Ian Mylroi: Indeed: electric trains accelerate more quickly than do diesel trains, so improved journey times may well flow out of the project, but we have not modelled the timetable in sufficient detail to be able to predict what might come out of it.

Bill Reeve: Another issue that pertains to accelerating journey times between Edinburgh and Glasgow and to EARL is that what stops us running faster diesel trains between Edinburgh and Glasgow now is that they run down the stopping train that is in front. An inconvenient truth is that—to put it crudely—half the passengers between Edinburgh and Glasgow want to go from Edinburgh to Glasgow and half the passengers want to get off at stations between. EARL will allow us to run a fast train past the airport and another fast train via the airport, which could be mixed and matched so that somebody who wanted to go from Edinburgh to Glasgow could have a shorter journey time.

Mr Gordon: Other options for providing a fast, non-stop journey between Glasgow and Edinburgh exist, such as the Caledonian express concept, which involves electrification of the route via Shotts. I agree that that is merely a concept.

Bill Reeve: In our current modelling of the Caledonian express, on which we have done some work, I do not envisage us achieving a journey time that is much below 60 minutes. Ian Mylroi can stop me if I am wrong.

Mr Gordon: That is interesting. I would not paint myself into a corner, gentlemen, because we have an election in May, and the project that I just mentioned might be in more than one manifesto.

The Convener: Can we stick to the EARL project?

Mr Gordon: Okay—I am finished.

Christine Grahame: At the last quarterly review of EARL, what aspects were identified as essential to its success?

Bill Reeve: Now that BAA's objection has been removed through the successful discussions between BAA and the promoter, the principal task is to agree the roles of us, TIE and Network Rail and the extent to which BAA may wish to become involved in the project. Now that the positions of all the principal stakeholders are established, they will be turned into a clearer understanding of how we take the project forward for delivery.

Christine Grahame: It is strange that the roles have not already been identified. Have I misunderstood? I thought that you all had your separate roles.

Bill Reeve: There is a difference between understanding those roles in principle and

completing the agreements that accompany them, which is the next step.

Christine Grahame: So contractual agreements with liabilities and so on will be put in place, but that is still to be done.

Bill Reeve: Some agreements are in outline, but a lot more work must be done before we reach final implementation.

Christine Grahame: I presume that your lawyers will not let much happen until the obligations, duties and liabilities have been finalised contractually. Is that correct?

Bill Reeve: That is so, but that is not stopping development now. The principal issue that we have discussed is what we do to mobilise ourselves if the bill is passed—as we hope and expect—in a few months' time.

Christine Grahame: I am thinking of timescales. When do you expect the so-called legal niceties to be concluded between the various parties?

Bill Reeve: We expect the necessary agreements to make progress to be concluded in time for us to make rapid progress after the powers that the bill will confer have been granted.

Christine Grahame: When will that be?

Bill Reeve: We hope that that will happen in this parliamentary session.

Christine Grahame: So in tandem with the progress in Parliament, the contractual machine—

Bill Reeve: We do not want to wait until Parliament has opined before we start discussions. Discussions are taking place in parallel. The issue is on the critical path and it is the right thing to deal with now. The quarterly review addresses the critical issues for the next three months.

Christine Grahame: The issue is at the top of the agenda. Your answer is useful.

Does the funding for rolling stock, which is not capital expenditure, include funding for platform extension works? Network Rail and I discussed such works.

Bill Reeve: The budget for rolling stock does not include funding for platform extensions. Such funding would have to be made available separately.

Christine Grahame: Does the bill include any provisions for works to extend platforms?

Bill Reeve: It provides for a nine-car platform at Edinburgh airport. The works at Waverley will also result in longer platforms. If we want other parts of the system to be able to deal with longer trains,

separate projects will have to be considered, but we will have to consider such projects anyway. That takes us back to the growth that is currently taking place.

Christine Grahame: I understand.

I return to the issue of the new trains having elements of existing models in their design so that they are flexible and fit for running to the airport. Will longer platforms be needed for those trains? You talked about such trains and standard trains going to Glasgow and said that longer platforms or more platforms would not be needed.

Ian Mylroi: The bulk of the central Scotland network has been laid out around stations with six-car platforms. However, there are one or two exceptions—the most notable is probably the station at Bishopbriggs, which Ron McAulay mentioned. The route utilisation strategy that Network Rail has published mentions extending platforms in several places to reach the six-car standard. Indeed, in the past few weeks, work has been completed in Fife to bring a couple of platforms up to that standard.

