

# **WAVERLEY RAILWAY (SCOTLAND) BILL COMMITTEE**

Monday 7 March 2005

Session 2

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## **WAVERLEY RAILWAY (SCOTLAND) BILL COMMITTEE**

### **3<sup>rd</sup> Meeting 2005, Session 2**

#### **CONVENER**

\*Tricia Marwick (Mid Scotland and Fife) (SNP)

#### **DEPUTY CONVENER**

\*Christine May (Central Fife) (Lab)

#### **COMMITTEE MEMBERS**

\*Mr Ted Brocklebank (Mid Scotland and Fife) (Con)

\*Gordon Jackson (Glasgow Govan) (Lab)

\*Margaret Smith (Edinburgh West) (LD)

\*attended

#### **THE FOLLOWING GAVE EVIDENCE:**

Petra Biberbach (Waverley Route Trust)

Dr Mark B Brown (Halcrow)

Alan Buchan (Stow Station Supporters)

Bob Fleet (Parish of Stow Community Council)

Hamish Hunter (Parish of Stow Community Council)

Councillor Russell Imrie (South-east Scotland Transport Partnership)

Bill Jamieson (Stow Station Supporters)

Andrew McCracken (Scott Wilson Railways Ltd)

Dr Bob McLellan (South-east Scotland Transport Partnership)

George Mair (FirstGroup plc)

Douglas Muir (Midlothian Council)

Bruce Rutherford (Scottish Borders Council)

Robert Samson (Rail Passengers Committee Scotland)

David Spaven (Waverley Route Trust)

Keith Wallace (Scott Wilson Railways Ltd)

David Webster (Scott Wilson Scotland Ltd)

#### **CLERK TO THE COMMITTEE**

Fergus Cochrane

#### **LOCATION**

Scottish Mining Museum, Newtongrange



## Scottish Parliament

### Waverley Railway (Scotland) Bill Committee

*Monday 7 March 2005*

[THE CONVENER *opened the meeting at 10:37*]

### Waverley Railway (Scotland) Bill: Preliminary Stage

**The Convener (Tricia Marwick):** Good morning. I welcome everyone to the third meeting in 2005 of the Waverley Railway (Scotland) Bill Committee, which is our 11<sup>th</sup> meeting overall. I introduce my colleagues on the committee: Gordon Jackson, Ted Brocklebank, Margaret Smith MSP and Christine May MSP. I am Tricia Marwick, the convener of the committee. I am sorry—Gordon and Ted are MSPs as well, of course.

It is a pleasure to be here in these impressive surroundings and I thank the officials of the Scottish Mining Museum for their assistance in enabling us to hold today's meeting. We will meet here again on Monday 21 March; next Monday we will be in Galashiels. At the conclusion of our oral evidence meetings, the committee will consider all the evidence and report to the Parliament, after which the whole Parliament will debate our report. If the Parliament approves the principles of the bill at the end of the preliminary stage, the bill will proceed to the consideration stage and then to the final stage.

At this point, I should say that all members of the committee have undertaken a site visit along the entire route of the proposed railway and I think that I can speak on behalf of the whole committee in saying how helpful we found that to our understanding of the issues surrounding the project and of the general location of both the proposed route and stations and of some of the properties close to the line.

To return to today's proceedings, the committee will concentrate on the bill's general principles. The issue at the heart of our consideration of the bill is whether there should be a railway between Newcraighall and Tweedbank.

As regards timings, it is hoped that we will break for lunch at around 12.15. Depending on the progress that we make, we may take a further short break this afternoon. Members of the public are, of course, welcome to leave the meeting at any time, but I ask them to do so quietly. I should also say that, although the meeting is being held in

public, it is not a public meeting; it is part of the formal work of the Parliament. I would therefore appreciate the co-operation of members of the public in ensuring the proper conduct of business today. I ask everyone to ensure that all mobile phones and pagers are switched off.

As the meeting is quorate and no apologies have been received, we will commence by taking evidence from our first witnesses. We will consider three topics today: route options and choice of stations, how the railway would integrate with other modes of transport and the viability of the bus service between the Borders and Edinburgh. Our first witnesses are George Mair, who is the managing director of FirstGroup plc, Councillor Russell Imrie, who is chairperson of the south-east Scotland transport partnership, and Dr Bob McLellan, who is chairperson of the SESTRAN management team. I welcome you all to the meeting. I understand that Councillor Imrie wishes to make a short opening statement.

**Councillor Russell Imrie (South-east Scotland Transport Partnership):** I thought that I would take the opportunity of making a short opening statement to allow members of the committee to understand what SESTRAN is and where it came from.

As local government reorganisation in 1996 meant that regional strategies dropped off the agenda and the 32 local authorities had to adopt local transport strategies, it was felt that a strategic overview needed to be taken. In 1998, SESTRAN was formed by nine local authorities. I am happy to say that our membership is now up to 10, as Perth and Kinross Council joined us last year. SESTRAN was formed as a result of partnership working—that was in 1998, before the concept of partnership working was in vogue for all of us.

We were charged with the responsibility of considering a proper integrated transport system for south-east Scotland. The aim was to introduce ways of getting people out of their cars—if they had cars—and on to public transport. When the Scottish Parliament came into being, one of the first projects with which we went to the minister who was then responsible for transport was the Waverley route. The Executive undertook to fund a feasibility study. The result of that study gave us the task of doing the hard work of bringing to fruition the bill that is before the committee today. That is the background to where SESTRAN sits; I have given a strategic overview.

Midlothian and the Scottish Borders are the only parts of the SESTRAN area that do not have an alternative to the car or the bus. We are here today to support the reopening of the Waverley line, which would give the one in three people who do not own cars a proper transport alternative to the bus. That is not to say that having a train

service will mean that the bus will disappear: the train will augment the bus. The possibility exists for us to have a proper integrated transportation system that will take us 20, 30 or 40 years hence from tomorrow, when it is taken for granted that we will have a train service on our doorstep. That is all that I have to say.

**The Convener:** Thank you very much.

**Christine May (Central Fife) (Lab):** Good morning, gentlemen. Councillor Imrie referred to bus services always being there and that is where I would like to start. Will the opening of the railway impact on the economic viability of Borders to Edinburgh bus services and, if so, how might that impact be mitigated?

**Councillor Imrie:** We have already had a number of meetings with Lothian Buses and FirstBus and we know that they are strongly supportive of the opening of the rail line. They regard it as being beneficial in the sense that it might allow them to introduce other services. For example, when the stations are opened on the line, people who do not have direct access to them will need a bus service if they do not have a car. Such services might also entice car owners to leave their car at home, since they will be able to jump on the bus to get to the railway station. Because shuttle services will need to reach out to people to bring them to the nearest railway station, the bus companies are supportive of the proposal.

At the moment, the buses that travel from the Borders and through Midlothian to Edinburgh are well used. The line presents an opportunity to provide a fast service between Edinburgh and the strategic stations that will be situated the length of the line. It will not only bring economic benefits to Edinburgh but distribute those benefits into Midlothian and down to the Scottish Borders.

10:45

**Christine May:** Has consideration been given to the effect that the line will have on bus services as a whole, including those that go to outlying villages and help to service the strategic routes? If more emphasis is placed on strategic routes, what impact might that have on those social lifeline services? Has any work been done to consider what it will cost the local authorities to support those lifeline services?

**Dr Bob McLellan (South-east Scotland Transport Partnership):** I will answer in general terms, as I have not been directly involved in either the modelling or the assessment of the line's impact on local bus services.

The SESTRAN perspective looks at the wider picture by considering how experiences from elsewhere should be interpreted in the context of

the Waverley rail project and its impact on associated bus services. All the other local authority areas within SESTRAN have bus and rail services. For example, in Fife—which is an easy example for me to deal with—rail and bus services have had a complementary rather than adverse impact on each other. In Fife, buses provide feeder services to stations, but those rail services have not had an impact on direct bus services. Frequent bus services still run from Fife to Edinburgh and Dundee. Such services pick up people from local communities who choose to use the bus. Depending on where people live, the bus can be better for them than the train.

That experience might be much the same with the Waverley rail project. People might live closer to the bus stop than to the train station. Also, those who are lucky enough to be able to drive might choose to access the bus by driving to the bus terminus; equally, they might prefer to pick up the rail connection. From my limited discussions with the bus operators, my understanding is that the operators have no great fear that the rail project will have an adverse impact on their bus services. However, the main express bus service—the X95, I think—might be an exception.

**Christine May:** Will Mr Mair also comment on that question, especially on the more pressured services that are marginal at the moment?

**George Mair (FirstGroup plc):** First, we are pleased to endorse the stated commitments of the Scottish Executive and Scottish local authorities in wishing to develop Scotland's railways, particularly where public transport needs to provide the best option to encourage modal shift away from the car. In viewing the whole project, we urge members to bear in mind the important point that the bus delivers not just a connection between Edinburgh and the Borders but many other connections in-between. That issue needs to be taken on board as part of the whole project. We are uniquely placed to assist, because we are both the franchise holder for the ScotRail contract and a major bus operator in the Borders area.

**Christine May:** Experience tells me that less well patronised routes will face considerable pressure, but nobody has said—perhaps people are being careful not to specify—what the potential costs might be. Have those costs been assessed and have they been factored into the current proposals?

**Councillor Imrie:** I do not have the exact costs, but I know that both Scottish Borders Council and Midlothian Council have considered the project's possible impact on bus services, especially on routes that are subsidised. For example, Scottish Borders Council subsidises about 60 per cent of routes within the council's area for reasons of social inclusion. Moreover, I know from the

Midlothian perspective that in the smaller villages there is a dial-a-cab service.

As far as the local transport strategy is concerned, my understanding is that both Scottish Borders Council and Midlothian Council would continue to run and put payments into those kinds of services. What may change is that those services may grow—if more people use the services, they become more sustainable. Indeed, in outlying areas where there has not previously been a main station, those services could be enhanced. I know from our discussions with Lothian Buses and FirstBus that both companies are examining the possibility of running shuttle bus services. Obviously, that might involve replacing the subsidy that both councils currently utilise. Provision might not only be what is there currently; it could be enhanced if there are growth patterns.

**Christine May:** Thank you. I will pursue the matter with the promoter, but you would accept that, although what you say could be the case, it could equally not be the case.

**Dr McLellan:** I apologise for using an example from Fife, but we are currently about to let a tender for a demand-response or ring-and-ride service that will take people from places such as Dalgety Bay, Dunfermline and the surrounding areas to the railway stations. That will be done through open competition, which will allow the operators that currently make such provision to bid to provide the service. I am talking about a different type of service, but it will perhaps connect local communities with stations in a more cost-effective way than commercial services can. The situation will be different in different areas. There is currently an option of a ring-and-ride operation, which might involve taxis if the service is for one or two people, minibuses if it is for a number of people or larger buses if it can operate on a commercial basis.

**Christine May:** Thank you. I will leave it to my colleagues to ask other questions on that. Could the current railway proposals—for example, for the location of stations—be improved to integrate with other modes of transport? If so, how could that be done?

**Dr McLellan:** The figures that have been made available to me indicate that more than half the people who will use the new route will either travel by bike or walk to the railway stations. That is an admirably high percentage and it is to be encouraged. The fact that the percentage is so high appears to indicate that the stations are located in logical places so that people can travel to them sustainably.

**Mr Ted Brocklebank (Mid Scotland and Fife) (Con):** I will begin with a couple of questions to Mr Mair from FirstGroup. Mr Mair, you have outlined

to some extent how you have been involved in the development of the Waverley railway proposals, but in your written evidence you call for the promoter to ensure careful planning of rail-bus integration. You state that the impact of the railway on bus services should be investigated and that current levels of public transport provision for people who will not directly benefit from the railway should be guaranteed. Do you believe that the issue has been thoroughly addressed?

**George Mair:** In such cases, there is always a need for a great deal more work. If the project goes ahead, the first users of the rail line will most likely be current bus users. The issue must be addressed and considered. Integration is vital as it is key to getting the rail service to work as well as possible—buses have a role to play. We must ensure that we keep the links, which are so important. More work must be done.

**Mr Brocklebank:** Are rail service feeder buses commercially viable in an area such as the Scottish Borders, or do you believe that such services will require revenue subsidy?

**George Mair:** Both scenarios are likely to arise. In some areas, such a service could be commercial, but in areas where communities are more widely spread and the population is smaller it is difficult to see how the service could be commercially operated. More detailed work is required.

**Mr Brocklebank:** Have you had a chance to do any of that work or assess what level of subsidy might be required?

**George Mair:** Not at this stage, but we are uniquely placed to work with the different partners in the proposal in examining the issues and coming up with imaginative plans that will help the project to succeed.

**Margaret Smith (Edinburgh West) (LD):** Have you done any work on the impact that the railway could have on local bus services between Midlothian and Edinburgh?

**George Mair:** I am not aware that we have. If we have, I will arrange to provide that to the committee.

**Margaret Smith:** In the evidence from the promoter, it is suggested that around 50 per cent of bus trips along the rail corridor would divert to rail, amounting to around 900,000 passenger trips a year. Is that a reasonable number or do you contest such figures?

**George Mair:** We would need to do a bit more work before I could contest them, but it is inevitable that an initial patronage switch from bus to rail would happen and happen very quickly.

**Margaret Smith:** I presume that a shift of 900,000 passenger trips a year would have quite an impact on your bus business, so I am a bit surprised that you have not already done modelling work on that. Are you saying to us that you have not looked at the figures?

**George Mair:** If the work has been done, I am prepared to provide the committee with the information outwith an open discussion.

**Margaret Smith:** Is that because you believe that the information is commercially sensitive and you want it to be given to us in a particular way?

**George Mair:** Yes.

**Margaret Smith:** Right. What effect might the roll-out of the national concessionary bus fares scheme have on the railway's economic viability? We considered that issue last week.

**George Mair:** My understanding is that the concessionary travel scheme that is planned to be introduced next April will exclude rail. I suppose that therefore there is a question mark over whether, if the not-hoped-for situation arises that the bus service between the Borders and Edinburgh is not sustainable, concessionaires could do that journey.

**Margaret Smith:** That would have an impact on you one way or another, because you are in the happy situation of being the bus operator and the rail operator. It is a no-lose situation for you, is it not?

**George Mair:** It is sometimes difficult to wear two hats. The positive aspect of the situation is that we are uniquely placed to consider such issues and come up with imaginative solutions to the problems.

**Margaret Smith:** I do not want to tie you down too much on that comment at this early stage, but I presume that, given that position, you would be able to consider the integration of concessionary schemes on bus and rail services to try to ensure that the impact on the rail scheme was not too detrimental.

**George Mair:** If we were to do any kind of work in that regard, we would need to involve the various local authorities and the Scottish Executive. It is my understanding that the national transport agency will operate the concessionary travel scheme. The bus operators, First ScotRail, the local authorities and the national transport agency should be able to come up with something between us.

**Christine May:** Mr Mair has indicated that he has information that he is prepared to provide confidentially to the committee. If Councillor Imrie and Dr McLellan have had sight of that information prior to this meeting, do they also have information

that they might make available to the committee in response? In the interest of completeness, we are anxious to know what has been done on subsidised routes and to see any information about impacts on the financial viability of the project.

11:00

**Councillor Imrie:** We do not have any information on that specifically.

**The Convener:** I have a question for Mr Mair. As the holder of the passenger rail franchise, do you consider it a realistic proposition that the Waverley railway will ever operate without a revenue subsidy?

**George Mair:** Again, I would need to ask colleagues who have a more detailed understanding of the railway situation to comment on that. It is important to consider all aspects of the Waverley railway option, including bus services and the economic impacts—the whole thing must stack up.

**The Convener:** Would you consider submitting to the committee some of the evidence to which you referred earlier? We are particularly interested in any modelling work, or other work, on bus routes and their integration. The committee would be grateful to receive that information from you as soon as possible.

I have a final question for the witnesses from SESTRAN. What is the importance of the reopening of the railway in meeting the objectives in the SESTRAN regional transport strategy? If the project does not go ahead, what would be your priorities?

**Dr McLellan:** We have a vision that we should be able to provide a genuine choice of transport for people in south-east Scotland for work, leisure and any other reason that they may have for travelling. As has been said, even if car travel is considered to be an option, we must remember that one person in three does not own a car, so we must provide a genuine choice of public transport. If we think of SESTRAN's area as a circle, 270° of it has effective rail and bus services to and from Edinburgh. The one area that does not have such services is the south, where there is no railway at the moment.

Given the population of the area, there is no doubt that the number of people who travel into Edinburgh from the Borders and Midlothian far exceeds the numbers who travel in from some other areas. On that basis alone, one of SESTRAN's broader objectives is to give people the opportunity to use public transport. We aim to get them on to public transport as early as possible in their journey, so that they do not have



to use Edinburgh as a kind of dartboard and try to get as close as possible before jumping out of the car and using a park-and-ride service.

The Waverley railway project meets the SESTRAN objectives in every respect. People will be able to travel by public transport from Tweedbank to Edinburgh in about an hour. Buses will get caught up in congestion; Edinburgh has decided not to go ahead with road user charging, so buses from Tweedbank will be delayed at some stage on their journey and journey times will increase—the numbers exist to show that.

Other rail projects, such as the proposed Bathgate to Airdrie rail link and the Bathgate to Edinburgh line, have been shown to be successful. East Lothian has a much smaller population than the Borders or Midlothian, but it has a first-class rail service, partly because of the east coast main line and partly because of the spur to North Berwick. The only area in SESTRAN that does not have a rail service is the south, primarily Midlothian and the Borders. In terms of choice of public transport, equity for people who live in those areas and the well-being of the area as a whole, there is no doubt that the Waverley railway project is crucial to SESTRAN's objectives.

**Christine May:** Of the top 10 SESTRAN projects, where does the Waverley railway project come?

**Dr McLellan:** I believe that it is in the top 10 projects in Scotland, according to the Scottish Executive. SESTRAN is undertaking a review of its regional transport strategy and we do not have a top 10, but it is certainly one of the key projects that need to be delivered to meet the overall regional objectives.

