

Simon Jones
Director, Economic Infrastructure
Department for Economy and Transport



Llywodraeth Cymru
Welsh Government

Peter Morris
Professional Lead – Planning
Development Management
Powys County Council
County Hall
Llandrindod Wells
Powys

30 April 2020

Dear Peter

Nant Helen Complementary Earthworks Planning Application

I write as the Senior Responsible Officer for the Welsh Government's project to develop a Global Centre of Rail Excellence (GCRE) in Wales at the Nant Helen site in Onllwyn.

My reason for writing, is that whilst I am aware that there is wide understanding of the sequencing of planning applications envisaged for the Nant Helen site at senior officer level through the pre-application consultation and engagement that has been undertaken to date, I am also aware that some questions remain over the benefits of this advanced earthworks application when weighed against some of its impacts and how that might be viewed by some consultees and decision makers in arriving at a planning balance.

What should be clear to all is the intrinsic link between the earthworks application before Powys County Council (and Neath Port Talbot County Borough Council) and the rail proposal. If the GCRE project fails to materialise at the application site, the earthworks formation that is before both Councils for determination, is unlikely to be implemented in the exact form by Celtic Energy to facilitate its alternative legacy proposals for a leisure/community/tourism after-use of the Nant Helen site.

As such, the Councils and other bodies such as Natural Resources Wales and Cadw that have consenting interests in the earthworks planning application should be able to rely on the fact that the impacts arising (notwithstanding any mitigation proposed through the application) are wholly associated with the GCRE project and would not manifest themselves in the same locations and to the same physical extents without that scheme.



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Questions have arisen through the pre-application consultation process of the public benefits associated with the earthworks application. While the wide ranging benefits of the transformational GCRE project are well understood by our local authority JVA partners, I wanted to clearly articulate the headline benefits that will arise from the consenting of the earthworks scheme in its own right. They are multi-faceted.

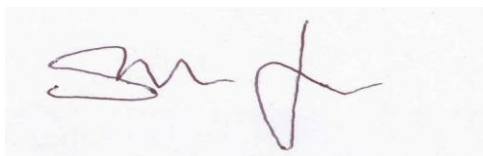
First, the consenting of the earthworks scheme is a fundamental milestone requirement of the Heads of Terms of the option agreement that is being progressed between Welsh Government (and its joint venture partners) and the landowner Celtic Energy/Walters Group to secure an interest in the site.

Second, the early consenting of the complementary earthworks will allow Celtic Energy to create the required landform on which to build the GCRE rail test loops hand in hand with the earthmoving programme associated with its restoration scheme and without delay. This has both significant programme efficiencies as well as cost benefits, reducing the amount of public spending associated with this first phase.

Third, UK and international investor interest that has been garnered through the industry-wide engagement to date will benefit from a vital injection of confidence which is important in its own right, but far more so in the current uncertain economic climate that the world finds itself in as a result of the coronavirus pandemic. If ever there was a time in the gestation of this project to maintain momentum and demonstrate continued and positive progress to Welsh Ministers, to the UK Government and to private sector industrial and financial stakeholders in the UK and internationally it is now. As we necessarily begin to confront the task of economic recovery from the Covid 19 crisis the GCRE project represents a rare and vital inward investment opportunity to progress a multi-million pound infrastructure project here in Wales. The value of achieving important programme milestones on schedule cannot therefore be overstated.

For wider context and reference purposes I would also draw your attention to two important and recent items of correspondence – the first by industry and HE stakeholders addressed to the Prime Minister and the second by the Chief Executive of Network Rail.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Simon Jones', written on a light-colored background.

Simon Jones
Director, Economic Infrastructure
Welsh Government



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Dr Mark Brown
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Andrew Haines
Chief Executive
Network Rail Infrastructure Ltd
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04 February 2020

Dear Arthur and Mark,

Thanks for sharing your letter on the Global Centre of Rail Excellence (GCRE) in Wales to the British government. I would like to take the opportunity to show our support for the construction of train and infrastructure testing facilities in the UK.

The shortage of testing facilities comes at a time when the railway is most in demand, with passenger numbers more than double what they were 20 years ago. Therefore, of most specific use to us will be the infrastructure testing facility. We need spaces like this to deliver our research and development programme so we can improve services for passengers and freight customers.