Christine Grahame: What costs are involved?

Ian Mylroi: In itself, EARL will not necessitate any more platform-length changes, but the growth of the network over the next N years might lead to platforms being extended. You identified Glasgow Queen Street station as presenting one of the most difficult problems. We are starting to think about that problem, but there are no firm proposals at this stage. We are starting to discuss issues and possibilities with colleagues in Network Rail and ScotRail.

Christine Grahame: So longer platforms will be needed, but the project itself will not require them.

Ian Mylroi: Correct.

Bill Reeve: Now that the RailSys model is at the stage that it has reached, it is possible that EARL will allow us to run an extra train on the Edinburgh to Glasgow route, given the four-track capacity. We have carried out preliminary timetable work on that. One way in which to avoid building longer platforms is to run more trains. I cannot say that the proposal is bankable yet, but I am cautiously optimistic on the basis of the work that we have done so far.

Christine Grahame: My colleagues may know more about trains than I do, but I understood from the evidence on timetabling that we received that some platforms will have to be lengthened if timetables are to be met.

Ian Mylroi: Not every train runs at its maximum possible length. The first step to take to provide additional capacity should therefore be to bring every train up to its maximum length. The next

move should be to consider whether more trains can be run. Bill Reeve hinted that there may be opportunities for running more trains. Beyond that, questions such as how even longer trains than the current standard trains can be run must be considered, but that issue is a little further away in our thinking.

Christine Grahame: Will class 1 services to the airport require longer platforms?

Ian Mylroi: At peak times, six-car trains run on the Edinburgh to Glasgow line. That is the standard. Very few class 1 train services to Aberdeen run with a full six-car formation. Some trains for Dunblane commuters have six cars, but some have only four or five, or even three, cars. There is the same pattern in Fife. Not every train runs up to its maximum possible length.

Christine Grahame: If people go to the airport with lots of luggage, seats will be lost and more carriages will be needed. Am I looking at the matter too simplistically?

Ian Mylroi: No, you are not. Those are the sorts of compromises that we have to make on the trains' seating capacity. Indeed, it is a matter of considering not only the trains but the network's ability to move people. We need to consider not only the capacity of the 7.30 from Edinburgh but the capacity of the whole network to move people between Edinburgh and wherever they want to go.

Christine Grahame: Are you confident that the EARL project will be funded in its entirety?

Bill Reeve: We do not envisage any difficulty in funding the EARL project in its entirety, given the anticipated capital budget for which Transport Scotland is planning and the ability to use the Network Rail regulated asset-base financing mechanism.

Christine Grahame: Does the recent announcement of a commitment to an additional Forth crossing impact on the funding for the EARL project?

Bill Reeve: We expect EARL to be completed before substantial construction expenditure on the Forth crossing is possible.

Christine Grahame: I am talking about the commitment of funding to it. You have a limited pot.

Bill Reeve: We are working on the basis that EARL will be delivered in 2011. It is challenging to accelerate the construction of a new Forth crossing, and the substantial expenditure on it is likely to come after the substantial expenditure on the construction of EARL has been completed.

The Convener: The new Forth crossing is a subject that is close to my heart, but we are not going to digress into discussing it.

Bill Reeve: It was a good question.

Christine Grahame: I am brooding on the answer.

The Convener: That concludes members' questions. I thank Bill Reeve and Ian Mylroi for attending, but I ask them not to go away—I understand that they will remain. We are awaiting the arrival of the Minister for Transport, so I suspend the committee for a couple of minutes.

15:11

Meeting suspended.

15:14

On resuming—

The Convener: I welcome the Minister for Transport, Tavish Scott. He joins our witnesses from Transport Scotland. Christine Grahame will start the questions.

Christine Grahame: Good afternoon, minister. To follow up my question to the Transport Scotland witnesses, I ask you to confirm whether the EARL project will be funded in its entirety.

The Minister for Transport (Tavish Scott): Yes. We will fund the project to deliver it.

Christine Grahame: What is the current cost?

Tavish Scott: I am sure that we have stated the cost on many occasions, but it is £610 million at 2005 prices, within a range of £550 million to £650 million. That is all on the public record and has been stated on many occasions.

Christine Grahame: I just wanted to have all the information contained in one place. Will the introduction of another Forth crossing impact on the funding of the EARL project in any fashion, or will there be sufficient funding for both?