**Christine May:** Nearer one than 10?

**Dr McLellan:** It is certainly in the top handful of projects—the definition of handful is probably somewhere between one and five, but I would like to think that the project is between one and three.

**Councillor Imrie:** I have had two or three minutes to think about your question: what would we do if the project did not go ahead? We would go away and cry—I say that in all seriousness. Part of the strategic vision of social inclusion—never mind anything else—and a green transport policy is to give people choice. For example, the economic benefits of the central business case are about £75 million, but the overall economic benefit to the area probably works out at about £250 million. One cannot disregard that.

When the crossrail project was extended to Brunstane and Newcraighall stations, for example, one could have argued the case about the effect on public transport and buses in particular. The answer was that the new services complemented

the buses. The Waverley line would certainly complement other modes of transport. A lot of work remains to be done on how one gets people from the outlying villages to participate and that challenge would be set if the project were to go ahead. We would have to have further discussion about that.

However, members know as well as I do that in politics one sometimes has to make key decisions that might not look right at the time, but about which one can say in 10 or 15 years, "Thank goodness I said yea or nay." In that sense, we have worked out our case. We were challenged by the Minister for Transport to go away and come back with the facts and figures. The Waverley line could deliver similar travel times to those in the travel areas from Stirling, Dunblane or Markinch, for example.

Christine May knows from Fife that the number of cars that the Ferrytoll park and ride—which the buses support—can accommodate has had to be increased from 500 to 1,000. That shows that, with a vision, we can get people out of their cars—those who have them—and get them to take public transport as an alternative. We have a genuine opportunity to do that with the Waverley line. If the project does not go ahead, we will have to take stock.

**The Convener:** We will leave the difficulties of Markinch station to one side for the moment.

**Councillor Imrie:** Sorry, convener, I did not mention it for any other reason.

**The Convener:** It is okay—the issue is close to my heart. Do I take it that, apart from going away and crying if the project is not approved, you have no plan B for a regional transport strategy beyond the proposed Waverley railway line?

**Councillor Imrie:** We have a regional transport strategy, but part of it relies on the Waverley line. The local plans of Midlothian Council and Scottish Borders Council, and indeed the Lothian and Borders structure plan, all take account of population expansion along the A7 corridor. As we all know, the Edinburgh housing and economic markets are at boiling point and people are having to move out whether they choose to or not. I hope, of course, that they would choose to move to our area, but some people have to move even further afield.

All our local plans are structured in such a way as to bring housing into the areas where the proposed stations have been strategically placed. As we go through the consultation exercise, we take cognisance in our local Midlothian plan of having stations at strategic points in the areas for development along the A7 corridor. Scottish Borders Council is engaged in the same process. If the Waverley line does not go ahead, the people

who move to those areas will probably choose to use their cars. Notwithstanding the fact that the bus services can be increased, as Dr Bob McLellan said earlier, people will drive to the point beyond which they cannot drive any further and then abandon their cars. We were hoping that the introduction of the Waverley line would take care of that.

**The Convener:** I thank you for coming today and for giving us evidence. If you have further information that will benefit the committee, I ask that you get it to us as soon as possible.

I will suspend the meeting for a couple of minutes to allow the witnesses to swap over.

11:10

*Meeting suspended.*

11:13

*On resuming—*

**The Convener:** Our next set of witnesses are Robert Samson, director of the Rail Passengers Committee Scotland; David Spaven, trustee of the Waverley Route Trust; and Petra Biberbach, chairperson of the Waverley Route Trust. I understand that Petra Biberbach and Robert Samson wish to make short opening statements.

**Petra Biberbach (Waverley Route Trust):** I thank the committee for inviting the Waverley Route Trust to today's meeting.

The trust fully supports the general principles of the Waverley Railway (Scotland) Bill and lodged no objection to the scheme. However, we have always been critical of the narrow specification for the railway that was laid down in 2001 and we have tried through our work to add value to the promoter's scheme. Unfortunately, our ideas have been interpreted by some of the promoter's officials and consultants as seeking to undermine the case for the railway. It would be more accurate to say that we are not happy to settle for a railway that will not be attractive or flexible enough to transform travel to and from the Borders.

We have four particular concerns relating to the scheme that is before the committee. The first concern relates to the one-size-fits-all approach. The Edinburgh to Midlothian market is distinct from the Scottish Borders market. Those markets should be served by different kinds of train services. That distinction is vital to securing the right kind of service, not least an express service from the Borders to Edinburgh.

Our second concern is the lack of consideration given to the concept of a community railway along the lines of a social enterprise model, particularly south of Gorebridge.

Our third concern relates to the relatively short 1.5 mile extension to Melrose, which is the tourism hotspot for the Scottish Borders. We feel that it is a major drawback that the one place that will guarantee high railway patronage has not been included.

The fourth concern relates to Stow station. We will not say much about that, but our professional consultants, Corus, have shown that that station is feasible and could play an important part in a park-and-ride system as well as supporting the local community.

I hope that we can demonstrate to the committee today that, by applying some of the trust's ideas, the case for the railway to the Borders will be strengthened. It will address social inclusion, achieve modal shift and, most of all, it will encourage sustainable development.

11:15

**Robert Samson (Rail Passengers Committee Scotland):** The Rail Passengers Committee Scotland works with a number of partners across Scotland on various railway projects. We were pleased to work with the Waverley Route Trust on this project. We support the reopening of the Waverley line and believe that the work that the Waverley Route Trust has done will add value to the project. We are here to support the trust and we wish the Waverley line to be reopened.

**The Convener:** The Waverley Route Trust's response to the promoter's response to the Corus report suggests that the promoter has an insufficient grasp of markets for rail travel and lacks the confidence or vision to challenge conventional wisdom. Why is that risk-averse approach not the appropriate one to take when spending public money?

**David Spaven (Waverley Route Trust):** The cost of the scheme exercised us from an early stage. As the committee will be aware, under Railtrack costs in the rail industry have escalated enormously in the past five to 10 years. One of our worries was that the cost of the scheme was escalating from its original estimate of £25 million or £30 million to somewhere between £70 million and £129 million. We were worried that what was being achieved in return for that money was not good enough in terms of value for money or what would be secured by communities in the Borders. We felt that innovation and imagination were needed to come up with a service other than one that stopped at all stations and would take 61 minutes to get from Tweedbank to Edinburgh, which is an average speed of 35mph. The Scottish Executive has a key objective of securing modal shift, primarily from the car to public transport, but we are doubtful about the number of people who

would leave their car at home for a train journey with an average speed of 35mph.

Greater understanding is needed of the situation on the ground in the Borders. With all due respect to the consultants to the promoter—and I speak as someone who, with another hat on, is a transport consultant—there has been something missing in terms of their understanding of the fundamentals of what goes on in the Borders.

This morning, we heard a discussion of the bus services. Many of those comments were misdirected and did not answer the questions that the committee raised. Galashiels is the major hub for local, regional and interregional bus services in the Borders. As you know, the bus station will be 50yd from the new railway station and there is a major opportunity—even under the present scheme—for buses to improve their viability because they will lead not just to Galashiels, which is a major service centre, but to other bus routes in the area, and they will link in with the railway.

I am sorry for going on at some length, but I would like to pick up on another point that was raised. The railway will not threaten or compete with rural bus services in the Borders. The key issue is what will happen to the economics of the X95 bus, which is not a subsidised service. If that bus loses patronage from the Galashiels area it will have fewer passengers and that needs to be addressed. I would like to think that that service could be replaced by a local bus service from Galashiels that would link with the railway at Stow before going on to take passengers from the communities in Heriot and Fountainhall to the station at Gorebridge. As I said, there has been a lack of attention to the detail of the situation in the Borders and to the potential of the railway, not least in terms of tourism and leisure markets.

**The Convener:** Did the promoter move too quickly in putting the bill into the parliamentary system? Would the project have benefited from greater consultation?

**David Spaven:** I think that the promoter was right to put the process in motion at the time that it did. However, it is a matter of great regret to us that the promoter has failed to take on board the sort of ideas that we have been flagging up and the proposals that came out of the Corus report. All that we asked was that the ideas that were raised by Corus and ourselves should be examined on a level playing field, using the same methodology and database. That never happened, however, although there have been ample opportunities in the past two or two-and-a-half years. We believe that it could have been done in parallel with the existing bill process, but unfortunately that has not happened.

**Christine May:** In your response, are you suggesting that both the proposed railway and your alternative proposals will always be loss making and can therefore be justified only on the grounds of economic, social and environmental benefits?

**David Spaven:** Yes. It is pretty well understood that there are few rail services in Scotland that make anything like a conventional profit. Railways are justified by their wider economic, social and environmental benefits, which are recognised by the Scottish Executive and the United Kingdom Government.

It would be stretching any definition of profitability to suggest that a railway to the Borders could ever be profitable. However, that is not the point. If we took an approach that was based purely on profits, there would be no railways in Scotland other than the west coast main line, the east coast main line and the Edinburgh to Glasgow service—everything else would have been closed down a long time ago. Profitability is not the key issue from the point of view of thinking about what an integrated transport policy should be.

**Christine May:** In your response to the promoter's response, you suggest that the promoter should prove all of its critical assertions about the Corus report. Why should it?

**David Spaven:** I think that it should prove them because its response to the Corus report contains many examples of situations in which it has failed to consider core issues, such as the potential for leisure travel. The promoter undertook stated preference surveys of residents of the areas in which it is proposed that the stations will be situated but, evidently, it did not consider leisure travel from Edinburgh. However, Edinburgh is a tourism hotspot, with people looking to take day trips out. The idea of enabling tourists to go on a train into the heart of Borders country—ideally to Melrose, which is the tourism hotspot in the Borders—should have been considered by the promoter. That it was not is a matter of great regret, but it is never too late. We can still put in place a railway line that will ensure that people leave their cars at home and which will bring tourists into the Borders in a way that will have an important economic benefit for the region.

**Margaret Smith:** Does the proposed route and the location of stations maximise the potential for integration with other modes of transport? If not, how might the scope for integration be improved?

**David Spaven:** As I mentioned earlier, Galashiels provides an excellent opportunity in terms of integrated transport. The bus station will be 50yd away from the railway station. That bus station is already the hub of the Borders bus

service so, in terms of integrated transport, the proposal will go with the grain and will build on what is there already. People in the Borders go into Galashiels for shopping and other activities. I think that there is an intention to bring buses into Tweedbank as well. That is sensible, but one has to try to go with the grain in terms of what public transport can do best. That is the beauty of the situation in Galashiels—people go there anyway. People who live in the Borders and have a car probably do not realise that public transport in the Borders is quite extensive, largely because of subsidy from Scottish Borders Council. There is a great opportunity there.

I would say that there is an additional opportunity in Stow. The express service that we are calling for would start at Tweedbank and call at Galashiels, Stow and Shawfair. Stow should not be seen simply as a station serving 500 or 600 people in the immediate vicinity; there is the opportunity to link the service with buses coming across from Lauder and from the north end of Galashiels in addition to the station's park-and-ride function.

**Margaret Smith:** I think that colleagues are, not surprisingly, going to pick up on the Stow issue later. Can you expand a little on your views about Tweedbank? You raise several key issues about the need for a loop at Tweedbank and what that could do to make other services attractive, and so on. There is also the issue of freight.

**David Spaven:** When the trust was set up in 2002, one of our concerns was that the railway would not have sufficient flexibility. There is no capacity on the proposed railway to handle anything other than the planned half-hourly all-stations service from Tweedbank to Edinburgh. There is no capacity for the line to handle any freight, except during the night—which would not be very popular—or on Sundays. Equally, if people wanted to charter trains from the south of England or from Glasgow, or if they wanted to run steam-hauled excursions out from Edinburgh, extra capacity would be needed. That would be achieved primarily through the creation of a crossing loop at Stow instead of the dynamic loops that the current scheme proposes.

There would also need to be a loop at the terminus of the line. For example, the Royal Scotsman charter train, which some of you may have seen on your travels around Scotland, carries rich American tourists up into the Highlands at very expensive rates and is hauled by a locomotive. If a train with a locomotive at the front reaches the end of the line, unless there is a rounding loop the locomotive is stuck at the wrong end of the train for coming back out again. In order to have flexibility, therefore, there is a need for

such a loop at the end of the line, which could also cater for freight traffic.

It has been one of our concerns—and it came out in our response to the promoter's response—that freight has not been properly considered in the context of this line. It will always be marginal, but it could be an important additional economic benefit for the Borders. I am thinking of, for example, the transportation of containerised domestic waste. A new waste strategy is being implemented Scotland-wide, and there is no question that rail is well placed to provide transport for domestic waste. As you may know, Edinburgh's waste moves by rail container from Powderhall down to Dunbar. There will be opportunities for Borders waste to be taken in sealed containers from Tweedbank up to Edinburgh. There could also be timber transport opportunities. Freight transport is never going to be the key reason for having the railway, but we suggest that it would be sensible to have some flexibility at Tweedbank to allow a freight terminus to be built as and when required.

**Margaret Smith:** I also want to pick up on the Melrose issue, which we touched on last week. Given the number of people who visit Melrose, you do not understand why the route stops at Tweedbank and does not go on to Melrose. Last week, we were told that there would be quite a cost involved in that—certainly, that was what I was told when I spoke privately to the promoters. In paragraph 20 of your written submission, you state that the estimated capital cost of a Melrose stop is £6.7 million, which is an underestimate in comparison to the figure that the promoter suggests. There would be technical difficulties involving roads, and so on, and the feeling is that the distance between Melrose and the station at Tweedbank is walkable or cyclable. Given the difficulties that would be involved, why do you still suggest that there should be a station at Melrose instead of a terminus at Tweedbank?

11:30

**David Spaven:** There are two parts to that question, the first of which concerns cost. The promoter has never considered the costs and benefits of a 1.5 mile extension of the line from Tweedbank to Melrose. The promoter considered a longer extension through to Charlesfield and on to Hawick. I do not think that the promoter would claim that it did more than some fairly rudimentary work on that, but it came up with a cost in excess of £30 million. It is important to bear in mind where the main breaches of the old railway are; you can see them when you look at the road from Galashiels through Melrose to Newton St Boswells. The majority of those breaches are beyond Melrose in the St Boswells area. The

railway could run from Tweedbank beside the Melrose bypass and have very little impact on surrounding properties. There is still an old station with a platform at Melrose, and there is still room for a single track to go in there. The possible costs and benefits of this scheme have not been evaluated by the promoter.

The second point, that Tweedbank is very close to Melrose, is absolutely true. We were thinking primarily about the tourism and leisure markets. If a visitor to Edinburgh with some time on their hands who is keen to see the attractive things in the surrounding area is told that there is a train to Tweedbank, but that they would have to get a bus or walk down into Melrose, that would not really fit the bill. But what if you could say to that person, "Would you like to get a train right into the heart of Melrose?" The station is within walking distance of National Trust for Scotland properties, Melrose Abbey and the Eildon hills. That would make the difference. I grant you that it is quite easy for commuters to drive from Melrose to Tweedbank, but we were thinking more of the leisure and tourist market that we believe is being neglected.

**Margaret Smith:** It would be the same as the situation with St Andrews and Leuchars.

**The Convener:** The debate about Melrose is interesting, but I have to point out that it is outwith the scope of the bill to extend the railway line to Melrose, so it is difficult for us to consider. However, do you think that the railway would not be viable without the extension to Melrose?

**Petra Biberbach:** You asked earlier about risk aversion. We should be careful not to mistake risk aversion for prudence. Some of the suggestions that we have made would assist in the building of a better business case and a better case for a railway. When we say that we would like there to be regard for the idea of an extension of the line to Melrose, we are having regard to the idea of a railway that can deliver additional benefits to those delivered by commuter traffic, such as freight and an express service. That is what we mean by being prudent.

**Margaret Smith:** The convener pointed out that neither your points about Melrose nor your other proposals are within the bill that sits in front of us. If the committee were to accept what you say, we would have to throw out the bill as it stands and return to limits of deviation, notifications and so on. People would have to be notified of the changes that you suggest and there would be a delay. Are you saying that it would be better for us to do that, and get what Mr Spaven called the right route and the right railway for the Borders, than to go on with what we have in front of us at the moment?

**David Spaven:** I will respond to the point about what impact that would have on the bill. I am not

an expert on bill processes, so I must be careful about what I say. Corus identified that the only place in its scheme that would take the alternative line outwith the current limits of deviation is at Newcraighall, which as you know is in railway industry ownership anyway. We are not talking about taking the line into people's back gardens. Newcraighall was the only place where it was felt that there was a definite need to go beyond the limits of deviation.

I understand that there are processes that the committee would have to go through that would add delay, and we are aware that the railway has already been delayed for several reasons. However, if we can get back to the view that if we can get the right sort of railway by what we regard as not much more than tweaks to the bill—although there is work to be done by the promoter to get the train service specification right—that would be a much better result.

We are asking people in the Borders to use the train who have not used it for 10, 15 or 20 years, particularly motorists. Let us not forget that it is motorists whom we want to use the train—we do not want lots of people to abandon the bus. I worry that if people turn up on the first day at Tweedbank to find a windswept platform with a bus shelter on it, and then get on a train that takes 61 minutes to plod up to Edinburgh, that will be a let-down for them. They will ask what advantage the train has over driving, except perhaps when congestion is at its worst in Edinburgh. If the system can be tweaked reasonably to get it right from the word go, that would be a much better result for all concerned.

**Margaret Smith:** I want to push you on that. If we were a planning authority considering a planning application we might, as you say, tweak the proposals or simply notify a few people, which might add eight weeks to the process. However, our understanding is that whether we disagree with your proposals or not, to progress as you suggest—even for phase 1 of your proposals—would not require tweaking, but would require that the bill be resubmitted, which would result in delay and extra expense. Would that be a price worth paying to get what you consider to be the best route and service?