I hope this letter is helpful to you and clarifies our support for the development of train and infrastructure testing facilities.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Andrew Haines". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Andrew Haines
Chief Executive

CC Prof Andy Doherty

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Tuesday, 04 February 2020

Global Centre of Rail Excellence

Dear Prime Minister, Chancellor, Secretaries of State

We understand that you have been made aware of the Welsh Government's plans to develop a Global Centre of Rail Excellence (GCRE) in Wales.

The Global Centre for Rail Excellence is a transformational project which aims to create a world leading facility for research, development and testing of rail technology on a 1000ha site in South-West Wales. The Centre will be instrumental in driving productivity and efficiency throughout the UK rail sector. At the heart of the Centre is a test track complex comprising two circular routes that will be unique within the UK and one of the most advanced of its type in the world.

The Centre will contain 6.9km and 4.5km test loops; laboratories and lecture theatres; maintenance facilities; event and showcasing capacity; training facilities and space to store hundreds of rail vehicles. It will be designed to accommodate light rail, heavy rail and metro trains along with a wide variety of innovative infrastructure developments, including track, signalling and power systems. A strong demand for such a facility has been identified from train manufacturers, infrastructure and network operators, Train Operating Companies, SMEs, research organisations and educational and training bodies.

The Welsh Government has been working with representatives of the UK public and private sector rail industry and academia on this for the past 18 months. As potential investors, end users, R&D/Innovation stakeholders and representative industry bodies we welcome the initiative that the Government in Wales has shown and would like to put on record our support for the project and our gratitude to Minister Ken Skates and his team.

Government's recent Rail Sector deal has identified the potential of the UK rail industry for driving innovation, employment and exports. Government is also aware of the urgent need to improve efficiency, performance and capacity across the UK's railways. The test facilities and associated R&D activities at the proposed GCRE would be instrumental in both establishing UK industry at the leading edge of modern railway technology and enhancing performance, increasing efficiency and removing risk from the introduction of new trains and digital management and control technologies.

We have identified a number of specific issues that an independent rail test and research facility will address:

- Supporting UK train manufacturers and encouraging the establishment of further UK manufacturing facilities and capacity;

- Supporting the development of a UK digital railway industry by providing high quality and safe testing facilities for digital signalling, train control and asset management technologies;
- Delivering high-tonnage endurance testing of railway infrastructure particularly track and structures; such a facility will enable infrastructure to be rapidly tested and verified and would be unique in Europe, potentially attracting customers from around the world;
- Removing risk from the introduction of new trains and other assets by allowing them to be thoroughly tested prior to introduction. This would avoid the need for new trains, etc. to be tested on the national network or rushed into service before all performance risks had been dealt with (note issues with new inter-city trains; certain electrification assets; and projects such as Crossrail);
- Tackling ever-rising costs across the rail sector by allowing new technologies to be effectively tested and commissioned rather than committing them to operations before they are fully developed;
- Generating high quality employment and economic opportunities for communities in South West Wales;
- Providing further opportunities for sustainable technologies associated with the rail sector (electric, battery, links to sustainable generation).

The UK does not possess anything approaching such a high quality facility as that planned in Wales. Both public and private sector organisations frequently use test facilities in Europe and the USA, supporting jobs and building competing expertise in other countries. Moreover, this will not be controlled by a single commercial entity but will be open to a wide range of research and industrial users. With projects such as HS2, CrossRail2, Northern Powerhouse Rail and the Cardiff Valleys transformation approaching, the need for safe and efficient testing to drive performance has never been greater. Operational independence and full open access is critical to allow competition and innovation to flourish.

The project has already progressed through initial design and costing stages and is currently awaiting final consents from (supportive) local authorities. The £170m project can be delivered in three phases with the first phase being operational within two years. A £20m value contribution has already been secured from the existing site owner as part of an amended statutory site restoration and earthworks scheme as current activity and related employment comes to an end. Welsh Government is now in conversation with a number of other public and private bodies and has pledged a significant contribution itself.

The benefits of the test facility will be available to UK industry, academia, railways and passengers. We are seeking support, including a financial contribution, from the UK Government to bolster the Welsh Government's initiative and to kick-start this exciting project. We believe that a world class railways research and testing facility could herald the start of a new technological revolution, 200 years after the rail industry was born in South Wales during the first industrial revolution.

Yours faithfully

A handwritten signature in black ink, appearing to read "Mark Brown".

Dr Mark Brown
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On behalf of:

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Managing Director – Transport
Serco

James Price
Chief Executive
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Prof. Clive Roberts
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Richard Garner
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