Tavish Scott: Government will have to take decisions on how it funds a replacement crossing for the Forth bridge at the right time. That work is continuing, but we do not envisage that it will have any impact on EARL.

Christine Grahame: What are the sources and levels of funding that are confirmed to date?

Tavish Scott: The promoter has already secured €2 million in funding from the European Commission through one of its grant schemes. I think that it was the trans-European network system funding mechanism—TENS—with which some members will be familiar.

There is also an additional agreement with Edinburgh Airport Ltd, which has been part of the negotiations in recent weeks. It will pay for and deliver the pedestrian link structure and the

associated transport infrastructure between the airport railway station and the airport terminal at an estimated cost of £3 million. In addition, TIE—that is, the promoter—will enter into a 250-year leasing arrangement for land that Edinburgh Airport Ltd owns. That means that compulsory purchase of the airport land and associated compensation will not be required. The agreement has also secured Edinburgh Airport Ltd's future involvement in the project, which will significantly reduce the financial risk to the promoter.

Another important aspect is that the engineering work for the recent construction of the south pier at the airport—which I know all too well, as I am there every Monday and Friday—took account of the EARL project. In other words, that construction work involved an additional cost to Edinburgh Airport Ltd because it was built to ensure that it was adequate for the construction of EARL.

Christine Grahame: May I check those figures? Is it correct to say that £5 million is secured and that the other figures are savings, or have I misunderstood?

Tavish Scott: I would not describe them as savings because they are core investments in what we will achieve. As I have said to the committee and in the Parliament on a number of occasions, the crunch for the project is having the airport operator involved in the process and absolutely signed up to ensuring that EARL happens. That is vital to the project's management and delivery and to ensuring that it works for the people who will use the rail link. Given the airport operator's expertise, not just in Scotland but throughout the UK and now internationally, its involvement is a sizeable gain for the project for the long term.

Christine Grahame: I accept what you say, but I am just trying to get the figures right: £5 million has been secured.

Tavish Scott: Actually, it is €2 million. That is what I said.

Christine Grahame: So it is €2 million and—I am trying to read my own handwriting—€3 million. Is that correct?

Tavish Scott: It is £3 million and €2 million.

Christine Grahame: How can the committee and the Parliament approve the bill if it is not possible to confirm all the levels and sources of funding, as required by standing orders?

Tavish Scott: Transport Scotland is the project's main funder. The additional sums that I have outlined today will be part of the overall funding package, but Transport Scotland will provide the great majority of the project's funding.

Christine Grahame: So the rest of the £610 million funding will come from Transport Scotland.

Tavish Scott: Yes.

Mr Gordon: I have some questions that relate to costs, although you have already alluded to some of the aspects that I want to ask about. Before I go on to those, I have a brief question about a discrete issue. You sent the convener a report dated August 2005 with the acronym SPASM, which is the Department for Transport's passenger forecasting model. The report dealt with various options involving EARL and the Glasgow airport rail link and has been distributed to committee members for information only—it is not a substantive item on today's agenda. However, I want to take the opportunity to ask you whether, on reflection, you think that it would have been better if the committee had had that information sooner.

Tavish Scott: That curiously-named report is part of a series of analyses and work that Transport Scotland commissioned, and is a normal part of its work in pursuit of its objectives and its robust consideration of business cases for transport projects. Obviously, the report relates to EARL. It is important that Transport Scotland informs itself properly of additional consultants' advice in respect of any capital transport project. I do not know whether it would have helped to have provided the report to the committee earlier. When we were asked to provide it, we did so. I reiterate that Transport Scotland gets a lot of advice on projects but, ultimately, the take on them is in Transport Scotland's presentation to ministers, for which it is accountable to Parliament. That is the process. I have received many consultants' reports in my time; I am sure that you have, too.

Mr Gordon: I am aware of the ministerial and parliamentary convention that the detail of advice that executive agencies and civil servants give to you is not necessarily available to other parliamentarians, let alone put in the public domain. However, if the committee had seen the report at an earlier stage, might it have been a material consideration for us?