**David Spaven:** Our understanding is that our proposals would not require the drastic process that Margaret Smith describes, although we accept that the extension from Tweedbank to Melrose is a different case. We have said in our evidence that that extension would have to follow later, because it would require a different bill; all the advice that we have been given demonstrates that. However, we have not been given to understand that massive changes to the bill would be required to accommodate some of our core

ideas. I emphasise that I am not an expert on parliamentary bills and that I would have to take counsel from others on the matter.

**Margaret Smith:** Has the counsel that you have taken been only from the Corus report, or have you taken independent legal advice?

**Petra Biberbach:** To be sure that you understand fully, I point out that the Waverley Route Trust is made up of 11 trustees, all of whom are volunteers. The only funding that we have received is through the Rail Passengers Committee Scotland, which funded the Corus study. We are here in a personal capacity; we do not have at our disposal the kind of funding that the promoter has. We can find out about issues through, for example, discussions with MSPs who sat on the Stirling-Alloa-Kincardine Railway and Linked Improvements Bill Committee. We are limited in that we can be guided only by the information that is out there.

**Margaret Smith:** You suggested that we could tweak certain aspects of the bill—I was just trying to ascertain the knowledge base under that suggestion. I want to find out whether that is an assertion or legal opinion.

**Petra Biberbach:** We have examined the matter and we have asked people.

**David Spaven:** We have had a number of meetings with the partnership in the past year or 18 months. A day-long discussion and debate was held with the promoter's consultants in December last year about the exact implications of the bill. However, in some ways, there were more questions than answers because we are in unknown territory, which is why I am a bit less than definite in my response.

**Gordon Jackson (Glasgow Govan) (Lab):** The promoter has figures for its case, with which you disagree. Will you be a bit more specific about your disagreement with the promoter's figures in relation to the station at Stow? Bluntly, where would the additional passengers who are needed to make the station viable come from?

**David Spaven:** The promoter suggests that 10 passengers a day would use Stow station. If the trust felt that only 10 people a day would use a station that would cost up to £1 million, we say that that would not be worth it and would not represent sensible public expenditure. However, something has gone wrong with the modelling and the approach to Stow. Part of the problem is that the catchment area has been drawn too narrowly. Lauder is just 5 or 6 miles over the hill, so it is possible to foresee people catching a minibus, if there was a fast service, or driving to park at Stow, if there was a park-and-ride facility.

Moreover, if we look at the promoter's scheme, we can see that park and ride is provided at Tweedbank but not at Galashiels station for the very good reason that the Galashiels site is very constrained. Let us say that someone who lives in central, or more particularly north, Galashiels is attracted by the idea of using the train. Will that person drive all the way back through Galashiels and then, heading south, drive all the way down to Tweedbank where they can leave their car in order to travel all the way back north again through Galashiels on the train?

My experience of the rail network leads me to suggest that people want to logically follow the line of a route. In this case, a person would want to drive for 10 minutes from north Galashiels to a park and ride at Stow, then get on a fast train that would get them into Edinburgh in less than half an hour. People in Galashiels would find that an attractive option. This afternoon, the Stow station supporters will highlight another Scottish example that demonstrates that, even although a place might not have a vast population, it can have a wide catchment.

**Gordon Jackson:** No doubt we will raise the question with the people from Stow. Everything you say concerns fast trains. I agree that it would be great if someone could take a minibus over to Stow and catch a fast train. I understand that you want the average speed of the service to be increased, but simply saying that that is a good idea is like making the motherhood-and-apple-pie argument; it is obvious that fast trains are a good idea. I am not clear about your suggestion as to how that would happen in practice. Let us get to the nuts and bolts of the argument. How will we reduce the journey time by 20 minutes?

**David Spaven:** It is not rocket science: it comes down to observation of traditional railway operating and business practice throughout the rest of the British railway system. The current proposal is for a strange hybrid service, as Petra Biberbach said earlier. It is for a one-size-fits-all service. Someone joins the train at Tweedbank; the train calls next at Galashiels—that is fine, it is to be expected—but it then stops at Gorebridge, Newtongrange, Eskbank, Shawfair, Newcraighall and Brunstane before crawling into Waverley station 61 minutes after it left Tweedbank.

A rational railway business approach to the problem would be to recognise that the service has two different markets and to split it in two, into an intensive all-station-stopping service from Gorebridge to Edinburgh, where such intensity of service is needed, and an express service to meet inter-regional demand. That option would give people the attractive option of getting into Edinburgh in 39 minutes.

Our suggestion for how that could be achieved has been supported by Corus. Instead of the half-hourly service from Tweedbank, we suggest that an hourly service be provided for most of the day, which should be enough. It would be similar to the North Berwick service and to the Bathgate service in the first 12 years of its life. Trains would run half-hourly at peak times to pick up increased demand. In that way it would be possible to redistribute rolling stock and to maximise the service for broadly the same amount of money.

**Gordon Jackson:** I am sorry if my next question shows a lack of understanding of your suggestion. If the service is half-hourly at peak times, would the train stop at all the stations? Do you envisage someone getting on the train at Tweedbank and going straight to Gorebridge, for example? Are you suggesting that some trains would be stopping trains or would all of them be express trains?

**David Spaven:** What we are suggesting under this option is that trains would run straight through. If we consider current demand, we see that there is not a high level of demand for a service from the Galashiels area into Midlothian—certainly that is the case if one travels on the X95 bus, as I do often. The vast majority of people go into Edinburgh. Our proposal would see a stop at Shawfair, however.

Equally, one could postulate that the express train would call at Gorebridge, from where people could transfer to a stopping service that would give them access to a variety of stations in Midlothian.

**Gordon Jackson:** So, on the same line, you would have a half-hourly peak-time fast service from Tweedbank to Edinburgh and a slow train coming into the city from Gorebridge and so on?

**David Spaven:** Yes.

**Gordon Jackson:** The reason why I ask is that when there is such a mix of services in other places, all that happens is that the fast train has to sit and wait until the slow train goes down the line. The trains pile up in a queue, one after the other. Have you worked out whether your proposal can be achieved?

**David Spaven:** Yes. Corus has modelled the proposal using a sophisticated timetable modelling system that it uses throughout the country. Corus has proposed double tracking the line from Gorebridge to Edinburgh. Instead of the current arrangement under which single track is primarily planned, Corus believes that a more robust solution would be to have double track on the parts of the route that would be most intensely used, because that would accommodate the local stopping train and the express service. Although that is standard railway business practice, sufficient capacity is required.

I will just pick up on the point about the extra trains at peak time. We are talking about a train set that would primarily be used for back-up and maintenance of the main train service. For a couple of hours each day, the back-up train would be used for the fast service and as the cover, back-up and maintenance spare train set for the rest of the time.

**Gordon Jackson:** We are talking about opening one line with two separate railway services.

**David Spaven:** To have slow trains, semi-fast trains and express services is standard British railway practice—that happens all over the country. Railway timetablers are very capable of modelling that basic facet of operation. For example, the train from North Berwick to Edinburgh may stop at all the stations, but not far away could be an east coast main line Great North Eastern Railway train that stops nowhere in that area. It is standard railway practice to timetable in such provision, provided that enough track capacity is available.

11:45

**Gordon Jackson:** Do you plan to discuss with the promoter your report's recommendations or the promoter's response to the report?

**Petra Biberbach:** We have been in discussion since June 2004. At all times, we have made available our ideas and thoughts. We would have liked a more constructive dialogue to emerge earlier, rather than its being left to this late stage, because we felt at all times that we could add value to, rather than negate, the scheme. If the dialogue had been more constructive, we probably would not need to be sitting here now, still trying to put across ideas. I say with respect that it is right to stick to a timetable, but it is more important to have the right railway that will serve for the next 20 to 30 years. If it takes a year longer to achieve that, so be it.

**Gordon Jackson:** What discussions have you had with the promoter, the Executive, Network Rail or First ScotRail about the potential designation of any reopened railway as a community railway? Would any such designation delay the scheme?

**David Spaven:** Such designation should not delay the scheme. We have several times discussed the community rail concept with the Executive and with the promoter. As members may know, the community rail idea can have many meanings, but in essence it means more local control and flexibility, and it means maximising revenue and reducing costs when possible to increase a railway's social and economic value. That concept is developing south of the border and is being promoted by the Department for Transport. Network Rail has appointed a senior

manager south of the border to push the idea forward for various pilot projects. That has not happened yet in Scotland, because the Executive wants to see how the concept works south of the border.

I see no reason why designation should lead to significant delay. It primarily concerns how the railway operates once it is built and how local people are involved. For example, the track south of Gorebridge might be owned by a local company. Such matters can be developed, but there is no reason why such designation should cause delay.

**Mr Brocklebank:** I have one or two questions for Mr Samson in his capacity as director of the Rail Passengers Committee Scotland. As the national rail passenger representative organisation, can you tell us the potential passenger demand for a reopened railway and can you break down the location of such passengers?

**Robert Samson:** We cannot give specific figures for a reopened Borders railway, other than the figures that are in the Corus report. I do not know whether the committee has a copy of that. We employed consultants, who delivered the model in the report.

**Mr Brocklebank:** Would the proposed frequency and speed of service prove attractive to potential rail passengers? Do such journey lengths and a speed of 35mph satisfy passengers in other parts of Scotland?

**Robert Samson:** Passengers take several factors into account. Critical factors are service frequency and the speed from point A to point B. It is interesting that the journey time that has been proposed to the committee is 57 minutes from Galashiels to Edinburgh. The British Rail timetable of 1954 showed a journey time of less than 55 minutes. We are talking about reopening a railway line 50-odd years down the line with a longer journey time than that of a steam locomotive in the 1950s. We want people primarily to get out of their cars and to use public transport, but I do not see a journey time of 61 minutes as particularly attractive to car users.

**Mr Brocklebank:** We heard when we took evidence last week that housebuilders did not believe that that is a length of journey that will attract people to buy houses. I still find it a little difficult to understand how the fast trains will interlink with the slow trains. As someone, like Tricia Marwick, who travels from Fife into Edinburgh, I know that the aspiration is to have fast trains and, at other times, slower trains—I am sure that all the modelling was done for particular times—but inevitably what appears to happen over and over again is that a fast train gets trapped

behind a slow train. Would the situation be any different under your proposal?

**Robert Samson:** The service that we are promoting—slow trains, semi-fast trains and fast trains—in theory works through the entire Scottish network now.

**Mr Brocklebank:** Or does not work, as the case may be.

**Robert Samson:** It is up to Network Rail to have enough capacity on the network to facilitate the timetable. Before the timetable is published for passengers it goes through various modelling stages. From day to day, events happen on the ground. Trains fail, so there is a back-up and the fast train sits in a siding and so on. It is up to Network Rail and First ScotRail to have reliable trains and a reliable infrastructure to support the timetable. The timetable is deliverable, but it is up to the railway industry to get its act together to ensure that it is delivered. The system works between 80 and 90 per cent of the time. The trick is for the operators to up their game to get the system to work between 95 and 100 per cent of the time. On paper, it works in other areas.

**Mr Brocklebank:** The Scottish transport appraisal guidance 2 appraisal assumes a fare of about £6.50 for a single passenger journey from Edinburgh to Galashiels. How does that compare with similar journeys elsewhere in Scotland?

**Robert Samson:** It compares favourably with the rest of the ScotRail network. I suggest that fares on the Strathclyde Passenger Transport network are cheaper over the mileage than the rest of the ScotRail network. The fare is comparable with fares from Fife into Edinburgh, Perth into Edinburgh or North Berwick into Edinburgh.

**Mr Brocklebank:** Thank you.

**The Convener:** I thank the witnesses for coming to give evidence. We will call a halt for lunch now, and will resume at 1 o'clock, when we will hear first from supporters of Stow station.

I thank people very much for their attention.

11:52

*Meeting suspended.*

13:01

*On resuming—*

**The Convener:** I welcome everyone back to the meeting. In this afternoon's session we will continue our consideration of route options and the choice of stations, of how the railway would integrate with other modes of transport, and of the viability of the bus service from the Borders to



Edinburgh. Our witnesses are Bill Jamieson, who is the steering group co-ordinator for Stow station supporters; Alan Buchan, who is a member of the steering group of Stow station supporters; Hamish Hunter, who is chairman of the parish of Stow community council; and Bob Fleet, who is a member of the parish of Stow community council.

Not all the witnesses are present at the moment—I understand that Bill Jamieson is here but not on the panel at the moment, so I ask Hamish Hunter to make a short opening statement.

**Hamish Hunter (Parish of Stow Community Council):** Before I proceed with our statement, I would like to clarify a small point. Your correspondence referred to us as Stow community council but we are, in fact, elected members from the parish of Stow community council. I am the chairman.

The parish of Stow comprises mainly the valley of the Gala water, which is the route of the proposed Waverley railway through the Borders to Galashiels, where it meets the Tweed. The parish covers the populations of Bowland, Stow and Fountainhall. All three communities had railway stations before the railway was closed in January 1969. In our parish, the proposed route would cover a distance of almost 10 miles from north to south. We serve a population of about 1,000 people. The community council has asked us to represent it today on the issue, on which it is unanimous.

Unlike any other community in the Borders, we will be disadvantaged by the proposals in the bill. We will have all the disadvantages of the new railway without being allowed to enjoy any of the transport, economic or social benefits—we will be socially excluded. Arguably, the greatest disadvantage could be the depletion of our present transport service, which is the bus. Paragraph 11 of the promoter's memorandum even states:

"Buses have not provided an alternative to a railway service"

Unfortunately, the bus service is our only alternative and we fear that if it has to compete with the train it will struggle to survive in its present form. Our community, with depleted amenities and an aging population, relies heavily on public transport.

The former railway bed will be lost as a valuable resource. It is used by walkers and it could have a future as a cycle path, as a bridleway or—dare I say it—for road improvements. Agricultural vehicles that use the railway solum to access fields will be forced onto roads, which will cause further disruption to both farmers and road users.

Some members of our community will lose land through compulsory purchase—ironically, that includes Fountainhall and Stow stations. The construction of the railway will also create disruption from haulage of heavy material through our villages. Once the railway is constructed, we will have to suffer the noise and other pollutants that are normally associated with diesel locomotives, and it should also be borne in mind that the railway will pass within metres of Stow Primary School.

Paragraph 27 of the promoter's memorandum states:

"The existing road network will be maintained and enhanced where appropriate to allow the adequate transportation of freight."

From the Edinburgh city border to Galashiels, the A7 passes almost all the settlements on its route. As you will be aware, that route passes directly through the centre of Stow. More than 90 per cent of Stow Primary School children must cross it to get to school, so road safety concerns are frequently discussed at our meetings and we are veterans of a campaign to get a pedestrian crossing installed. It would not be unreasonable to predict that the freight levels that we will be forced to endure will increase steadily in line with the predicted economic growth of the central Borders region, yet there are no firm commitments to upgrade the A7 to take account of the increased freight levels.

Those are some of the disadvantages, but what advantages will we get from the railway? Without stops in our community, we will get none. Without doubt, the cumulative effect of the railway on our community would be catastrophic. We live in an age in which planning gain is the norm and in which developers are often forced to contribute to the communities that they disrupt by building new schools, improving the transport infrastructure or providing many other general amenities. Companies that build wind farms contribute financially to the communities that they affect. The promoters of the Waverley Railway (Scotland) Bill propose to take a great deal out of our community but to put nothing back. In fact, the Waverley railway project's consultation evaluation report suggests that the people of Stow should expect all the pain and no gain.

The promoters often refer to our stretch of the Gala water valley as a corridor. I wonder whether the use of that word could be based on a misinterpretation. When we think of a corridor, we think of a passageway with doors leading to and from the rooms that it passes. In its present form, the bill would consign our community to being a socially excluded room without a door. Can it be considered fair to discriminate against the residents of our parish in that way? In these days

of equal opportunities, people are no longer denied access to public property, buildings or even land. Having mistakenly relied on the promoters to see sense and having believed that their social consciences could not allow them to construct a railway through a 10-mile stretch of our community without allowing us access to it, we now depend on the committee to correct that injustice.

Convener, we thank you and your colleagues for allowing us this opportunity to speak to you. You have allowed us a great deal more time than the promoters have.

**The Convener:** Thank you, Mr Hunter. Bill Jamieson is now with us. Would you like to make a short opening statement, Bill?

**Bill Jamieson (Stow Station Supporters):** Good afternoon, convener. I apologise for being slightly late. I thought that the meeting was going to start at quarter past 1. I thank the committee for inviting us to give evidence today. It is difficult to overstate the importance of this opportunity—after all, it is the culmination of our efforts to get the right outcome for our village. I have been exhorted by the clerk to keep my comments as short as possible, so I will confine myself to two topics. I will start with some background to the Stow station supporters group.

The origins of the group go back four years, to early 2001. At about that time it became apparent, from correspondence between Stow community council and the promoter, that the promoter was not prepared to question the very low predicted patronage figures that were buried in the Scott Wilson report of 2000. It was also obvious to me that, if Stow was to be kept on the railway agenda, we would have to take any initiative ourselves. Accordingly, with the support of the then community council, the Campaign for Borders Rail successfully applied for lottery funding to carry out a community survey in and around Stow. Most of the legwork for that was done by the nucleus of our group, while the analysis was carried out by a consultant from the transport research and information network early in 2002. The results demonstrated massive support for a station and a real desire to use the trains. However, the promoter chose to ignore the survey and the preferred scheme, which was announced just a few months later, included an additional stop at Shawfair, not Stow. At a subsequent public meeting the Stow station supporters group was formally established with the primary objective of presenting a petition to the Public Petitions Committee—a process that is ongoing.

I have something to say about what the promoter considers to be the decisive factor, which is the alleged likely low usage of a station at Stow. The promoter's latest black-box modelling predicts that only 10 people per day would use the

station, but there does not appear to be any on-the-ground input to that model. For example, no account is taken of the substantial flow of school pupils from Stow to Galashiels. Our 2002 survey does not even warrant a mention. No comparison has been drawn with any existing station in south-east Scotland. It would be surprising to find an exact parallel because there is not one. However, Drem on the North Berwick line is an interesting case study.

