

FROM DAVID JAMIESON MP  
PARLIAMENTARY UNDER SECRETARY OF STATE



Councillor Trevor Egleton  
South Bucks District Council  
Council Offices  
Windsor Road  
Slough  
SL1 2HN

Department for Transport,  
Local Government and the Regions

Eland House  
Bressenden Place  
London SW1E 5DU

Tel: 020 7944 3000  
Fax: 020 7944 4521  
E-Mail: david.jamieson@dtlr.gsi.gov.uk

Web Site: www.dtlr.gov.uk

OUR REF: SB/DJ/005185/02

*Trevor Egleton*

21 MAR 2002

Thank you for your letter of 18 February about Central Railway.

You will be interested to know that John Spellar has now written to the Chairman of Central Railway about his hybrid bill proposals.

As you know, the Government has made clear that we are committed to rail freight growth as a key element of sustainable distribution, and that to that end we will wish to support, in principle, projects that offer value for money in both the economic and environmental benefits they can bring to the country. In considering Central Railway's request for early Government support for a bill to promote its own project, I have taken into account a number of factors and listened to representations from many interested parties, both in support of and in opposition to the scheme. As a result of the SRA's high level review of the project and other information, it is clear that the scheme Central Railway proposes has some attractive features and, if it were to succeed, may indeed meet a significant part of the freight market's needs in the long term. However, it is also clear that some important questions remain, questions that the SRA's high level review was able to bring out but, given its scope, could not be expected to test in sufficient depth to enable clear-cut conclusions to be reached.

I do not wish to obstruct the progress of a privately led and financed initiative of the kind Central Railway is proposing but I recognise that there is a wider public interest. In particular, I must be satisfied that the proposals offer viable solutions for rail freight that are compatible with the Government's long term vision for transport and the environment. I must have regard not only to the risk of Government financial exposure, but also the opportunity costs associated with the scheme and the risk to confidence in rail freight if the scheme were not successful. As things stand, I do not believe that there is sufficient evidence to enable the Government to lend its support to a hybrid bill. In order to reach a point where the Government is able to take an informed decision about the proposals, I believe that further work is necessary.



INVESTOR IN PEOPLE

With the help of consultants and the co-operation of Central Railway, the SRA will therefore carry out a further detailed assessment in order to test key remaining areas of the proposals. This will not be a repeat of the high level review. What it will do is test more closely those key areas where the review could not provide sufficient confidence in the proposals, including some of the strategic issues you raise in your letter.

It will be a substantial piece of work and I agree that it will require close dialogue amongst interested parties. The SRA anticipates the work will be completed by September. This timescale will enable the necessary work to be carried out to a level of detail and quality that will take us significantly beyond the conclusions of the earlier review, which is essential if the Government is to be able to take an informed decision about Central Railway's hybrid bill.

I hope this is helpful.



DAVID JAMIESON