Tavish Scott: No. However one looks at the construction of the airport rail link and, for that matter, the one in the west of Scotland, even if we take a careful and conservative—with a small c—view of the figures in the Department for Transport white paper on aviation and the subsequent report that was published just a week or so ago, there can be no doubt that we need to improve surface public transport options for travellers to and from Glasgow and Edinburgh airports. I repeat and strongly stress the comment about the importance of being careful with modelling work, but the growth figures are considerable. In my humble opinion, there can be no doubt, on the basis of the analysis of the business case that I have seen—

most, if not all, of which is in the public domain— that we must tackle the important issue of providing public transport links. That is what we are doing. Given that, I do not think that the report that you mention would have been material.

Mr Gordon: I return to my other line of questioning. Paragraph 48 of your written evidence mentions Edinburgh Airport Ltd's commitment to fund the construction of the pedestrian link structure and the associated transport interchange. You have already said that you do not see that as a £3 million saving to the project. However, I presume that it avoids an opportunity cost.

Tavish Scott: It is the investment in that particular part of the project. The issue has been part of the on-going discussions with the airport operator, Edinburgh Airport Ltd. I am clear that the negotiations have been important because of the gain that is to be had from having the airport operator with us in delivering the project. I am sorry to repeat myself, but there is an enormous gain to be had from that. However, I cannot put a figure on that gain.

Mr Gordon: Can you say by how much EARL's costs will be reduced as a result of the leasing arrangement with Edinburgh Airport Ltd?

Tavish Scott: Not off the top of my head— [*Interruption.*] Bill Reeve advises me that the figure will be about £12 million, with some variation for land values. We will write to the committee if you want us to be more specific.

Mr Gordon: The figure is worth writing home about; £12 million is still a lot of money these days—I say that advisedly.

How much will Edinburgh Airport Ltd's direct involvement in the project save EARL?

Tavish Scott: Bill Reeve might comment on that. I am sorry, but I cannot give you a figure—

Mr Gordon: Perhaps you can speak in qualitative terms. Is Edinburgh Airport Ltd on board and part of the team?

Tavish Scott: Yes. It is important that Edinburgh Airport Ltd is part of the team and fully engaged in the process. We discussed the issue recently with the owner of Ferrovial and his management team, who reflected on the international as well as the United Kingdom context. Ferrovial's owner pointed out that BAA has constructed four tunnels at Heathrow, which take light and heavy rail. The company has significant expertise, which we hope to use.

There should be a gain of £30 million to £40 million—that is a conservative estimate—per annum in terms of savings in relation to delays, simply because the airport operator is on board.

That is a considerable gain. I hope that that helps to answer your question.

Mr Gordon: You have moved Edinburgh Airport Ltd from its original position as an objector to the bill. Have you not only neutralised the company but got its active support and participation?

Tavish Scott: I would not use the word "neutralised". Edinburgh Airport Ltd is important to the project. More can undoubtedly be achieved in any capital transport project if the organisations that are directly affected by the project are part of the team. We are pleased to have the company's involvement.

Mr Gordon: How much will be saved by Edinburgh Airport Ltd's adjustment to its south pier design, which you mentioned?

Tavish Scott: I am not sure whether we have a figure on that.

Bill Reeve: I will have to check, but from memory I think that the savings will be about £5 million.

Mr Gordon: That is good news, and we are pleased to hear it.

The Convener: In light of the promoter's proposed amendments to the bill's provisions on developer contributions, will developer contributions be reduced?

Bill Reeve: I am sorry. Could you repeat the question?

The Convener: The promoter proposes amendments to the provisions on developer contributions. What savings will be sought through developer contributions?

Bill Reeve: Are you talking about the proposed 10-year limit on seeking developer contributions?

The Convener: Yes.

Bill Reeve: The honest truth is that although it might be nice to speculate about the possibility of developer contributions that might start in 10 years' time or beyond, such a cash flow does not look very bankable at this stage and therefore is not included in assumptions about funding. In essence we anticipate no net impact on fundability—we hope that EARL will be built before the end of the 10-year period.

15:30

The Convener: Members have no more questions for this panel of witnesses. Thank you for coming.

I welcome our fourth and final panel this afternoon. The panel is composed of representatives of the promoter. From TIE Ltd we are joined by Barry Cross, the project director;

Kevin Murray, the senior project manager; Alan Somerville, the commercial manager, heavy rail; and Pat Diamond, the project finance manager. We are also joined by Gail Jeffrey, senior project manager for Scott Wilson Railways, and Alison Gorlov, who is a partner with John Kennedy and Co.

Our first line of questioning is on the operating timetable. When will EARL begin to operate?