Stow had a population of 550 in 2001; it is probably nearer 600 now. I believe that the promoter's consultant has remarked that the station would be used only by one man and his dog. Drem consists of no more than 50 houses and perhaps 130 or 140 inhabitants, so conventional transport modelling would struggle to justify even the dog using the station there. However, that does not deter people from Drem and further afield from using the station as approximately 100 do so every weekday. I have just been given some more figures. Barrhill—in the wildest reaches of south-east Ayrshire—manages to attract an average of 30 passengers per day. In conclusion, I suggest that those examples are a very reasonable indication of how a station could perform at Stow.

**The Convener:** Thank you. It is true that the committee clerk exhorted you to keep your remarks short, but in his defence I must say that I exhorted him to exhort you to keep your comments short to allow committee members as long as possible to ask questions.

**Mr Brocklebank:** Obviously the Stow organisation supports the development of a station in the village. However, would you like to suggest any other changes to the current proposal, and why would you suggest them?

**Bill Jamieson:** Are you talking about changes to the overall scheme?

**Mr Brocklebank:** Yes.

**Bill Jamieson:** I have to declare an interest as a trustee of the Waverley Route Trust, and I would like the trust's proposals for an express train service out to the Borders to become reality. I am partly motivated by the fact that that seems to be the most likely way of incorporating in the proposals a stop at Stow. It is necessary to give a decent service to Galashiels and the central Borders. Midlothian should also be included because it would make a much more reliable outer suburban service to Gorebridge if it was not linked to the single-track section south of Gorebridge that goes out to the Borders.

**Mr Brocklebank:** How do you expect public transport to develop in the Stow area if Stow does not get a local railway station?

**Bill Jamieson:** I believe that the X95 bus service will be decimated. In our objection to the committee in November 2003, we did some survey work on the bus service at the A7 corridor. A little more than 200 people used it every day in each direction.

It is clear to me that if the train service is to be attractive to people from the central Borders, Galashiels and further afield, they will transfer from the bus in huge numbers. That can only make the bus services unviable. In those circumstances, Scottish Borders Council would be bound to step in and to provide a minimum bus service on the A7 corridor. It is not just Stow; we have to consider Fountainhall, Heriot and Middleton.

Although the council might provide a minimum social service—say for pensioners who want to go shopping in Galashiels—any attraction that the bus service currently has for motorists who prefer not to use cars to go to Edinburgh would disappear completely. It would also have a big impact on young people, who rely on the bus service to get to Galashiels and Edinburgh and back in the evenings. A social service of four or five journeys each way per day is not going to satisfy their needs. That is how I see things developing in Stow if we do not have a station.

**Mr Brocklebank:** If there is a question mark over the number of people who might use a station at Stow, were it decided to site one there, would the residents of Stow be happy to accept further housing developments in the area?

13:15

**Hamish Hunter:** Some would be, but some would not be. It is the same everywhere. Limited land is available under our council's present local plan and we do not know what will come out of the local plan in future; it is being redrafted at the moment. I personally would not mind the siting of further housing developments in Stow, but some people might. The situation is the same in every town. That is a reasonable response to your question.

**Mr Brocklebank:** Do you think that Stow residents who regularly drive into Edinburgh would be likely to use park-and-ride facilities at stations in Midlothian?

**Hamish Hunter:** If there was not a stop in Stow?

**Mr Brocklebank:** Yes.

**Hamish Hunter:** They might do.

**Mr Brocklebank:** They would?

**Hamish Hunter:** Yes, possibly.

**Mr Brocklebank:** What about the argument that we heard this morning, which was that it would make sense for those people who live north of Galashiels to drive north and use a park-and-ride facility at Stow, for example, if a station were settled there, rather than to drive back into Galashiels to use the park-and-ride facility there? Does that argument commend itself to you?

**Hamish Hunter:** Yes.

**Bob Fleet (Parish of Stow Community Council):** No provision is being made for any parking at Galashiels, so people would have to drive to Tweedbank, which is another 3 miles past Galashiels. I would prefer not to start off my journey by going, in my perception, the wrong way.

**Margaret Smith:** I want to ask some questions about the figures on the number of residents who use the bus. My colleague Christine May will pick up on the issue in future questioning. Do you have any information on how many Stow residents regularly use the bus to get to work or to access education in Edinburgh? Why do you think that more people would use the train for such journeys?

**Bill Jamieson:** That issue was dealt with in the survey to which I referred earlier, which includes many tables. We did a survey on the buses quite recently. We counted 30 people a day who used the bus from Stow, of whom perhaps half a dozen used the bus towards Edinburgh as a commuter service. Probably about the same number used the bus to Galashiels. Most of the patronage on the bus is for shopping and leisure trips. I am sorry—it is not easy to find the relevant table in the report just like that. Would it be acceptable if I provided you with a copy of the report later on?

**Margaret Smith:** That would be very helpful. I think that you mention the figure of 30 return journeys somewhere in your submission. You clarify that that does not include journeys that schoolchildren make, but you have already mentioned the schoolchildren who go to Gala. It would be helpful if you could ensure that the figures that you give us include the educational dimension of bus use.

**Bob Fleet:** At present, there is a bus to Edinburgh at about 7.30, but many commuters work in the Borders. An Edinburgh-centric view always seems to be taken. I work at Borders general hospital. The first bus in that direction from Stow is at 8.30, meaning that I could not get to work before 10 o'clock. If the railway comes, there will be trains going past from 7.30 onwards.

The last bus from Galashiels to Stow is at 9.50, so schoolchildren cannot even go to the cinema if they want to see the end of the film. The availability of bus services presents problems for

commuting. I drive because no bus yet goes along the route. The railway will take in the whole route.

According to figures that we got from the Scottish Borders Council, approximately 60 schoolchildren are bussed down to Galashiels Academy each day. Those journeys will continue in parallel with the railway.

**Margaret Smith:** On your figures on the number of trips, paragraph 7 of your submission states that

"no incoming trips were assumed, but these could be quite significant, particularly on fine summer weekends and Edinburgh public holidays."

Have you done any further work on that issue?

**Bill Jamieson:** We do not have sufficient resources to carry out survey work and provide numbers but, with a station at Stow, the village would be uniquely situated relative to Edinburgh. The station would be 25 miles south of Edinburgh, which, under the Waverley Route Trust proposals, would be less than half an hour from the city centre. In effect, it would be an hour and a half closer to the city than any comparable location in Scotland that is served by train where one can access outdoor activities such as walking and cycling—I am thinking of places such as Blair Atholl and Pitlochry. Stow is a perfect place to start a cycle tour or to go for a hill walk in pleasant rolling countryside, which is why the station could attract substantial numbers of people. There are many historic buildings in Stow that are not marketed at present. The village has a lot going for it historically—it goes back hundreds of years. With the right marketing, the village could be a big draw for rail-based tourism.

**Alan Buchan (Stow Station Supporters):** There is also the possibility of an integrated minibus going to Lauder. Thirlestane Castle is a major but undervisited tourist attraction. If there was a connecting minibus service from Stow to meet trains and take people to Lauder and Thirlestane, there would be a market for incoming trips.

**Margaret Smith:** The issue of the Stow catchment relates to the numbers, as well as to whether it would be useful to have a park-and-ride facility at Stow if there were a station there. Do you agree that with the station would have to come a park-and-ride facility? Would such a facility be viable? Where would it be located?

**Bill Jamieson:** If a park-and-ride facility was the measure that made the station viable, we would have no problem with it. It would not have to be very big. Even if a hundred people a day used the station, a hundred cars would not have to be accommodated. I went to Drem to try to establish what the usage was there. About a third of passengers walked away from the station, about a third were picked up and about a third went into

parked cars. On that basis, if we could accommodate 40 to 50 car parking spaces around Stow station, that would be more than adequate. There are places where that could be done, so there is no physical problem with accommodating a small car park around the station site.

**Christine May:** On the basis of what evidence do you question whether the proposed line and service offer value for money?

**Bill Jamieson:** Sorry, but where is that statement made? Is it in our evidence?

**Christine May:** The reference that I have is to evidence A16—your evidence—paragraphs 13 to 14.

**Bill Jamieson:** David Spaven dealt with that point this morning. The current proposals are probably the cheapest, but they do not necessarily offer the best benefits. We are saying that the patronage figure for Stow would be much bigger than the promoter thinks that it would be and that the income from a station would more than pay for the operating costs of stopping trains there.

Members might also want to pick up on the issue about the cost of a station. The promoter has always emphasised the large capital cost of building a station. However, the promoter does not mention the fact that the provision of a stop would make it possible to reduce the length of double track around Stow that is currently proposed. Stow is almost the mid-point of the 4-mile length of double track, so if there was a station it would be possible to reduce the length of that track by 2 miles. A mile of track costs about £500,000 if we take into account the cost of ballast, formation, preparation and so on, so 2 miles of track would cost £1 million, which happens to be the promoter's current estimate of the cost of a station. In effect, the station could be provided for no net increase in cost—I call that value for money.

**Christine May:** The witnesses from the Waverley Route Trust told us that they want a twin-track service, which would need as much double track as possible. Would your suggestion eliminate that possibility?

**Bill Jamieson:** No. The Waverley Route Trust's proposals are for double track from Edinburgh to Gorebridge. Beyond that, the line would be single track, except for a short section of double track at Stow to allow trains to pass one another.

**Gordon Jackson:** I am probably being a bit thick technically, but will you explain why the 4-mile stretch would become a 2-mile stretch if there was a station?

**Bill Jamieson:** If you imagine two trains approaching Stow on single track, the important factor is the time between one train entering one

end of the loop and the other train leaving the same end. I suppose that the ideal situation is for the trains to pass one another in the middle of the loop—I am talking about dynamic loops, in which trains do not stop. The important factor is the time that it takes for a train to travel from one end of the loop to another. If there is a stop in the middle of the loop, more time is factored in because the train is stationary.

**Gordon Jackson:** Are you saying that if the trains are travelling more slowly, less track is needed?

**Bill Jamieson:** Yes.

**Gordon Jackson:** I see.

**Christine May:** In paragraphs 10 to 12 of the submission from Stow station supporters, you say that there are no technical barriers to building a station at Stow. However, the promoter takes a different view. How do you explain that?

**Bill Jamieson:** The promoter has always referred to a requirement of the HMRI—I forget what the acronym stands for; I think it is HM railway inspectorate—although what is being referred to is guidance rather than an absolute requirement. Corus Rail Consultancy advised us that a risk-based approach would permit the construction of a station on the curve at Stow. Although there is a curve, I think that it has a 760m radius, which is not a very tight curve, given that a curve radius of 1,000m is the limit. The crucial matter is the widening of the gap between the carriages and the platforms and I think that the British Railways standards of 10 or more years ago specified that the radius must be about 250m to 300m before there is any need to increase the gap, based on the curvature.

**Bob Fleet:** At its meeting in June 2002, the Waverley railway partnership joint committee said that there were no significant engineering issues in relation to building a station at Stow. Subsequently, issues emerged in the course of the search for dispensations and other routes, as Mr Jamieson said. However, the community has never been consulted, although the favoured options for the station that have been quoted are the ones that raise the most serious engineering difficulties.

**Christine May:** On passenger numbers, your submission suggests that Stow station would have approximately 100 return trips per day, whereas the promoter says that it would have 10. How do you explain that discrepancy?

13:30

**Bill Jamieson:** We do not predict that the station will have 100 trips a day, but the Transport Research and Information Network study said that

such a figure was perfectly possible. We would be much more cautious than that, because we recognise that people do not act in accordance with the responses that they give to surveys. If we arbitrarily halve that figure, we end up with 50 passengers a day, which seems quite feasible when we compare it with the figures for Drem or Barrhill.

An issue that has never been mentioned is that the station would serve not just Stow village but Lauder and Clovenfords. At the moment, it is assumed that all 600 residents of Clovenfords would travel to Galashiels, where they would face parking problems. It would be much quicker for the people of Clovenfords to use Stow rather than Galashiels. The catchment for Stow is much bigger than has been officially recognised.

**Christine May:** Have you done any detailed survey work to back that up?

**Bill Jamieson:** Yes. Our survey work included not only Stow but Lauder, Clovenfords, Fountainhall and all the isolated houses in between. We received responses from about 650 households, which is a massive sample when one considers that the total population within that area is about 2,500.

**Christine May:** You just said that a station at Stow would extend the opportunities for tourism and leisure use. However, revenue support for the project is predicated upon increased house building along the length of the route. How many additional houses might be provided around Stow to help to support the costs of the project? What impact might such house building have on leisure use?

**Bill Jamieson:** Given its topographical position, it would be difficult to accommodate a great deal of house building in Stow. The most obvious piece of land available is on a flood plain, which one assumes is a no-go area for house building, and the alternative is on a quite steep hillside. The areas of land that would be suitable for substantial house building are quite limited. Therefore, house building is unlikely to have a significant adverse impact on the attractiveness of the place for visitors who come for leisure purposes.

**Christine May:** So Stow is looking for the benefits of the railway for its existing population, without envisaging any increase in the population round about the village.

**Alan Buchan:** A major housing development has taken place in Lauder, which is just 5 miles to the east of Stow. About 40 per cent of the respondents to the survey that Mr Jamieson mentioned were from Lauder. A major housing development has also been proposed at Fountainhall. Although the number of houses in Lauder will increase hugely, that could not happen

in Stow for the reasons that Bill Jamieson mentioned. Within a reasonable catchment area around Stow, there is plenty of scope for house building and there is plenty of house building going on at the moment.

**Christine May:** Are the residents of those villages content that house prices in the villages would increase by the £1,500 premium, which is, I understand, part of the revenue support for the station at Stow?

**Alan Buchan:** I do not imagine that they would be happy, but developers might well accept such a premium.

**Christine May:** For my final question on the business case and the STAG appraisal, I want to return to the evidence behind your assertion that more than 10 people a day would use the station. Other than the survey responses—in my experience, people always say yes when they are asked whether they would use a new train service—what hard evidence is there to support the idea that people from outlying villages would change their journey habits and use Stow, despite the price and the likely journey time between those villages and Stow?

**Alan Buchan:** To some extent that depends upon the kind of service that will eventually be provided. If the service, as proposed, stops at the six stations in 8 and a half miles that are apparently needed between Brunstane and Gorebridge, there would be increases in journey times. Therefore, use by people from the outlying villages would obviously be less likely than if there was the kind of train service that Corus proposes, which would have a shorter journey time. However, people would still use the service. A large number of young people now live in Stow as well as older people. They commute by car to Edinburgh and many of them have said that they would change to the train, but they are not prepared to use the bus because it is uncomfortable, slow and unreliable.

**Bill Jamieson:** When Corus did the work for the Waverley Route Trust, the transport specialist it employed to do the work had experience of rural railways in Wales—the Aberystwyth line in particular. He brought to bear his British Rail experience on that sort of line to arrive at his traffic projections. His projections broadly supported the figures in our survey. We have a back-up for our numbers, but there is no hard evidence of the future: a leap of faith must be taken at some point.

**The Convener:** I come back to something that you said earlier. You said that 30 people travel by bus into Edinburgh every day and that probably six of those people are actually commuters.

**Bill Jamieson:** I am sorry—if I said that, I was not correct. About 30 to 35 people use the bus

every day from Stow, but they travel in both directions. About a third of them go to Edinburgh and two thirds go to Galashiels. Of course, that does not include the schoolchildren. About 30 adults use the bus: 10 go to Edinburgh and 20 go to Galashiels.

**The Convener:** So, whatever way we cut it, a small number of people currently use public transport. I presume that the proposed patronage of the railway is not based on people who currently use the bus. You hope that people who currently use their own cars would use the train. What evidence do you have of the number of journeys that people make from Stow to Edinburgh and back?

**Bill Jamieson:** We have evidence from the survey. It is important to note that the survey that we had done three years ago was not only about asking people what they would do in the future, as it also established what they were currently doing. For example, question 16 in the survey asked about what journeys people would use the train for—[*Interruption.*] Sorry—I have the appropriate information here: 108 people in the survey always used the car to get to work in Edinburgh and 52 went to Galashiels by car or van. Fifteen people went to Edinburgh by car or bus, depending on what they were doing on a particular day. In total, 375 people were travelling from Stow to either Edinburgh or Galashiels by car or bus. We established that a large number of people travel out of the village in either direction—north or south—every day, so the market is there.

**The Convener:** You have referred to the Transport Research and Information Network study a few times. The committee does not have a copy of that study. Would you be kind enough to let us have a copy of it?

**Bill Jamieson:** Yes. That is no problem.

**Bob Fleet:** Even with our current public transport—the bus, which you asked about in respect of patronage—the promoter's memorandum states:

“Buses have not provided an alternative to a railway service with the result that access to the area is difficult.”

That is significant. I drive because in the morning the bus does not leave in time to get me where I want to go, and commercial pressure means that there is no bus at 6 o'clock, when I want to go home at night. It is an hourly service—except when commuters in the Borders would use it. I would use the train service and a lot of people would, like me, transfer from car.

**Gordon Jackson:** Can I just go back to money? You have made an estimate of £200,000 to £310,000 for the construction of a station. Is that correct?

**Bill Jamieson:** That is correct.

**Gordon Jackson:** The promoter estimates that a station with two platforms would cost £800,000. It has been pointed out to us that a new operational station with two platforms in West Yorkshire cost in excess of £2 million. People at the Scottish Parliament do not like to talk about things going up in price all the time, but we are now sceptical of suggestions that things will be cheap to build. On what do you base your figures?

**Bill Jamieson:** I understand your scepticism; however, the promoter always quotes the price of building on live railways, and that is not a good guide to the price of building on what is effectively a greenfield site. It is common knowledge that railway costs have risen by a factor of two or three since privatisation. However, I am a professional civil engineer and I cannot see where the prices that are quoted to me for the building of stations come from, although I understand that building on a live railway has health and safety implications and so on.