Alan Somerville (TIE Ltd): I refer members to the table in paragraph 7 of annex E to our evidence, which lists the first and last trains in both directions.

The Convener: Thank you. Earlier this afternoon, the Network Rail representatives indicated that EARL would commence operations in 2011. Evidence from Edinburgh Airport Ltd indicates that the date will be 2012. Can you clarify why we have that slight discrepancy? When do you estimate that EARL will begin to operate?

Barry Cross (TIE Ltd): To clarify, it is 2011.

The Convener: That helps. Thank you.

I think that you were present for the evidence from Network Rail. Do you remain confident that EARL will operate to the service frequencies and reliability estimates that are in the promoter's memorandum?

Alan Somerville: We do. TIE has participated in the work that has been done so far on the RailSys model. We provided the EARL infrastructure elements.

I would like to clarify something with regard to journey times that did not come out clearly in the previous evidence, which is that there is a difference between performance and timekeeping. The table in the Network Rail evidence shows that, when all the assumptions and other projects are factored into the RailSys model and a comparison is made with the existing timetable, the overall EARL timetable is neutral in terms of delay, robustness and recovery. That is what we set out to demonstrate. Indeed, we were required to do so: we had to demonstrate that the EARL infrastructure was capable of delivering that level of performance.

In the RailSys model, we assumed only the committed elements of Network Rail network improvement. We took a timetable that was designed by our consultants and ran it through RailSys under a system of perturbed operations to simulate, based on previously recorded data, things such as train breakdowns and points failures. By running the timetable through that model and seeing what happened in comparison with the existing timetable, we were able to produce the table in the Network Rail submission, which demonstrates that the effect of EARL will be neutral.

Although that table shows that there will be a downside, as the committee discussed earlier, I point out that the table also includes some positive numbers. The table shows that EARL will have an upside as well as a downside, but its overall effect will be neutral. We are confident that EARL will deliver what it is supposed to do.

The Convener: Paragraph 3 of the promoter's submission states:

"there will be no EARL timetable *per se*, but a timetable for rail services in Central Scotland".

Given that we do not have a timetable for EARL, how can the committee be confident that the level of benefit that the promoter attributes to EARL will be achieved? How do we know that the proposed frequency of services will occur?

Alan Somerville: I will answer that in two parts.

Although we say that there will be no EARL timetable per se, we actually have a timetable. Up to the point when we gave evidence to the committee in the summer, we had been working on what we called an indicative timetable, which used a sampling of services to simulate the morning peak, which is the more complex peak. Throughout the three years of the project to that point, we used that indicative timetable in an iterative process alongside the development of the infrastructure to show that our design for EARL could handle the morning peak. We moved on from that indicative timetable when Network Rail adopted RailSys as its tool for assessing and developing timetables. In the summer, we worked with Network Rail on that. We designed the EARL component of the RailSys model and plugged it into the rest of the model. We wrote a timetable for measurement purposes, and that timetable works.

Having demonstrated that the timetable works, we can be sure that the future timetable will be better, given that both Network Rail and Transport Scotland are engaged in developing a timetable that responds to the needs that are set out in "Scotland's Railways", which include growing demand and greater requirements for improved performance. We already have a timetable that performs demonstrably as well as the existing timetable, but we will develop a new timetable that includes more capacity and all those other factors. If we did not have something that was better, we would not proceed.

The Convener: I take that final point. Let us hope that it is better.

I will stick with timetabling issues for the moment. The indicative proposed timetable is based on the existing timetable, but we know that other changes will be made to the rail infrastructure before 2011, when the trains start to operate via the airport.

Alan Somerville: That is an important point. Our modelling includes, as Network Rail confirmed, the new Airdrie to Bathgate line and the Stirling to Alloa line. Of those, the Airdrie to Bathgate service will interact more with EARL. Our modelling goes further afield than that, but it does not take into account services to the south-east of Edinburgh or the electrified services that are used in the Strathclyde partnership for transport region. Nevertheless, we have taken account of a large enough component to ensure that we achieve sensible interaction with other services. We have taken account of the other projects that are in place and the projected improvements that Network Rail has approved and is committed to, such as the dualling of Newbridge junction, which was mentioned earlier. We have not included speculative projects, but we have used a snapshot of the world as it will be in 2012 when the main projects will be in place.