The figure of £200,000 was the estimate for a single platform. At an early stage, we were told that the railway would be a single track through Stow, not a double track. When we went to the Public Petitions Committee, we had an estimate for a station that I had designed—I would not say that it was optimised, but it could easily be priced. I went to a contractor whom I know in Earlston and he priced it all up, including the lighting, fencing, car park and everything that was necessary, and that was the figure that he quoted me. The platform element of that was about £100,000; therefore, the figure of £310,000 refers to the building of two platforms and all the ancillaries.

I spoke to the engineer of the Wensleydale railway, which is down in Yorkshire. A regular train service up Wensleydale has recently been established, and two platforms have been rebuilt there. The engineer told me that two six-coach-length platforms have been built there for £50,000 apiece. In relation to the stations costing millions—he said that I could quote him on this—he said to me, “I have no idea where they get these prices from.” There is a good deal of scepticism within the railway industry as well as outside it about how the projected capital costs are arrived at.

**Gordon Jackson:** What about running costs? You quote £20,000 per annum as a station's operating cost. There might be no staff there, but that might appear to be a low estimate, considering the need for leasing, utilities, maintenance, renewals and other such things. What do you base that figure on? I am not saying that you are right or wrong; I am just trying to get the basis for your estimate.

**Bill Jamieson:** Sure. The figure of £20,000 is taken straight from the Scott Wilson report of 2000. I think that I allowed a little bit for inflation. I have no access to anything on which to base the figure other than what was in the Scott Wilson report, and I am assuming that that figure is realistic.

**Gordon Jackson:** Let me move along the table and change the subject a wee bit. The witnesses have concerns regarding the increase in road freight traffic that will pass through Stow after the railway reopens. Can you expand on that?

**Hamish Hunter:** At the moment, most of the freight that is taken down to Galashiels and beyond comes down the A7, and the plan is for the amount of freight that is carried to the central Borders area to increase. As we know, a new Asda store is proposed and the Tesco stores are going to increase in size. Many other things are going to increase, and we have no reason to expect that freight will turn around and go in another direction. The A7 is the shortest route south from Edinburgh. Even vehicles going to Hawick take the A7 rather than the A68 and are quite happy to go along at the restricted speed of 50 mph. It is an ideal road for them; however, that creates a lot of congestion. We feel that, if the population of the central Borders area increases—as is predicted—the amount of freight will increase along with that.

**Gordon Jackson:** Is that not inevitable if the place gets bigger and busier and the railway is reopened?

**Hamish Hunter:** Yes, perhaps, but we feel that the A7 is also in need of some work and improvement and that that should be taken into account. The increase in population and industrial wealth in the central hub of the Borders is a major part of the promoter's arguments, but that has a knock-on effect on us. The point that we are trying to make is that we will suffer as a result.

13:45

**Bob Fleet:** We accept that it is inevitable that there will be development in the Borders, whether it is at Stow or not. To allow for that, more road freight must come down for the house building, and that freight will come down the A7. Ironically, that will go through the village of Stow and we will get all the pain but no gain. The Strategic Rail Authority has also said that it has no plans to examine the possibility of using the line for freight within 10 years and that there is adequate capacity on the east and west coast main lines. That might be the case for the central belt and the east and west coasts, but it is not the case for the Borders—we are directly affected, so we can expect more freight.

Paragraph 24 of the promoter's memorandum indicated that the promoter was looking at

"the development of passenger and freight services between Edinburgh and the Central Borders".

That was proposed when the bill was introduced, but, as we have heard, there are no plans for freight. The best advice that we can get from the promoter's memorandum is that, at some point,

"Designated advisory routes for freight will also be investigated."

As Hamish Hunter has pointed out, the A68 is now the trunk road and the A7 is not, but most of the traffic comes down the A7, so we will get the freight through the village. We have looked at the route of the A7 from Ferniehill on the outskirts of Edinburgh to check whether it goes through every village or town. Danderhall, Dalkeith and Eskbank are bypassed. The road was on the perimeter of Newtongrange, but a new development has been built. Gorebridge, Middleton, Heriot and Fountainhall are bypassed, but in Stow, the A7 is the main street. Most of the children of Stow cross that street each day to get to the new school building. That is why we concentrate on freight.

**Christine May:** Arguably, all that Stow needs is a bypass; it does not need a station.

**Bob Fleet:** We could argue for a bypass for the freight traffic, but we would also like some of the gain from the railway for passenger traffic. We will get the pain of the railway going through without that gain.

**Christine May:** Alternatively, you could argue that the whole project is flawed because the impact on places such as Stow has not been taken into account and it should therefore all be thrown out until the promoter comes back with something that is properly worked out. Would you support that argument?

**Bob Fleet:** As Hamish Hunter has already said, there are mixed opinions in the village about the benefits or otherwise of the railway. The one thing on which the whole village is unanimous is that the worst that could happen to us would be a railway without a station at Stow. We are here to support the inclusion of a station at Stow in the bill.

**Christine May:** I will press you a little. Are you prepared to say that, without a station at Stow, you do not want the railway at all?

**Bob Fleet:** That has already been done by a survey. One of the promoter's surveys found that 50 per cent of those who said that they supported the railway would change their views and oppose it if there were no station at Stow.

**Bill Jamieson:** I have been lobbying to get the railway for almost 11 years now, and most of the Stow station supporters see the need to have a

railway to the central Borders regardless of whether there is a station at Stow. My personal view is that it is vital that the railway runs not only to Galashiels but, eventually, to Hawick and right through to Carlisle. Although I would be extremely disappointed if there were no station at Stow, I still think that it is vital that the railway gets the go-ahead.

**The Convener:** That is a personal viewpoint, Mr Jamieson. It is not necessarily shared by all the inhabitants of Stow.

**Bill Jamieson:** It is not necessarily shared by all the inhabitants of Stow, but it is the common sentiment of the Stow station supporters group that there should be a railway. If there is no railway, we cannot get a station.

**The Convener:** If there is to be a station at Stow, it is likely that there will be pressure for increased house building in the Stow area. There are 350-odd houses in Stow at the moment. As one of the consequences of having a station at Stow, the pressure from developers and others for house building in that area will be almost irresistible. How do you feel about that?

**Hamish Hunter:** We are in a no-win situation. If we do not have a station in Stow, the economy of the village will die completely. As I have already said, the bus service could become almost non-existent, as far as running a business from the village is concerned. If there is a station, there will inevitably be pressure for new houses, and we just have to accept that. If the train comes through our village without a stop, we will really be in a very poor situation.

**Bill Jamieson:** I am not sure that there is any evidence that that pressure would not come anyway, because Stow is only 25 miles from the centre of Edinburgh. You can see the housing creeping out already. In fact, there are already massive developments in Galashiels and a big development in Fountainhall. We are going to be faced with car-based pressure for housing development, regardless of whether the railway comes to Stow.

Most people would accept a certain amount of organic development in the village. As long as it is appropriate, I do not think that people would have a problem with that. Nobody wants to see the village swamped with housing that would completely change its character, but as long as development is organic that is acceptable. There is already a 30-house development being built at this very minute—something that, I might say, will be a huge potential source of patronage for the railway, because it is right next to the station. Those 30 houses are being built for the sort of people who are most likely to be train users.



**Bob Fleet:** As has been said, there are great time constraints on the railway. Unfortunately, the promoters have put us into competition with Shawfair, which is a large development. We see that as a large potential development for the future, but if a station at Stow is not included in the initial rail build, we do not see any scope for a subsequent development at Stow when the railway is live and it will cost £1 million to build a station, as Bill Jamieson said. Being pragmatic about it, we think that a development of 3,500 houses at Shawfair would subsequently get a station once the railway is running. As the bill stands, we are in danger of finding that Stow has a population without a station, while Shawfair will have a station without a population.

**Alan Buchan:** There is great emphasis on patronage from new housing. We have already demonstrated in our survey, a copy of which we can give you, that there is enough demand from existing housing. That is certainly the case in Galashiels and in other communities in the Borders. It is not absolutely essential to have new housing to meet the requirements that would justify the demand for a station.

**The Convener:** Gentlemen, thank you for coming to give evidence. We would be grateful if you could forward to the clerk as soon as possible some of the supporting documents that have been referred to. That would be extremely useful.

Our next panel of witnesses will be: Keith Wallace, director of projects at Scott Wilson Railways Ltd; Andrew McCracken, associate at Scott Wilson Railways Ltd; Bruce Rutherford, head of asset management at Scottish Borders Council; Douglas Muir, specialist service manager in strategic services at Midlothian Council; and Dr Mark Brown, executive director of consulting at Halcrow.

13:53

*Meeting suspended.*

13:55

*On resuming—*

**The Convener:** I welcome our next witnesses, who form the first of three panels for the promoter. First, we will deal with route options and the choice of stations. Keith Wallace will make a short opening statement.

**Keith Wallace (Scott Wilson Railways Ltd):** Throughout the project, our approach to route options and stations has had three main themes: an integrated approach to operations, infrastructure and demand to help to derive the best value for money; treating all options equitably and transparently to help to generate support and

to minimise opposition; and using pragmatic and conservative assumptions to ensure that the proposals are robust and deliverable and have industry support.

A considerable body of work has been undertaken in an iterative process over several years, in conjunction with main stakeholders. Bruce Rutherford, Andrew McCracken and I have all been involved since the initial study of 1998, which assessed 25 options on the through-route between Edinburgh and Carlisle against the key objectives of accessibility, social inclusion and economic regeneration. Value for money was pursued by using existing train paths, to avoid the major costs that are associated with providing additional capacity; by adopting the existing route, to avoid building new corridors; and by extending existing train services, to reduce the need for new trains and additional crew.

Options to Gorebridge and to Galashiels and Tweedbank remained because of two key features. Only rail could make the difference in achieving the objectives and Galashiels and Tweedbank were a natural break point for efficient operations, infrastructure and demand when using a single track with passing loops. The decision not to go beyond Tweedbank remains one of the most clear-cut cases to emerge from an optioneering process of any project in which I have been involved.

We proceeded by refining the base option to cover a terminus at Tweedbank instead of Gala; a half-hourly stopping service to Tweedbank; robust evaluation of minor realignment options and station sites; and detailed analysis to determine the optimal position and length of loops to trade off between cost and operational robustness. Unfortunately, the combination of operational efficiency and value for money means that a station at Stow—as the least economic station—cannot be justified at this stage. However, it could be accommodated in future if circumstances change.

What has emerged provides a very efficient balance of operations, infrastructure and demand that will lead to the best value for money. It has industry support and is the most deliverable first step. It does not preclude expansion and does not incur unnecessary initial costs. Furthermore, the proposals do not raise unrealistic expectations—for example, the journey times that have been headlined are worst case and may well be improved on in practice or in time.

That is in stark contrast to the alternative proposals from the Waverley Route Trust, which have an inferior business case, because of poorer operational robustness and efficiency, more expensive infrastructure and lower demand. Industry stakeholders were not consulted on those

proposals, which include over-optimistic assumptions and numerous unsubstantiated claims and are undeliverable. We state categorically that the 38-minute headline-grabbing journey time is unattainable using industry standards. There is no doubt that the promoter's scheme is the only one that is worthy of consideration. We look forward to receiving your questions.

**The Convener:** I ask Ted Brocklebank to kick off the questions.

**Mr Brocklebank:** I think that Margaret Smith is to start. I am happy to do so, but she has prepared.

**Margaret Smith:** The convener was just checking that we were awake.

Have you been constrained by the Scottish Executive specification that was laid down in 2000 and 2001?

**Keith Wallace:** I do not think so and nor does the promoter. We started the process of examining the route back in 1998. As I said, we started with the full range of options from Edinburgh to Carlisle, which included through-running, express services and freight. In pruning that through an iterative process, we have not been constrained.

**Margaret Smith:** You have ended up with what people perceive to be a Borders railway that has only two stations in the Borders. Why is that?

**Keith Wallace:** Quite simply, it is seen as a first step, as the bill and the promoter's proposals show. The promoter is keen to go further, but we were tasked with coming up with the most cost-effective solution for taking that first step.

14:00

**Margaret Smith:** I am a pragmatic politician. The proposal may be a first step, but there is competition for public money. When the Borders and Midlothian have had their segment of public money for the railway project, what is the chance that you will get more public money to go that bit further? You will be back in the queue behind all those parts of the country that have not had funding for transport infrastructure projects while more than £100 million has been spent on the Borders railway. Is it realistic to say that the proposal is a first step? If you do not increase the number of stations now, the possibility might be put back and it could be a decade or more before you can revisit it.

**Keith Wallace:** I think that Bruce Rutherford wants to comment on that, but I will start. First, it may well be the case that we will be able to go further in the future. In all the other rail schemes that have reopened, it has been crucial to take the

first step and to get the scheme up and running. I am thinking of the Bathgate line, which is now looking at a half-hourly service, and the Robin Hood line, which was broken down into three stages, all of which have now been implemented.

Secondly, if we do not aim for the most cost-effective first stage, we might not get to the top of the present queue. The whole thrust of the work has been to get to that position. All the work that we did showed that the case worsens beyond Tweedbank, so Tweedbank is the best initial case.

**Bruce Rutherford (Scottish Borders Council):** It is fair to say that in the long term the councils would like the line to go all the way to Carlisle. A twin-track line that carries freight as well as passengers is everybody's dream, but we have taken a pragmatic view. A hard business sense comes in at this stage and says, "Now is the time. What can we actually achieve, given the climate?" We firmly believe that the business case that we have presented to you is a good, solid transport case, an economic case and a social case. We are trying to live within the reality of today. That is why we put the first stage to you now.

**Margaret Smith:** Okay, so you are being pragmatic and realistic and this is your first step. What is your second step?

**Bruce Rutherford:** The second stage would be to take the line further, perhaps to Hawick or perhaps all the way to Carlisle. We would have to do another feasibility study to work out the details and take it to the next stage.

**Margaret Smith:** Would it not be sensible to take the line a mile and a half down the road to Melrose before you start thinking about going to Carlisle?

**Bruce Rutherford:** We were asked by Sarah Boyack, the then Minister for Transport and the Environment, to consider whether the terminus should be at Charlesfield, Galashiels or Gorebridge. We decided that going to Charlesfield would cost too much; it would not give benefits that would outweigh the costs. At that time, we thought that to stretch the line and include that extra length would be detrimental to the business case. Melrose never arose as an option and we never felt that the extra mile and a half would add much to the case.

**Margaret Smith:** I ask you the first question that I asked Mr Wallace. Have you been constrained by the Scottish Executive's specification, which was laid down by Sarah Boyack? It said that she would consider Charlesfield but it did not ask you to consider, for example, Melrose.

**Bruce Rutherford:** We were not constrained when we started work on the scheme in 1999. We considered more than 20 options at that stage. We

even considered branch lines to Peebles and Kelso. The option that Sarah Boyack asked us to investigate, which we then worked up in greater detail, is the option that is in front of you today.

**Margaret Smith:** You are probably more aware than anyone else in the room, except the residents of Stow, of the potential impact on Stow of not only the first step but the second step. You said that the second step would be to extend the line, but you did not say that there would be a station at Stow. As we have heard, people who live in Stow will get a lot of negative impacts from the railway without getting any of its benefits. That puts them in a unique position among Borders residents.

**Bruce Rutherford:** It is fair to say that the promoter has a great deal of sympathy for the people of Stow. With no station in the proposal, they definitely feel as though they are missing out. However, the economic side of the argument tells us that only 10 people would be picked up at Stow. The scheme does not preclude a station at Stow in the future. However, the time to consider that would be when a development of any form guaranteed patronage.

We attended three public meetings in Stow to try to gauge the opinion of the people there. You touched on some of the topics that were raised in the discussions. Not everybody in Stow wants a station. Some people believe that development would come in on the back of a station and not everybody wants to see the village expand in size in that way. If a station is built at Stow, it is inevitable that pressure will come from developers.

**Margaret Smith:** You said two or three things in response to my question, but nothing that precludes a station for Stow in the future.

**Bruce Rutherford:** That is correct.

**Margaret Smith:** We are also being told that there are technical barriers to the creation of a station at Stow.

**Bruce Rutherford:** In a particular location, that is the case. There is a barrier to having the station at the existing site—the old site. However, space is available further down the line; one of my engineering colleagues could address that point. Although the land that is within the limits of deviation does not exclude a station at Stow, additional planning consents would be required to secure the approach to the site. A compulsory purchase order would also be required if the local authority is to build access roads into the site.

**Margaret Smith:** Right. The residents of Stow told us about the topographic problems of the flood plain and the hilly conditions around the village. They are saying not that there is no capacity for more houses in the area—they told us that there would be development in the wider

catchment area—but that the problem is overdevelopment in the village. Are the residents right or are you right?

**Bruce Rutherford:** I can only go by the structure plan and the local plans that have been produced and consulted on to date. By the end of the structure plan period, we reckon that roughly 50 houses will be completed. Beyond the existing structure plan period, another 80 houses will be built in the period from 2011 to 2030. By no stretch of the imagination is that a large development. However, the situation could change if there were a station at Stow.

**Keith Wallace:** If I may, I will add a couple of technical points of clarification, the first of which is on the issue of radius. We never said that that was the main reason for the railway not going to Stow. The main reason for not doing so is the economic case against having a stop at Stow. We support the possibility of getting a station on a derogation or, as Bruce Rutherford said, elsewhere in the area. What was said this morning is that we would support the proposal and that we could get around the problem. We tried to produce a compliant proposal. We do not want anyone to say that the question of the station is a massive hindrance.

The other technical issue that I would like to raise relates to the static loop. We have gone for dynamic routes to meet what Mr Samson this morning called the industry's challenge to make the railway work. Dynamic routes are to do not with speed, but with reliability: the longer the loop, the greater the chance of the railway running reliably. Reliability has a huge impact on demand and we have gone for a reliable railway. I am sure that anyone in the room would say that the first thing that passengers look for is reliability. A static loop at Stow, even without the trains stopping, will not improve reliability—indeed, it will probably reduce it.