That is the main development that has taken place since we gave evidence to the committee in the summer. At that stage, we had an EARL timetable that had been developed on its own, and although it took account of other factors, projects such as the Airdrie to Bathgate line were not in place. We are saying that, if those major projects were all in place and we attempted to run the 2006 timetable, EARL would have no detrimental effect on performance.

The Convener: So those infrastructure changes have been fully factored in.

Alan Somerville: Yes.

Mr Gordon: What is the risk that the bidding process at the annual timetable conference will result in a reduced timetable to Edinburgh airport? What mechanisms will prevent the bidding process leading to a lesser level of service?

Alan Somerville: I simply point to the way in which the process works at present, which you will know from your experience of SPT. The major stakeholders define the minimum service levels that are required of the train operator, which cannot simply decide to slash services to cut costs. In my day, that was called the minimum PSR—public service requirement—and I fully expect that such a minimum will still be required of the train operator. Transport Scotland will specify eight trains per hour in each direction, because that is policy.

Mr Gordon: They are going to be busy people at Transport Scotland.

How has the promoter taken account of the significant journey time penalties for local services and the patronage estimates for EARL?

Alan Somerville: Fully. All the effects on journey times are built into the modelling. We are not taking a jaundiced view of it. You will probably recall that there is a programme called MOIRA, which existed in the British Rail days, and dear old MOIRA examines the effect on existing services. If you increase the journey time, you reduce the patronage and the revenue, and if you increase the frequency, you improve the revenue. MOIRA is a well-established programme. The MOIRA effect has been built into the modelling, but you must remember that the EARL project is a completely new service, so MOIRA does not apply to the airport services. That has been built into the suite of modelling that has produced the patronage forecasts.

Another point was mentioned earlier that I would like to clarify. It is not just a question of there being an increase in journey time. The Network Rail table shows a reduction in the Edinburgh to Glasgow journey time of two minutes in one direction and three minutes in the other, which is a significant improvement on where we were in the summer. That is the product of the new timetable and the RailSys modelling.

On the journey time effect, unfortunately the local services that are quoted in the table incur the maximum penalty because they are close to the airport, so they take the hit of the gradients on either side of the station and the additional stop, and the increased speed effects that arise when you go further out do not apply. For instance, although there is a journey time penalty of five minutes at Inverkeithing, it is reduced to one minute by the time you get to Ladybank. I also draw your attention to the fact that the journey time penalty for Dunblane is considerably less than it was when we sat here in the summer. Those examples are all part of the upside of the business case as we measured it. We are not trying to conceal in any way. It is actually a good news story.

Mr Gordon: Those latter points are well made. Our convener is looking a bit more relieved.

What strategies could result in earlier EARL services to the airport, which you discuss in paragraph 18 of your paper?

Alan Somerville: Earlier, there was some discussion about the possibility of running a shuttle service. You could even start the Edinburgh to Glasgow service earlier. Network Rail is legitimately concerned that we might eat into the network's maintenance period. However, if you look at what Network Rail calls the rules of the route—the rules by which everyone understands when the route is available for running trains—you will see that there is a margin in the morning to run earlier trains from Fife, from Dunblane and from Glasgow to the airport.

The graph that I have presented in paragraph 13 shows that, although we reach 94 per cent of air

passengers in the down direction, we are weaker in the up direction, reaching only 92 per cent. However, without doing anything to Network Rail's rules of the route, there could be earlier trains in the morning from Fife, Dunblane and Glasgow.

We considered the use of empty coaching stock movements. Until recently, trains were being moved out of Edinburgh to the outlying regions in the early morning to form the first services. Since Transport Scotland has added quite a lot of capacity to the network with new trains, Edinburgh and Haymarket are chock-a-block, so work is going on at the moment to create out-stabling facilities, for instance at Perth. The empty coaching stock actually works in our favour, because there is greater opportunity to start early morning services into Edinburgh.

The market for earlier services just has not existed in the past, but EARL will create that market. I draw your attention to the news story last week about the new Virgin Voyager service from Dunbar into Edinburgh in the early morning. That is an example of the market reacting to the opportunity. The service does not exist at the moment, but there is nothing to stop it.

Mr Gordon: In what way has EARL accommodated the future potential electrification of some rail lines?

Barry Cross: The basic components of future proofing for EARL are the tunnel diameter and structures over the line. Addressing those would facilitate electrification at any point that Transport Scotland and the Scottish ministers decided to approve and fund it.