**Margaret Smith:** Reliability is only part of the argument. Last week, we heard from Homes for Scotland that it would have real difficulty if it were to try to sell someone a journey-to-work time of just under an hour when the journey time that we are talking about is an hour not from when someone leaves their house but from when they get on the train. Speed is important. A service may be reliable, but if it is an hour-long service that nobody wants, it does not matter how reliable it is—passengers will not use it. Obviously, if the service is reliable and quick, the operator will get the patronage that is needed to make the railway viable. Reliability is not the only factor that you should be looking for.

**Keith Wallace:** Of course. Reliability and speed are two factors. On speed, it is clear that many people in Scotland have hour-long journeys by train. Some big settlements are comfortably an

hour from Edinburgh and Glasgow. Therefore, I would not support the idea that demand will not be generated for a journey that takes an hour.

I would prefer to examine Waverley Route Trust's claims about journey times. The trust claims a headline figure of 39 minutes. We have had the chance to analyse that figure on the level playing field that Mr Spaven requested this morning. Our analysis of the figure of 39 minutes shows that the trust has not followed the rules of the plan, which are industry standards. The rules of the plan will immediately add five minutes to the headline figure of 39 minutes and take it to 44 minutes, which is the best figure that we can show for the service. Going further and comparing exactly like with like with our approach will result in a figure of 50 minutes. Therefore, if our approach is followed, the figure will be 50 minutes, which is considerably slower than 39 minutes.

I will explain that simply. Everyone has gone on about the stopping service and the express service. The only difference between the two patterns is that we have added four stations, or the trust has removed four stations. If everything is equal and on a level playing field and a typical stop at each station is around two minutes, the difference between the two services can be only around eight or 10 minutes and not, as the trust claims, 22 minutes. We refute the idea that 39 minutes is obtainable. In fact, we have a letter from ScotRail—which I think we have given to the committee this morning—that says that it would not support a service that did not use those industry standards. We think that the difference between the two services is of the order of 10 minutes rather than 22 minutes. If the difference is 10 minutes, the speed factor will be greatly reduced in respect of those services.

**Gordon Jackson:** The Stow issue interests me. I understood what you said about having a longer double track and the dynamic route instead of the static loop, but it has been said that a lot of money could be saved—it costs a lot to put down a railway line. Lines could be shortened. The station could be built and the cost of doing so would be more than covered by putting down less rail track. That was one issue.

On the same subject, you did not rule out a station at Stow at some point—you said that in your opening remarks. I get the impression that there is a substantial difference between building a station on cost on a live railway and building a station when trains are not moving. That point has also been made. Will you deal with those two issues?

**Keith Wallace:** Yes. In my opening statement, I said that we had always looked at operations, infrastructure and demand and that there are always trade-offs. The loop could be shortened

and money could be saved. However, if money is saved, reliability would be considerably decreased—that is the trade-off. Everything that we have done in the round of meetings with Network Rail and ScotRail looks to lengthen the routes, as reliability is being sought.

On costs, I absolutely refute the suggestion that we have used live railway costs—if we had done so, costs would have soared dramatically. We have, of course, looked to build on a dead railway. The railway is much more akin to a new road than to a railway, so we have not used live railway costs.

A two-platform station with car parks will typically cost around £1.8 million to £2 million. We believe that a two-platform station at Stow would cost around £1 million. If someone could build it for £300,000, they would win a lot of work. However, there are industry standards that must be complied with even on a dead railway and we must go for robust cost estimates in a promoter's scheme.

**Gordon Jackson:** Leaving aside whether we agree about the figures, you seem to accept that building a station later on a live railway would turn out to be much more expensive.

**Keith Wallace:** That is indeed the case. Again, the promoter's view is that it is unfortunate for Stow that we are where we are.

**Gordon Jackson:** Obviously, there is a dispute about the suggested take-up of 10 passengers per day from Stow. The Stow station supporters have suggested at least four things that might change that, which interest me. One is that you have not taken into account the fact that Lauder, which is only 5 miles over the hill, is expanding and a bus service could link to it. Obviously, houses are going to be built there. On top of that, there is the potential for traffic going the other way. Stow is 25 minutes from Edinburgh and, apparently, some people like walking and they could go off and do such things.

The other point that I found interesting was the suggestion that, if there was a station at Stow, people who lived in the north of Gala might use it, because they cannot park easily at Galashiels railway station. I can understand the psychology of people not wanting to go in the opposite direction from the place to which they are travelling. Those are interesting reasons why there would be much greater use of a station at Stow than you have suggested. Do you have any comments? Have you taken those points into account?

14:15

**Keith Wallace:** We have. Dr Brown can answer on Stow. On Gala, my colleague Mr Rutherford,

who has far greater knowledge of the streets of Galashiels than I do, will explain that, although no parking is provided for the station per se, there are a number of parking options for residents of north Gala, most of whom—even with a road journey—have to go south to come north.

**Bruce Rutherford:** There are four car parks within 150yd of the station. One of them, with around 36 spaces, takes about six cars a day for that purpose. The other three are quite heavily used within the pay-and-display system. About 70 per cent of people walk to the station. The demand in Gala is for 50 spaces and few cars use the station—there is plenty capacity within 150m of the station. If any cars are displaced from the nearby car parks, they can use the new car park at Currie Road that the council is building, which is about 500m from the station. None of those figures includes any of the on-street spaces that are available in Gala. In conclusion, we suggest that there is plenty capacity to take 50 cars per day on the streets, in existing car parks or in the new car park that the council is building.

From Bowland, which is about 3 miles north of Gala, people would travel to Stow if there was a station there. Clovenfords is a different case altogether. Bowland is 3 miles over the hill from Cloven and from Bowland up to Stow is about another 4 miles, which is 7 miles in total. Although travelling from those places might mean going in the reverse direction, it is only about 4 miles to the car parks in Gala. The split might be 50:50 either way.

**Dr Mark B Brown (Halcrow):** In estimating potential demand from Stow, we made the same assumptions about demand decaying with distance from the station as we made for other stations on the network, which resulted in our headline figure of about 10 passengers a day using Stow station. If we relax those assumptions and take a much more optimistic view, we get something in the range of 10 to 30 passengers a day.

We have not discussed the fact that the proposal to build a station at Stow states that one train an hour would call at the station and that that train would then be non-stop to Shawfair. That effectively means that there would be no direct railway service between Galashiels and Tweedbank and Newtongrange, Eskbank and Gorebridge. We forecast that just over 50 passengers a day will travel between Tweedbank and Galashiels on the one hand and Gorebridge, Newtongrange and Eskbank on the other. The proposal to allow for a station at Stow would therefore provide no opportunity for 50 passengers a day who we forecast will make an intermediate trip. Even if we take the optimistic view of the Stow supporters, that up to 50 passengers a day could

use a station at Stow, we would effectively lose that same number of passengers by not providing a direct route between the Borders and the central Midlothian stations.

That highlights the point that, unfortunate though it is, there is simply no revenue case for a station at Stow. Demand is low—the figures that we have heard for the current bus patronage between Edinburgh and Stow are of the same order of magnitude as our forecast of 10 or so passengers a day who would use a service from Stow to Edinburgh. There is a significant cost of putting a station at Stow, because journey opportunities would be lost for other passengers on the line.

**Gordon Jackson:** I asked the previous witnesses about journeys from Galashiels to the Gorebridge area, because it dawned on me that the impact on such journeys was an obvious downside to their proposal. They answered that almost no one wants to make those journeys. Where do your figures come from? Do they refer to people who travel to work? We have heard different evidence.

**Dr Brown:** The extensive demand modelling that we undertook indicated that there is a small but significant demand for intermediate journeys on the line, for example from Galashiels and Tweedbank in the Borders to Newtongrange—where we are today—Eskbank and Gorebridge. Those are small but fairly significant settlements and it should come as no surprise that settlements that have a population of several thousand should generate a few dozen trips per day, as is forecasted and as bus operators can confirm. If fast services were run from the Borders to Edinburgh, those trips would be lost and far more passengers would be lost than the number of passengers who would use a train from a station at Stow. It is unfortunate, but it is a hard fact of life.

**Gordon Jackson:** Would it be possible to run alternate fast and slow services? We have been talking about running services from Tweedbank and Galashiels right through to Edinburgh or running very slow services, but I have travelled on railway lines on which the train that departed on the hour stopped everywhere and the train that departed on the half hour went right through.

**Keith Wallace:** There are obviously options to do that on railway lines in Scotland. However, we stress that the crux of the matter is capacity on the railway lines at the Edinburgh end. We heard mention today of a fourth path, which took us by surprise, although it is mentioned in the Waverley Route Trust's report. Our proposal would extend the existing services to avoid taking more capacity on the east coast main line, in the interests of economy. We are therefore trying to serve as much as we can with two paths. The trust's hourly service would take a third path on the east coast

main line, which would come at a cost premium, because Network Rail could sell the path to intercity services. We are not sure whether those extra costs have been taken into account. Clearly, if there was an hourly service with a half-hourly service at peak times, the fourth path—and I have not spoken to anyone in the industry who believes that the fourth path exists—

**Gordon Jackson:** What does the term “path” mean?

**Keith Wallace:** Sorry. When we talk about the number of trains per hour, we say “paths per hour”, for which time in the timetable is needed. We propose to extend the existing service, so we are not asking for any extra capacity on the section between Newcraighall and Waverley. The trust wants one more path and two paths during the peak period. It would be difficult to change that pattern without inconveniencing others, just by using the two paths that we propose. If, as we say, the difference in headline journey time between like-for-like—ours and the trust’s—is only 10 minutes, I suspect that that would not make much difference. Mark Brown will back me up on that.

**Dr Brown:** I stress that the promoter’s proposal is for a railway service with two trains per hour between all stations and Edinburgh. The alternative proposal is for just one train per hour from Stow, Galashiels and Tweedbank. There are two key factors in relation to demand on the line: reliability, which Keith Wallace talked about, and frequency. The half-hourly frequency of service to the Borders is attractive to bus passengers and car passengers and the provision of just one train per hour would not be sufficient to attract the majority of forecast passengers to rail.

**The Convener:** Do you accept that on many of the existing commuter lines only one train runs per hour, with greater capacity only at peak hours?

**Dr Brown:** Yes, and the demand on those lines reflects that. The demand on the North Berwick line is around half what has been forecast for the Waverley line. Frequency is critical, particularly when the journey takes 50 minutes or an hour, which is the situation that we are considering. If there is only one train per hour, the potential cost of missing the train is very high.

People respond in two ways. First, they either do not bother to go for the train at all and continue to take the option of the bus, which will always be cheaper, or stay in their cars. Alternatively, they add another 15 to 20 minutes to their journey to ensure that they do not miss the train. They will get to the station early, have time to buy a ticket and hang around. They might be delayed by traffic or by bad weather or someone might do what I do and realise halfway to the station that they have left their mobile phone at home, so they have to go

back to pick it up. People will build redundancy into their journey. The way in which our models work—and the way in which behaviour works—suggests that the length of journey is extended, so that people lose the opportunity of having a slightly faster trip. That factor will work against the attractiveness of railways.

**Christine May:** I thought that I was the only one who makes several attempts to get to the railway station but goes back for things.

In your opening statement and in answers to the first questions, you spoke about the choice that you made when you submitted the business case. You talked about a phased approach. I will ask a fairly obvious question, given that the contention is around the line beyond Gorebridge. Why did you not consider phasing the line to Gorebridge and sorting out Stow and the intermediate bits—or even going down to Galashiels—for the second phase? You could address all the contentious matters while building the passenger demand that would be generated by extending the line as far as Gorebridge.

**Keith Wallace:** Bruce Rutherford will go through the history of the building of the case. When we started the process, we considered the key objectives, which I mentioned. Those are accessibility, social inclusion and regenerating the Borders. The main conclusion of the first study was that only rail could make the difference in achieving those objectives. Although that study was done before the STAG appraisal, we had identified objectives and we had established a range of solutions. From that point on, we wanted a scheme that met those objectives, which has been the promoter’s main thrust.

**Bruce Rutherford:** The other point is that we recognised early that if the railway only went to Gorebridge there would be two contracts. The second stage would require a second contract. It would be far more expensive to run with two contracts, especially if there was a gap between them; the second contract would cost far more.

The business case for the Borders is that this is the best chance we have to make this happen. If the scheme is done in a one, all the benefits will occur on one contract. If the line goes only to Gorebridge, that will fail to maximise the economic and social benefits to the Borders; between £50 million and £225 million would be lost to the Borders, 70 per cent of the forecast reduction in traffic on the A7 would be lost and, as the committee heard last week, we would lose all the benefits to business. Inward investment and employment would also be lost to the Borders, as would productivity gains. We have an opportunity to end the remoteness of the Borders and we think that the time is right for the Borders railway to come back. I know that it sounds as if I am

plugging the Borders, but this is the best shot that I have, so I will go for it.

We would also fail to address the shortfall of labour in Edinburgh. The Borders has a willing workforce and people are looking for better-paid jobs. One contract all the way down the route would give people quicker access to Edinburgh and it would more quickly address the housing shortage in Edinburgh. A big fear of ours is that if there were to be two contracts, the second might never get done.

**Christine May:** It is a recognised contracting habit, given the timescales that are involved in large public procurement contracts, that there is always the potential to extend an existing contract. Was that option examined?

**Bruce Rutherford:** I will pass that to my colleague.

**Dr Brown:** We ran a sensitivity test in which we did as Christine May suggests. In the test we built a railway to Gorebridge, ran it for five years and extended the railway to Tweedbank. Christine May will recall that the net present value of the promoter's central case is £75.3 million. To build the line to Gorebridge and never extend it would give a net present value of just over £100 million, which is a small but reasonably significant improvement.

To wait a couple of years to extend the railway, the NPV of the entire scheme would fall to £18.2 million, because the benefits from the high level of growth in Borders traffic in the early years would not be captured while infrastructure costs were still being incurred. As a result, all the asset costs would be borne while five years of revenue and benefits at the start of the scheme would be lost. Although that phenomenon is fairly common in major projects, our conclusion is that we have one shot at developing a railway to the Borders. After all, the railway is being driven by wider economic and social policies, and the prize is up to £250 million of socioeconomic benefits. We have to develop the railway in one piece because there is no economic case for developing it in two pieces.

14:30

**The Convener:** In response to Margaret Smith, you said that the lines to Melrose and Stow would form a second phase that you could come back to in the future. However, in response to Christine May's questions about why the railway should not just stop at Gorebridge, you said that you had to go the whole length because this is a one-off and that if it is not done there will not be another chance. The reason why committee members have been jumping about is because those responses appear to be contradictory. Will you explain why, if this is a one-off opportunity and if

the line is to go beyond Gorebridge, you will not take it through Melrose and stop at Stow?

**Dr Brown:** It is a matter of scale. Hundreds of thousands of trips will be made annually from the Borders to Midlothian and Edinburgh, and any benefits from them will be lost over five years. However, only a few hundred—maybe a few thousand—trips will be made from Stow. At the moment, there is a clear economic and business case that developing the Borders railway will have wider economic benefits. However, the longer the project is left, the worse that case becomes.

As far as Stow is concerned, there is no clear economic case, which means that the logical step is to delay continuation of the line to Stow in order to see whether we are wrong. Perhaps in the future 30, 40 or 50 per cent of the Stow population will be willing to travel by train to Midlothian and the Borders, or perhaps a housing developer will make us an offer that we cannot refuse and develop a few hundred new houses there.

The argument for delaying the line to Stow is that we need to overcome our uncertainty and scepticism about the case, whereas the argument for not delaying the Borders railway is that we believe that there is a very strong economic and business case for developing it.

**Margaret Smith:** I share the convener's incredulity at what seem to be different answers to the questions. Indeed, the responses appear to be in direct conflict with each other.

You have already referred to the costs of building a station at Stow if the railway were live. I took those costs to be prohibitive, but you have just suggested that you could reconsider the proposal and that it might be worth your while to convince a few people from what is a relatively small population to take the train. To build a live station would obviously be prohibitively expensive.

I understand your economic point on whether we need a station at Stow, but let us put that to one side. Somewhere along the line, we need to deal with the social exclusion issues and the other concerns of the people of Stow. I presume that it would be economically easier to act now—you said that yourself—rather than to say, "Well, let's come back and look at this in the future." Mr Rutherford has just said that you might never undertake a second contract. Realistically, you are saying that if you do not build a station at Stow now, you will never go back and do it.

**Dr Brown:** Let me be clear about Stow. I can see absolutely no case at the moment for having a station at Stow. Demand is not great enough and more people would be deterred from using the train from Galashiels and Tweedbank than would use the station at Stow.

**Margaret Smith:** Would that be the case even were one to take into account the catchment area of Lauder, Clovenfords and round about and the potential development in those areas?

**Dr Brown:** Yes—that would be so even if one relaxed all the assumptions that one could possibly make and even if one assumed that a number of new houses would be developed there. I remind the committee that the proposal to stop trains at Stow would involve reducing frequency to one train an hour and not stopping Borders trains at Eskbank, Gorebridge or Newtongrange. Fifty passengers a day would be lost to the railway as a result of that, while we forecast only 10 would, to begin with, come from Stow. Even if we are five passengers out in our forecast, for every passenger that we would gain, we would lose a passenger. That is before one even starts to pay for the operating costs and the return on capital for building a station. The case for building a station at Stow is very weak. I take a hard-headed economic business case view and cannot currently find any rationale—social, economic or business—for recommending a station at Stow.

**Margaret Smith:** Do you foresee any economic case in the future?

**Dr Brown:** I do not.

**Margaret Smith:** On a point of clarification, Mr Wallace referred earlier to a ScotRail letter that arrived so late in the day that committee members did not have a chance to see it, but I have asked to have a look at it. Will you confirm whether you are saying that the Waverley Route Trust proposals ignore the rules of the plan?