15:45

Mr Gordon: We heard about the wider potential for the new EARL infrastructure earlier from other witnesses—will that all tie in?

Barry Cross: Yes.

Mr Gordon: And you have future proofed it all?

Barry Cross: Yes.

Mr Gordon: How confident are you that rolling stock procurement will have been completed prior to the operation of EARL, given the deadlines mentioned by Transport Scotland?

Barry Cross: Having met Transport Scotland in a working group and in one-to-ones in recent months, we are very confident that it has a robust grip on rolling stock procurement and that its programme fits well with the EARL project. The point to which Ian Mylroi referred is particularly important given that there is a lot of time in the early stages of the programme so that it could be brought forward if needed. We are confident that Transport Scotland has a grip on procurement and will deliver.

Mr Gordon: So we are all confident in these busy people.

Christine Grahame: On a similar tack, let us consider Network Rail's response about the achievability of your timetable. One question was about the new rolling stock being delivered on time, and you have answered that. The second was about the timetable's dependence on the delivery of a number of infrastructure enhancement schemes planned for introduction

"prior to the commencement of EARL services".

Are you confident that those will be in place?

Alan Somerville: The schemes that we have included in our modelling are already committed, so we are not speculating on any unfunded or uncommitted developments. A number of other future developments will further improve the position, but we did not consider it legitimate to include them in our modelling at this stage.

Christine Grahame: So the infrastructure enhancement schemes to which Network Rail referred are the same ones that you are referring to and they are in place. They are not other pending schemes.

Alan Somerville: They are not in place but they are committed. Further pending schemes would make it better, but we have not assumed their delivery in our timetable measurement—they are further down stream.

Christine Grahame: The schemes are committed, but they have to be fact before EARL comes into operation. How confident are you about the delivery?

Alan Somerville: Totally. There are plans and funding to go ahead with them.

Christine Grahame: And they will be up and running.

Alan Somerville: Yes.

Christine Grahame: What impact will your proposed amendment on developer contributions have on the level of funding to be secured through those contributions?

Barry Cross: The proposed amendment will have a potential impact on the amount of developer contribution moneys received, especially in the years from 10 years after royal assent, if that is granted, through to 30 years after opening. There are a number of other changes—changing the period of operation from 30 to 10 years is not the sole change.

The first point to make is that the receipt of developer contributions is speculative. How much we would have got is unknown. As we would be receiving it a long time in the future, the value of the money in the discounted cash flow is fairly

limited. We have taken comfort from the statement, reiterated by both Transport Scotland and the Minister for Transport, that the funding assumptions within the EARL funding package did not include a significant component for developer contributions in the 10 to 20 to 30-year period anyway. It would have been nice to receive money for EARL 20 years down the line but, in the interest of securing a positive working arrangement with Edinburgh Airport Ltd, a balance was struck that proposed that modification.

Christine Grahame: I understand now. Part of the quid pro quo for Edinburgh Airport Ltd coming in was that the developer contributions would be shrunk down from three decades to one.

Barry Cross: The negotiations with Edinburgh Airport Ltd over the months addressed all the issues that concerned it, of which that was one.

Christine Grahame: How much was that worth?

Barry Cross: I have already explained—

Christine Grahame: You told me that it was speculative, but you must have a figure. You must have some idea of how much—

Barry Cross: No. Not only have we never had a figure for the value of developer contributions, neither we nor Transport Scotland ever had a breakdown of the value of those contributions to the project funding. It would have been nice to have such a figure, but it is not fundamental to the funding of the project.

Christine Grahame: So there is neither a loss nor a gain.

Barry Cross: Correct.

Christine Grahame: How will the delayed publication of Edinburgh Airport Ltd's surface access strategy affect the potential for the interchange?

Barry Cross: It will have no impact. The negotiations with Edinburgh Airport Ltd included negotiations on the transport interchange that will link EARL with trams, buses and perhaps taxis and will add substantial value to all the projects, not least EARL.

Christine Grahame: So the publication has been delayed but what is happening will not cause a delay.

Barry Cross: Correct.

Christine Grahame: What role, if any, does TIE play in the air transport forum?

Kevin Murray (TIE Ltd): We have attended the forum on a couple of occasions. We are there as a consultee; we attend to keep ourselves appraised of the airport matters that are discussed.

Christine Grahame: So you are not proactive in the forum.

Kevin Murray: No, in so far as anybody else at the forum is proactive. It tends to be an information-sharing forum.