**Keith Wallace:** Yes. We have confirmed that clearly by comparing details of the report with the plan.

**Margaret Smith:** Okay. Your letter to ScotRail asks for its views; it does not ask it to comment on the trust's plans.

**Keith Wallace:** We had some debate with ScotRail on some of the detail and the question that was framed was; "We have deduced that the rules of the plan have not been followed. What would be your view if someone made a proposal in which the rules of the plan were not followed?"

**Margaret Smith:** It was your view that the rules had not been followed.

**Keith Wallace:** I can say that categorically and I can confirm where the plan has not been followed. I refer members to the timetables in the trust's report; for example, dwell times at stations, which are the times that the train stops at the station, are shown as being 30 seconds, but the rules in the plan say 60 seconds. Indeed, for Stow, the dwell time is given as only 20 seconds, so right away,

one minute and 40 seconds are not included in the trust's report.

Our modelling on the same basis shows that the times to get to Brunstane that the trust claims are considerably faster than in the existing timetable of services. The only way that the trust could achieve that would be to ignore the two minutes at Portobello junction that are currently in the rules of the plan. The trust has not rounded its sectional running times, which are the times taken between sections. When we did that in our model, we added more time, which is where the five minutes absolute minimum that we would add to the 39 minutes comes from.

**Mr Brocklebank:** I am trying to get my head round this and to be absolutely clear about who will benefit from the proposed railway line. Many of us believed that the proposal was about getting a railway line back to open up the Borders and to improve its economy, which was to be a win-win situation for the Borders. You have moved from that ambition to there being only two stations in the Borders—one at Galashiels and one at Tweedbank, which is just a couple of miles further down the road. That would be the benefit.

If we go back to some of the figures that we got last week, someone said that there would be a benefit of approximately £180 million spread across the three local economies that are involved. If I have the figures right, Midlothian would benefit by £97 million—a good deal for Midlothian—the Borders would benefit by £66 million, and Edinburgh would benefit by between £10 million and £17 million. Midlothian would obviously be the big winner. Against that background, are you still saying that, at this stage in the process, it would not be beneficial to provide the extra investment that would be required to put in a station at Stow?

**Keith Wallace:** That is indeed what we are saying. As was mentioned this morning, Stow is, of the options that have been considered, the least attractive location for a station. Under the current plans, we could not fit in another station. At this stage, I am right. I support Mark Brown's view, which is that there is not a case for a station at Stow.

Before Mark Brown answers on the detail of the numbers, I want to deal with there being only two stations in the Borders. Those two stations will serve two very big markets. There is Galashiels itself, but Tweedbank is in a fantastic position for a park-and-ride site, as will be demonstrated in the next two committee meetings. I am sure that Bruce Rutherford will correct me if I am wrong, but 55 bus services serve Tweedbank. The strategic placement of a station in Tweedbank will enable people who live in virtually all the main Borders settlements to reach it by car. As a first step



towards capturing the benefits of the Borders, it is hard to see how there could be a better place to have a station than Tweedbank, as I said in my opening statement. It is clear that Tweedbank is an efficient place to have a station that will serve the Borders. I admit that there will be only two stations in the Borders, but they are two very significant stations that will make a big difference.

**Dr Brown:** The fact is that more than 20,000 people live in the railway's central Borders catchment area, which will be served by stations at Tweedbank and Galashiels. There are plans to build more than 5,000 new homes; that will bring another 10,000 people into that catchment. Only about 600 people live in Stow. As Stow will not have a station, its residents might lose out. Trains will not travel through the heart of the village because the railway line is some way away. Although Stow inhabitants will not benefit from the new stations to as great an extent as others will, the vast majority of people in the central Borders—tens of thousands of people—will benefit.

There are small communities along the line at which it is just not feasible to build a station, but that does not mean that the Borders as a whole will not benefit. The Borders will benefit significantly because the vast majority of people who live in the central Borders area will be close to the two stations. On projected demand, we show that more than half the people will be able to walk to or cycle to the stations, which shows how close most people will be to the two stations in the Borders and to the others in Midlothian.

**Christine May:** I have two questions. As I understand it, in answer to Margaret Smith—perhaps you were responding to the convener—you stated clearly that you could envisage no conditions under which the case for Stow would change. In other words, it is not true to say that you could come back to us later because, in your view, there will not be a change.

**Dr Brown:** I am speaking as an economist, not as an engineer. From an engineering point of view, it may be possible to build a station at Stow later. However, as the economist who was responsible for making the business case and for providing data for the revenue case and the wider economic analysis, my view is that the case for Stow is very weak and that there is little evidence that there will be any significant level of new development in the village. Deprivation or poverty can provide an argument for having a station, but I have seen no evidence of major deprivation or poverty in Stow. I cannot envisage any circumstances in which demand or revenue would be anywhere near sufficient to make a station at Stow viable. All the cases that I have considered suggest that far more travellers would experience a disbenefit as a result of there being a station at

Stow than would benefit from it. The case for having a station at Stow is extremely poor.

**Christine May:** That deals with the economic case. I am grateful to you for that clarification. However, the argument for the rest of the Borders is based not just on economics—if it were to be based solely on economics, the case for having a railway would probably not stack up—but on the need to reduce social exclusion. Why, in that case, is it appropriate to use the social exclusion justification in the case of Galashiels, but to use a purely economic justification in the case of Stow?

14:45

**Dr Brown:** First, there is a purely economic case as well as a wider case for the Borders railway. The scheme has a net present value of £75.3 million, which suggests that there is an economic case. However, there are also major socioeconomic benefits—the £66 million to the Borders that has previously been identified—which have currency because they reflect the preferences of the local authorities in the Borders for social and economic regeneration. It is because the public authorities have expressed a preference for social and economic regeneration and for tackling social exclusion that those wider social and economic benefits have currency. It is therefore the ability of the railway infrastructure to match and support wider policy aspirations that underpins the wider social and economic benefits.

The transport benefits are an addition, so I therefore suggest that we also have a transportation case. In Stow and, no doubt, in other communities through which the railway will pass but do not have a station, it has to be made clear that this is, as is the case with any transport scheme, not a win-win situation. We economists call it a classic partial Pareto solution; there are winners and losers. That will be the case for just about any major transport infrastructure project on which we work. We must satisfy ourselves that there are significantly more benefits than disbenefits.

**The Convener:** You referred to the difference between what the Waverley Route Trust is suggesting and what you believe is achievable and you referred to the studies that you have done on that. Will you send the comparisons to the clerks so that we can examine the figures?

I have another question about the Waverley Route Trust. I note that, as the promoter, you have met the trust on several occasions. Has the promoter accepted any of the trust's ideas or recommendations? If so, which ones? What is your response to the trust's assertion that there could be improvements to the route?

**Keith Wallace:** On the first point, we are happy to tidy up the work that we have done and issued to the committee on run times. We have a little bit of work to do, but we will get that to you in conjunction with the letter from ScotRail.

We have been discussing the second matter with the trust. We had a very detailed meeting with it in December, which was referred to this morning. At that meeting, most of the issues of rebuttal were discussed. There is merit in much of what the trust says, some of which worth mentioning before we go into detail. Much of what is proposed can be achieved within the bill. If the benefits of community railways emerge—we are not sure what will emerge—nothing that we do will stop that. It is very early days to be taking a view on what the benefits will be, but there is merit in considering that in due course. I think that Bruce Rutherford would say that the promoter would always support community involvement.

We have used some of what has been proposed by the trust. Some of the minor engineering things could be picked up in due course, but they do not make a major material difference to the case.

**Andrew McCracken (Scott Wilson Railways Ltd):** Christine May put a question to Mr Spaven about the bill's limits and we talked about tweaking the bill. At the meeting with the WRT on 3 December, we discussed the limits and what could be accommodated with the WRT proposals.

This morning, the witnesses failed to discuss the section from Newcraighall to Portobello junction. As the bill stands, the line will stop at Newcraighall. The WRT proposals require twin tracking, remodelling of Portobello junction and other works between Newcraighall and Portobello. At present, there is no proposed legislative power to cover that work, so that is another bill deficiency that would have to be overcome to accommodate the WRT's proposals. One mechanism through which to do that would be to use Network Rail's permitted development rights. However, without a firm commitment from Network Rail—I do not believe that the WRT has such a commitment—there is no guarantee that the work could be done and covered by legislation.

**Keith Wallace:** At the meeting in December, the promoter's agents gave advice to the trust on what was included in the bill. The meeting went on for the best part of a day.

**Christine May:** Would you seek a contribution from Network Rail, or would Network Rail seek a contribution from the promoter, to carry out additional works on the land which, I presume, Network Rail owns? Does Network Rail have any money for that?

**Andrew McCracken:** We should detach our promoted scheme from the WRT's scheme. Our

scheme does not rely on work between Newcraighall and Portobello, but the WRT's scheme does. We do not need a contribution from Network Rail for the scheme that we have promoted and which is before the committee. The WRT would have to have detailed discussions with Network Rail to get a commitment on PDR works and on any financial contribution.

**Christine May:** I will save my other questions on the issue for Network Rail.

**Margaret Smith:** I would like to clarify the issue about the limits of deviation at Newcraighall, not in the section between Newcraighall and Portobello junction. Could the proposals for Newcraighall be accommodated within the bill as it stands?

**Andrew McCracken:** The WRT proposals mention a couple of locations where speed improvements and adjustments of the line would benefit the speed profile. Given that our scheme involves a stop at Newcraighall station, trains would be decelerating or accelerating at that point. Therefore the seconds of benefit that would be gained from the proposed adjustments would be lost because trains would stop at the station. The WRT proposes that the line should bypass Newcraighall station. Therefore, the realignment would be required for the WRT scheme, but not for ours. A departure from the bill would probably be required to accommodate the WRT proposals for that part of the line.

**Margaret Smith:** I appreciate that we are talking about the WRT scheme rather than your scheme, but it would be useful if you itemised your views on whether the WRT suggestions would require deviations from the bill. I presume that you are saying that a number of the proposals would be outwith the scope of the bill.

**Andrew McCracken:** This morning, the committee discussed the entire Melrose section, which would obviously be outwith the bill. I mentioned the Newcraighall section, which was not discussed this morning. We could prepare a summary of where the WRT proposals would require departures from the bill.

**The Convener:** Did you undertake STAG 1 appraisals with respect to the alternative options that were considered originally and, if so, what were the results?

**Keith Wallace:** Could you ask that question of the next panel of witnesses? My colleague Mr Webster can discuss that process better than I can.

**The Convener:** Okay. He now has advance notice of the question.

**Keith Wallace:** He is preparing as we speak.

**The Convener:** He has a chance to think about the question. We will test him on it afterwards.

**Keith Wallace:** I am afraid that he is used to that.

**The Convener:** Are you absolutely confident that your proposals represent the best technical and financial solution to the creation of a viable Borders rail link?

**Keith Wallace:** Yes.

**The Convener:** That was easy.

Before I allow the witnesses to escape, I ask Dr Brown to identify the source for the figures that he quoted earlier on the net present value if the line stopped at Gorebridge.

**Dr Brown:** The source was the promoter's model, which has been used to run a variety of sensitivity tests; for example, on stopping the railway at Gorebridge or on stopping it there and then extending it five years later. We also ran a number of permutations of the Corus option through our model, which backed up the point that Mr Wallace has just made about value for money.

**The Convener:** Are those figures in the business case or are they separate?

**Dr Brown:** We did that work separately and recently, as other options arose.

**The Convener:** Will you make the figures available to the clerk as soon as possible?

**Dr Brown:** Certainly.

**The Convener:** I thank the witnesses for their evidence. We will now have a break of 10 minutes, after which we will hear from a panel that will consist of Douglas Muir, Andrew McCracken, Bruce Rutherford, Mark Brown and David Webster.

14:55

*Meeting suspended.*

15:13

*On resuming—*

**The Convener:** We will now consider how the railway would integrate with other modes of transport. I understand that Douglas Muir wishes to make a short opening statement.

**Douglas Muir (Midlothian Council):** Transport integration to improve accessibility has been a key objective of both local and national Government for many years. STAG states:

"A proposal which will deliver genuinely integrated public transport (in terms of providing choice, service co-ordination, quality of interchange, information provision and

ticketing) merits the title 'seamless public transport network'".

We believe that the opportunities for integration with other modes of transport presented by the reintroduction of the Waverley line will prove this to be a visionary scheme when judged against those and other key Executive criteria.

By extending the Edinburgh crossrail service, the Waverley line will secure excellent integration with the rest of the Scottish rail network. Passengers will have the opportunity not just to access the business, retail and leisure facilities of Kinnaird Park and Edinburgh city centre but to travel on to Edinburgh Park, the proposed Edinburgh airport station and central Scotland without the need to change trains. Refurbished Waverley and Haymarket stations will of course provide the opportunity for seamless interchange with services connecting to the whole Scottish and United Kingdom rail network.

15:15

Station locations were carefully chosen to ensure that full integration could be achieved with existing and proposed bus services. Galashiels station, for example, is directly opposite the bus station, and the new station at Shawfair is at the heart of the development. There will be direct access to the airport bus and to Edinburgh's fastlink bus service, as well as to Edinburgh's new tram system. Whenever possible, the promoter will work with the train, bus and tram operators to achieve timetable and ticketing integration through initiatives such as plusbus and the "one ticket" scheme.

Station locations were heavily influenced by the ease with which walkers and cyclists could access them. That is extremely important as around 50 per cent of the predicted passengers on the line are expected to walk or cycle to the stations. The class 170 trains will be able to carry cycles. Access to all stations will comply with the requirements of the Disability Discrimination Act 1995.

The stations will not be minimum specification stations. Each one will have quality waiting facilities and cycle parking, along with good lighting and closed-circuit television coverage. The facilities for passenger information will depend largely on the train operator. The promoter will work with the operator to provide and develop the necessary infrastructure.

In summary, this scheme is a classic example of maximising integration opportunities. It is difficult to envisage a better example anywhere. We believe that it truly merits the title "seamless public transport network".

**Mr Brocklebank:** Good afternoon, gentlemen. You have really done away with my first question, which was about how you would integrate with various feeder bus services and so on. You have given us some information on that.

What specific progress has been made in discussions with local bus operators about the reopening of the railway? I am thinking about changes to the current pattern of services to support the development of the railway line, and about the integration of service timetables between bus and rail services.

**Douglas Muir:** We have had a number of meetings with Lothian Buses and FirstGroup—the two major bus operators in the area. The station sites were specifically chosen so that they met existing bus service patterns. Although we are considering feeder services, we would basically be using the existing bus network to feed the rail services. For instance, in Gorebridge, services 3 and 86 run past the station site about every five minutes, so there is good integration. At Eskbank station, a large number of buses come into Tesco. People will be able to interchange directly. In a moment, my colleague from Scottish Borders Council will explain some of the sites in the Borders.

We have not really got to the stage of considering how timetables might integrate. After all, we are talking about something that is three or four years away. Bus operators have difficulty programming that far ahead; services are always developing and changing as time goes on. We will continue to work with the operators, but we are linking into bus services that are already running. In most cases, those services are no worse than half hourly. It should therefore be relatively easy to achieve integration.

My colleague Mr Rutherford may want to talk about Tweedbank and Galashiels.

**Bruce Rutherford:** I will talk about Galashiels first. Earlier, we talked about feeder buses. There are actually 212 buses that currently go to the bus station at Galashiels, which is directly opposite the site of the new railway station. It is only across the road. As a result, you have instant integration between the rail station and the bus station, and you have only to cross the bridge over the river to get to the shops and the two sets of main streets in Gala.

In Gala, we expect that a high percentage of people—about 70 per cent—will walk to the station. The station is readily walkable or cyclable. In addition, as has been said, a lot of car parking is available. We might discuss that again later.

In Tweedbank, 55 buses a day drive past the site of the station. You therefore have instant integration of rail and buses. There is also a

strategic park-and-ride facility alongside the station.

**Mr Brocklebank:** Have you considered the option of a bus quality partnership or quality contract to provide some form of regulation of the bus market, following the potential reopening of the Waverley line?

**Douglas Muir:** We have not considered it as part of this project. However, last year Midlothian Council considered introducing a bus quality contract for Midlothian. We employed Steer Davies Gleave to do some work for us, and it produced a report. As I recall, the report concluded that it would be extremely difficult for Midlothian Council to introduce a bus quality contract, for two main reasons.

First, it is not easy for any council to take out a quality contract for cross-boundary services. Borders buses pass through Midlothian, and the bulk of our services run into Edinburgh. It was difficult to see how we could introduce a quality contract without impacting on those services. Any quality contract that was concluded could operate only in Midlothian, so it would be difficult to introduce one.

Secondly, the fundamental issue that prevented us from proceeding was the cost of a quality contract. The consultants estimated that it would cost between £250,000 and £500,000 to develop one. We asked the Executive whether it would fund that work, but it said no. As a result, we could not go any further.

**Mr Brocklebank:** Would Bruce Rutherford give the same answer in relation to Galashiels and Tweedbank in the Borders?

**Bruce Rutherford:** Yes. Douglas Muir has already touched on the discussions that have taken place. We have spoken to Lothian Buses, which runs services mainly in Midlothian. However, we chanced our arm by speaking to the company about the potential for Scottish Borders Council to have contracts with it. In December and January, we also had discussions with FirstGroup. Those discussions may lead to partnership contracts in the future, but four years is a long time in the bus service world and at this stage it is difficult to predict what the final outcome of negotiations with the companies involved will be. However, we are not discounting the option.

**Christine May:** Do you think that it will be easier and cheaper to introduce bus quality contracts once the regional transport partnerships are up and running?

**Bruce Rutherford:** It depends on what functions are transferred to the regional transport partnerships. We are not sure how they will pan out. There is much debate locally about what

functions should be kept at local level, for maximum benefit, and what functions it would be beneficial to pass to national level, to get more leverage on issues about which we are vexed at the moment.