Christine Grahame: You say "in so far as anybody else is"—it sounds as if the forum lacks proactive people.

Kevin Murray: It is a forum for sharing information on what is going on at the airport and keeping people appraised of developments and what is being contemplated.

Christine Grahame: For a moment, I thought you were saying that they were all in a trance. Thank you.

The Convener: From the modelling that you have done, do you know the expected patronage levels for EARL?

Alan Somerville: The final figure by 2026 is 4.4 million. There will be an extra half a million patrons due to the creation of the interchange. We think that the extra patrons will be principally those who travel between Fife and Glasgow. Those figures are based on the modelling that we did last year.

The Convener: So 4.4 million people will just happen to go past, but you expect half a million extra. Is that correct?

Alan Somerville: Yes. The extra half a million will be created by the opportunity for people to access the rail system through the airport, particularly when travelling between Fife and Glasgow.

Mr Gordon: Will you describe the process that you undertook to prepare for the assessor hearings? In particular, how did you approach the negotiations with objectors and to what timescales?

Kevin Murray: From the moment objections were received and registered, we embarked on a process to use suitable means to try to resolve the concerns of each and every objector.

The assessor hearings were another milestone for the objectors and for us. We focused on and tried to secure the removal of some objections before the hearings, and we explored and resolved some of the concerns during the hearings process.

Mr Gordon: Will you say something about your experience of attending the objector briefing meetings?

Kevin Murray: Certainly. We found the briefing meetings informative and helpful. They allowed some objection issues to be reviewed and the proceedings on which we were about to embark

were fully explored with the objectors so that there was a clear understanding of what was expected of both the promoter and the objectors. That will ensure that the process is effective.

Mr Gordon: Will you say something about your approach to securing withdrawals prior to the assessor hearings?

Kevin Murray: We put a lot of effort into resolving objectors' concerns and tried to take an even approach with people. We tried to use consistent methods involving offers of consultation and involvement in the project as it goes on, which were of interest to several people. Where there were specific matters, we tried wherever possible to accommodate them.

The Convener: What role did Network Rail play in reaching agreements with objectors?

Kevin Murray: Network Rail was party to looking at any formal legal agreements as they were pulled together. It offered input on operations and other matters on which it had a legitimate view. We took account of that where we could.

Barry Cross: It is worth saying that Network Rail had no direct relationship with objectors in the negotiations. We adopted a process of referral to Network Rail.

The Convener: If a voluntary purchase scheme had already been approved, would it have assisted you in securing withdrawals?

Kevin Murray: A voluntary purchase scheme would have been useful. We progressed all the objections wherever we could in a number of ways, many of which involved securing on-going involvement in and visibility of the project as it evolves, should the bill be passed.

Barry Cross: Such a scheme would have been helpful for a relatively small number of people.

The Convener: Given that the assessment process is relatively new, is there anything that the committee or the Parliament could have done to improve it?

Kevin Murray: Perhaps one observation about the evidence taking on which it would be useful to reflect is that the promoter led on the process and the objector followed. Had the promoter come back to the table, there would have been opportunities on a number of occasions to resolve some of the issues. Perhaps allowing the promoter to come back before the submissions process closed could have been helpful. Overall, however, we viewed the process as very effective. The assessor conducted proceedings very well and the clerking was exceptional.

The Convener: Thank you; that is useful to hear. Finally, if you were to promote another private bill, what would you do differently when negotiating with objectors and seeking agreements?

Barry Cross: I have been involved with promoting a few private bills and each time the principal message that we have taken away is that we cannot start doing things too early in the process. It never ceases to amaze me how time catches up and how everybody tends to use the end date as the target date. Also, we cannot do too much organising of resources even earlier in the piece. That is the principal lesson. However, overall, it has been a good process for us.

Kevin Murray: I will supplement that by saying that the assessor hearings facilitated a focus on what mitigation might be sought by objectors. That in itself was a helpful message for objectors to consider in their approach to the assessor and in dealing with the promoter. That structured approach to what mitigation could be used to resolve concerns is a positive way of looking at matters.

The Convener: I thank you all very much for attending and answering all our questions this afternoon. I thank again all the other witnesses for the evidence that they gave us. The committee will consider all the evidence before reporting its views in its phase 1 consideration stage report.

As previously agreed, we will consider items 4 and 5 in private.

15:59

Meeting continued in private until 16:53.

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Monday 22 January 2007