**Douglas Muir:** At the moment we are not even 100 per cent sure that Midlothian Council and Scottish Borders Council will be in the same partnership, although we think that they will.

**Gordon Jackson:** I will be picky, if I may. There are a number of proposed station car parks. Is the parking space capacity sufficient? How has that figure been calculated? The worry is that restraining the potential for park and ride will limit the value of the line and the amount of patronage that it can receive from the widely dispersed population.

**Douglas Muir:** I will deal with the Midlothian facilities and Bruce Rutherford will speak about the Borders facilities. The station sites were carefully chosen—we made the best choices that we could. Gorebridge is probably the most constrained, as we have very little land there. It will be difficult to extend Gorebridge park-and-ride site. Newtongrange is slightly different. It is a small site, but as housing developments pick up around it there will be a need to extend the car park. A fair bit of land is available on the opposite side of the railway line, which would allow expansion of the Newtongrange park and ride.

At Eskbank, we have taken within the limits of deviation ground that is sufficient almost to double the size of the car park. Shawfair is slightly different from the other stations, as we do not see it as much of a park-and-ride site. All the new housing will lie within 800m of the station, which is located in the heart of the settlement, where there will be parking provision. For that reason, we have not proposed a large number of dedicated park-and-ride spaces at Shawfair. We have sufficient space to meet the demand that is forecast for 2017 at all the Midlothian stations.

**Bruce Rutherford:** Like Douglas Muir, we have plenty of spaces available for the 2017 demand. The strategic park-and-ride site at Tweedbank is large and we think that it could be doubled in size in future years, if necessary. Within the limits of deviation, there is plenty of land there for us to build on if we need to.

I feel a bit like a minister in the pulpit on a Sunday, but I have brought along a visual aid that demonstrates how close the existing car parks are to the site of the platform. On the map, the platform is represented by a red dot in the top left-hand corner and each of the concentric circles represents a distance of another hundred metres from the red dot. There are three car parks directly across from the platform: one has 27 spaces;

another has eight; and another has 50. Adjacent to the 50-space car park is the proposed bus interchange that has been entered into the local plan in the Galashiels area. That has been out for consultation and the proposal must be analysed properly to determine how it can best be taken forward.

The car park that I referred to about 10 minutes ago is further towards the left-hand corner of the map. It has 36 spaces and is empty almost all day. We estimate that six spaces are used in the car park, which means that 30 are available for people using the station or for other people who are squeezed out of the car parks nearer the station. There is plenty of capacity to deal with the immediate demand.

The blue hatching in the bottom right-hand corner indicates a proposed 126-space car park that the council is currently pursuing. If demand increases in future years and people are forced out of the car parks that are near the station or want to use a long-term car park, that one will be available to them. The council will make the conditions that are attached to the car parks attractive to rail passengers.

We think that there is enough capacity at Tweedbank and Galashiels for not only the day of opening but for 2015 or 2017.

**Gordon Jackson:** Have factors such as taxis, cars dropping people off or waiting to collect people and so on been considered? I am being picky, but I want to ensure that we have all of those wee things covered.

**Douglas Muir:** Again, there is sufficient capacity in the station sites for taxi drop-off ranks. We are keen to explore that with the taxi operators but it is a bit early for that. The question is whether we can get direct links with a taxi office in Galashiels. There should be a telephone that you can use to order a taxi.

We realise that a lot of people from the area who arrive at the station—particularly if they are coming back from holiday—will want to take taxis home. We fully intend to utilise the taxis.

**Christine May:** I should have asked the promoter this question long ago and I apologise for the fact that I am doing it at the tail-end of the process. You talk about the location of stations and park-and-ride facilities, but have you acquired all the land that you need? Have you considered whether compulsory purchases might have to be made? What have you done about that? Is everything done and dusted? If you get the go-ahead, can you start building immediately?

**Douglas Muir:** Yes. The bill will give us all the compulsory purchase powers that we need in order to build the scheme that is before you.

**Christine May:** Have you acquired any other land that you need?

**Douglas Muir:** We consider that everything is within the bill, within the limits of deviation or within the limits of land acquired or used, which we have applied for—unless anyone has spotted anything else.

**Bruce Rutherford:** An issue that I have identified relates to an attempt to enhance the railway with cycle paths or walking facilities. In that regard, both councils have sat down and tried to find an alternative to the black pass, which we have often referred to. Most of the community relies on the black pass but certain parts of Midlothian and the Galashiels area will be severed from it. We have been trying to find alternative paths in the councils' areas.

The powers that we have under the Town and Country Planning (Scotland) Act 1997 enable us to buy any land that is necessary within that severance alignment.

**Christine May:** So any compulsory purchase will have to wait until after the bill gets the go-ahead.

15:30

**Bruce Rutherford:** It is a chicken and egg situation. The council will not certify that it has the land, but if the committee gave us a positive steer on the general principles, we would start to make inquiries about buying land for projects outwith what is proposed in the bill.

**Christine May:** I am not sure that it is within the committee's remit to do that.

**The Convener:** I have a question for Mr Webster about which he has, no doubt, been thinking for a long time and hoping that I had not forgotten. Were any STAG 1 appraisals undertaken on any of the other options that were originally considered? If so, what were the results?

**David Webster (Scott Wilson Scotland Ltd):** I will put the answer to that question into perspective. The alternatives to a rail line were investigated as part of the Scottish Borders railway feasibility study that we undertook in 1999 and reported early in 2000. STAG was not published until July 2001, so the decision to proceed with a railway line was made before STAG. However, the procedure that we followed was very STAG-like in that it was a best-practice approach. I believe that, even before Scott Wilson Scotland became involved, an economic development study of the Borders was done—Bruce Rutherford will be able to confirm that. That study recommended improvements to the transport links as one of the ways of solving the Borders' economic problems,

and that is what spurred the Scottish Borders railway feasibility study.

During the feasibility study, we considered other options, which included upgrading the A7 in whole or part, improving bus services on the existing A7 or using the former rail line as a busway and the rail option. The bus options performed fairly well economically: although the returns were poorer, not so much money would have to be invested in them. The major advantage that brought the rail scheme to the fore was the wider economic benefits, which were the objective in the first place.

Although we did not follow the STAG approach, we went through a very similar process. More recently—probably in anticipation of your question—we did a retrospective STAG appraisal. We considered the objectives in the SESTRAN and local authority local transport strategies and produced a STAG 1 report that considers the same options. I believe that you now have that report. In effect, it came to the same conclusion: that the bus and rail options were both good, but only the rail scheme would offer the additional wider economic benefits.

**The Convener:** Thank you for your response. I thank you all for coming and giving evidence. We will now hear from our final group of witnesses for the day on the viability of the Borders-Edinburgh bus service. The witnesses are Bruce Rutherford, Douglas Muir, Dr Mark Brown and David Webster. There is no need to suspend the meeting to change witnesses, because most of the previous witnesses are staying at the table. I ask Bruce Rutherford to make a short opening statement.

**Bruce Rutherford:** Thank you, convener. I will keep it short.

The continuation of bus services and the positive integration of bus and rail services are extremely important to the success of both forms of public transport in the Scottish Borders and Midlothian. Local bus services are provided by a mixture of commercial services, which are registered and operated by bus companies without public subsidy, and contract bus services, which are operated on behalf of the councils. At present, around 60 per cent of bus services in the Borders area are subsidised by the council and come under its influence, so it has quite substantial control over bus operations in the area.

In keeping with its local transport strategy, Scottish Borders Council specifies its contract services to maintain a strategic network of various routes to key destinations and access points to the national rail network. For example, the council is committed to maintaining an hourly through service on the strategic route of the A7 to communities such as Stow that will not be directly

served by the railway. Given that the council already subsidises the route in part between Hawick and Carlisle, communities such as Stow will be no worse off in transport terms.

Opportunities will arise for the operation and planned integration of the rail and bus services. Meetings have already taken place between the three local authorities and the major operators, Lothian Buses and FirstGroup: the City of Edinburgh Council met Lothian Buses on 18 November 2004; Midlothian Council met the operator on 30 December 2004 and Scottish Borders Council met it on 11 January 2005. Scottish Borders Council met FirstGroup on 15 December and Midlothian Council met that operator on 30 December 2004. In addition, on 1 March 2005, we received a supporting letter from Lothian Buses.

The important dialogue between the councils and the operators about operations within the three local authority areas will be held on an on-going basis. Research has shown that an abstraction of £971,000 per year of revenue will be compensated for by the introduction of feeder buses and by revenue from the residents of the new housing that will come on stream in Midlothian and the Scottish Borders.

**The Convener:** Thank you.

**Christine May:** Good afternoon again. This morning, you may well have heard the witness from FirstGroup indicate that the company has done some modelling that was based on patronage levels and the potential viability of routes. My impression is that that information was not shared with you. Were you surprised to hear about it?

**Bruce Rutherford:** Yes, I was surprised to hear about it, as it has come quite early in the cycle of integrating rail and bus services. FirstGroup may have had a quick look at the position, possibly working from the figures that we put forward. In the discussions that we have had with the company over the past month or two, it is obvious that it has read some of the documents that we submitted to the committee. FirstGroup may well have done that, but I was surprised that it has done so quite so early in the process.

**Christine May:** As a member of the previous panel, you said that you had done a reverse STAG and had taken another look at the issue. I return to a point I made earlier about the need to look at bus services in the widest sense and not only at those on the strategic routes. To do so would include all the inter-village services, for example. Does the modelling that you have done show that the impact on bus services of the reopening of the line is negative or positive?

**Bruce Rutherford:** I will hand over to Dr Mark Brown on that question. Basically, we looked at the revenue that will be lost on the A7 corridor, on which everyone seems to be focusing. We also looked at the feeder bus services, which are an uplift, and at the bus routes that will flow from the need to serve the additional housing in Midlothian and the Borders, which are also an uplift. We are happy to give the committee the overall position.

**Dr Brown:** Once demand has ramped up on the railway, the transfer from bus to rail will mean that around 950,000 fewer bus trips will be made. As the average bus fare happens to be about £1, we approximate that a loss of around £950,000 will result. However, about £250,000 of revenue will result from the feeder bus trips. I am referring to the 16 to 17 per cent of rail passengers who will access a station every day by bus. Some compensation will result from those bus feeder services.

Secondly, the additional 10,000 new houses in the catchment of the railway will generate additional bus and car trips as well as additional rail trips. The value of the additional bus trips that will be generated by the 21,000 to 22,000 people who will live in those houses will be about £650,000. We can see that the value of the revenue from the feeder services, plus the value of the revenue from the additional bus journeys and those made by the new residents in the new houses is broadly equivalent to the loss that will result from passengers transferring from bus to rail.

That transfer will happen at pretty much the same time as rail demand ramps up, partly because of the effect of the new housing. Clearly, more bus revenue will be generated by residents in the new houses so, overall, the bus operators should not perceive a significant change in revenue. There will of course be changes between some routes and between some regions—there is not exactly like-for-like replacement—but overall bus revenue should remain constant.

**Christine May:** I would like to ask the local authorities whether, in the period between the reduced demand for buses among existing passengers and the new housing coming on stream, or in the event of the new housing not coming on stream to the same extent or as quickly as has been modelled, they would be prepared to pick up the shortfall to support the bus operators. In my experience, the local authority is the first place they go to.

**Douglas Muir:** You are quite correct.

**Christine May:** And the only place they go to.

**Douglas Muir:** Generally speaking, that is something we face all the time. At one point, a few years ago, during the now famous bus wars in

Edinburgh, Midlothian services were decimated. We had great difficulty reorganising services to plug the gaps. I am glad to say that those days are behind us—I hope for ever—and that we are in a much more stable market.

You are right to say that the bus operators may come to the local authorities. That is something the councils will have to deal with as and when the situation arises. We cannot plan for it, because we do not know when it will happen or whether it will happen, but it is something we have faced over the years and will doubtless face again. If it occurs as a result of the railway, we will have to face it.

We work in partnership with the bus operators and the train operator at the moment. I would like to see that continue and develop as we go along, so that we can get integration. Some really good ideas are coming out of the meetings we have had, but we are talking about things that are quite far in the future. We are three or four years away from train services actually running, so it is difficult to tie into timetables and know exactly what will happen with buses.

At the moment, we have only a provisional timetable for our rail services. It will eventually be up to the train operating company to decide exactly what services it will run. In recent discussions, it has indicated that it is considering stabling trains down at Tweedbank, as opposed to keeping them in Edinburgh, which is one of the things that the Waverley Route Trust mentioned in its report. If that happens, it could transform the way in which our service runs, but that is something that is developing and we shall continue to work with the operators over the years. We will do the same with regard to integration of the railway and bus service timetables.

**Christine May:** I would like to press you a little on that, because it adds in another revenue uncertainty. Given that there are now 10-year area infrastructure development plans and three to five-year modelling for revenue budgets, you are looking at transportation costs—including the costs of rolling out concessionary fares for buses—that could mean that there is less available for other transportation projects. You keep saying that it is early days, but I would expect sensible forward financial planning to include some guesses at those figures and the impact they might have. Have you done that?

**Douglas Muir:** As Mark Brown said, we consider that the transfer between rail and bus will equal itself out. You are correct to say that if the housing slows down a bit or if the railway is a bit late happening, a variety of factors could come into play. It is difficult to see how we can financially forecast that and make provision for it in our council budgets. We are running on three-year budgets at the moment. It is difficult to budget now

for something that is beyond our three-year budget.

**Christine May:** I accept that that is difficult to do. Nevertheless, this is a major project for which the revenue costs will be considerable, and the balance of those revenue costs is quite fine. If there is a shortfall in one element and you then add in the bus element, contingencies will have to be built in somewhere, sooner rather than later.

**Bruce Rutherford:** I hope that I can give you some comfort on that point. The 10,000 houses that we always talk about will be built over the life of the structure plan. Some of the houses have been built and some of what we were uncertain about in our dealings with the bus companies has happened. In the Borders there has been a drawing in of FirstGroup's operations, but the situation has now stabilised. We dealt with it almost instantaneously, because Scottish Borders Council saw it as a priority as it affected so many people in the area.

The point is built into the business case—the council sees the feeder services to the stations the length of the route as extremely important in supporting the principle that the patronage of the railway should be as high as possible. We have been given consent to investigate how to maximise patronage through the enhancement of feeder services. Douglas Muir and I and the public transport teams in Midlothian Council, Scottish Borders Council and the City of Edinburgh Council will have to work closely with the operators. We face quite a task, which will require detailed discussions and a report to be produced to allow us to plan financially over the next two to three years.

15:45

**Christine May:** I have two quick questions. First, of the 10,000 houses that have been built, for how many did you get your £1,500 premium?

**Bruce Rutherford:** In the Borders we started taking the £1,500 in November last year. Last week you had the opportunity to ask my planning colleagues for exactly how many houses we had taken the £1,500.

**Christine May:** And I did not take that opportunity, but I am sure that I can revisit the issue.

Secondly, residents in villages will not have access to a railway station. Have you been able to guarantee that there will not be a reduction in their bus services?

**Bruce Rutherford:** Yes. Dr Mark Brown said that a lot of the feeder services already exist, but we will need to co-ordinate the timetables. Some of the towns and villages around the stations might



end up with a better service because of that co-ordination—although they might end up slightly worse off. Bus service regularity has improved in our area. Something like 70 per cent of people in the Borders are within six minutes of a bus stop. That is a high proportion, which we are building up gradually as best we can. We can count on the fingers of one hand the number of buses a day that some rural services run, but we are trying to improve that situation where possible.

**Margaret Smith:** The principal bus route that would be affected by the new rail service is the X95 route between Edinburgh and Carlisle via Galashiels and Hawick. What proportion of passengers is expected to transfer from that service to the rail service?

**Dr Brown:** I can give you a broad figure on that. On the A7 corridor there will be a net positive impact on buses, in that there will be fewer diversions from bus to rail than there will be passengers generated on the feeder services. We estimate that there will be 93,000 fewer trips per year on the A7 corridor and supporting corridors and 120,000 additional bus feeder service trips. There will be a surplus of about 25,000 trips on the corridor in the Borders. That is an example of a win-win situation. Not only will there be a transfer from bus to rail but in that process more bus passengers will be generated. The A7 corridor in the Borders should not see a reduction in bus passengers or, one assumes, in bus services.

**Margaret Smith:** I suppose that my point is the one that Christine May raised. It is really about the individual villages. You cannot guarantee that particular villages will not lose bus services, although you are saying that the strategic picture around the A7 corridor is positive.

**Dr Brown:** That is correct if we assume a rational response from the bus operators, and all our dealings suggest that a rational and professional attitude is being taken. From a revenue point of view, a case does not seem to have been made for reducing bus services, and a case could be made for increasing them.

I was interested in the point that was made this morning about demand-responsive bus services, which are not built into our modelling. If the bus operators introduced demand-responsive services, that would provide a superb way of running some of the feeder services.

**Margaret Smith:** How would the railway improve public transport links between key centres in the Borders?

**Dr Brown:** That is very much a question of integration. Apart from the 50 per cent of passengers who would walk to a station, the key is a park and ride at Tweedbank, which would have a catchment area of the Borders towns to the

railway's east, south and west. The location of the park and ride is excellent. Capacity is adequate for projected demand and the size of the facility can be significantly increased if required.

Linked to that is the fact that we are not just examining the provision of a direct service from Tweedbank to central Edinburgh. Because of Scott Wilson's imaginative and innovative timetabling, we propose trains that would run on through Edinburgh Park and Edinburgh airport station, if that station is built, on to Stirling and Dunblane. We could provide integrated links from the Borders right into the central belt. The key for local transport integration is the park and ride.

**The Convener:** I thank all the witnesses for attending. That concludes our evidence taking. I thank in particular the Scottish Mining Museum's staff for their assistance with the meeting, for their hospitality and not least for the wonderful soup that we had at lunch time.

The committee will meet next Monday at about 11 o'clock in the Langlee complex in Galashiels, and a week after that we will be back here.

*Meeting closed at 15:52.*



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