The Committee will meet at 10.30 am in the Civic Suite, Renfrewshire Council, Paisley.

1. **Oral evidence on the general principles of the Bill**: The Committee will take evidence from—

   **Panel 1**
   Paul Lewis, Director of Competitive Place, Scottish Enterprise;

   Anne McGregor, Transport Manager, Scottish Enterprise;

   **Panel 2**
   Robert Booth, Director of Land Services, Glasgow City Council;

   Steve Inch, Director of Development and Regeneration Services, Glasgow City Council;

   **Panel 3**
   Garry Clark, Policy and Campaign Executive, Glasgow Chamber of Commerce;

   Andrew MacDuff, Operations Manager, Renfrewshire Chamber of Commerce;

   Tracy Walker, Policy Analyst, Scottish Council for Development and Industry;

   **Panel 4**
   Jim Cunningham, Chair, Paisley Partnership Regeneration Company;

   **Panel 5**
   Douglas Ferguson, Director of Operations, Strathclyde Partnership for Transport;
John Halliday, Head of Transport Planning and Integration, Strathclyde Partnership for Transport;
Valerie Davidson, Head of Finance, Strathclyde Partnership for Transport;
David Keddie, Partner, Roger Tym and Partners.

The following papers are attached for this meeting—

**Agenda item 1**
Consideration of Oral Evidence (private paper) GRL/S2/06/3/1
Written Evidence GRL/S2/06/3/2
Promoter Responses (private paper) GRL/S2/06/3/3
GLASGOW AIRPORT RAIL LINK BILL:
WRITTEN EVIDENCE

1. Written evidence has been provided by the following organisations including this late submission from Scottish Council for Development and Industry (SCDI):

<table>
<thead>
<tr>
<th></th>
<th>Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Scottish Enterprise Network</td>
</tr>
<tr>
<td>2</td>
<td>Glasgow City Council</td>
</tr>
<tr>
<td>3</td>
<td>Glasgow Chamber of Commerce</td>
</tr>
<tr>
<td>4</td>
<td>Renfrewshire Chamber of Commerce</td>
</tr>
<tr>
<td>5</td>
<td>CBI Scotland</td>
</tr>
<tr>
<td>6</td>
<td>Paisley Partnership Regeneration Company</td>
</tr>
<tr>
<td>7</td>
<td>SCDI</td>
</tr>
</tbody>
</table>
SUBMISSION FROM SCOTTISH ENTERPRISE NETWORK

Thank you for providing Scottish Enterprise (SE) with the opportunity to submit out comments on the above private bill. Please find below our Network response.

The SE Network recognises that Glasgow Airport is a growth pole in the Scottish economy so we are keen to support measures which are likely to spread the economic benefits of the airport to a wider hinterland within Scotland.

It is the firm view of the SE Network that a railway service between Glasgow Airport and Glasgow City Centre is a sensible policy to pursue. In partnership with the Scottish Executive, SE manages the aviation Route Development Fund. This has been and continues to be extremely successful in attracting new direct international flights to Scotland achieving considerable economic benefits. The image created by a high quality airport rail link is likely to assist this cause.

To spread the economic benefits of the airport as far and wide as possible, any new railway service between Glasgow Airport and Glasgow city centre should provide maximum connectivity throughout Scotland. To attain maximum connectivity, airport rail passengers should have the option of travelling beyond the Glasgow metropolitan region.

I take pleasure in providing support from SE for the proposed (GARL) scheme. However, to achieve maximum connectivity to other metropolitan regions within Scotland, we believe it is important to connect the airport to the wider Scottish population. To achieve this it will also be necessary to deliver Glasgow’s "cross-rail" scheme.

If the Glasgow cross-rail project is not delivered, SE would prefer the airport rail link to connect directly to Queen Street Station rather than Central Station. This is due to the fact that Queen Street Station provides direct inter-city connections to a wider area throughout Scotland and it is our understanding that the cost/benefit case for connecting the airport directly to Queen Street Station (low level) is the same as for Central Station.

Regardless of the configuration of the service in Glasgow City Centre, it is clear that an element of technical engineering work will be necessary between Paisley and Central Station to facilitate the GARL train service.

SE strongly supports the initiative to establish a container transhipment hub at Hunterston in North Ayrshire. It is likely that the Hunterston development will establish demand for a significant volume of containerised rail freight traffic, at least some of which will ideally use the same length of track as GARL trains (between Paisley and Mossend).

The development of rail requirements for the Hunterston project is currently not as advanced as the GARL project. However, it would be sensible to approach works to the "shared" railway infrastructure in a joined-up approach. It may produce a significant efficiency saving to tackle the railway engineering requirements of both
GARL and Hunterston freight traffic at the same time. SE would encourage any measures to promote “joined-up thinking” and efficiency savings.

I do hope the above comments are useful and thank you once again for inviting our written evidence. We look forward to hearing the outcome of the Committee’s Meeting and confirm that we would be happy to provide oral evidence, if required.

SUBMISSION FROM GLASGOW CITY COUNCIL

Development and Regeneration Services
Committee Report - 23 February 2006

Purpose of Report:

To inform Committee of the progress made on the Glasgow Airport Rail Link Project

Recommendations:

It is recommended that Committee:

- notes the content of this Report;
- requests that SPT confirm that the present design allows for the provision of Ibrox Station at a future date and that provision will be made for the replacement off-road of the short term parking removed from within Central Station;
- supports the setting up of a memorandum of agreement between SPT and the Council to deal with outstanding issues; and
- confirms its support for the Glasgow Airport Rail Link proposal and indicates its support for the Bill.

1. PRIVATE BILL

1.1 Strathclyde Passenger Transport (SPT), on behalf of the Scottish Executive, introduced a Private Bill to the Scottish Parliament on 31 January 2006, for the Glasgow Airport Rail Link (GARL).

1.2 The Bill provides the powers necessary for SPT, and its successors, to construct the new railway and associated works.

1.3 The Bill is now at the objection stage, with the City Council a mandatory consultee. The objection period ends 3 April 2006.

1.4 Development authorised by the Bill will be permitted development, which means it can be carried out without the need for planning permission. This power is restricted to 10 years after the Act receives Royal assent. This is standard procedure for this type of Bill.
1.5 The Listed Building Act is ‘disapplied’ in relation to works proposed to Central Station with the Bill granting the necessary consents. However, details of any modifications to Central Station will be subject of prior consent procedures by the Council, which cannot be unreasonably refused (see paragraph 2.5 below).

1.6 The City Council has previously provided its support for the GARL proposal to SPT in its response to the public consultation (Policy and Resources Committee 8 February 2005).

1.7 The Parliamentary process is likely to take about 1 year. The GARL is scheduled to be open in 2009.

2. PROPOSAL AND ENVIRONMENTAL STATEMENT

2.1 GARL will provide a new rail service between Central Station and a new station at Glasgow Airport, with one interchange stop at Paisley Gilmour Street. The service will be every 15 minutes, with a journey time of 16 minutes. Transport modelling has indicated that 80% of air passengers will transfer from private car or taxi (currently 82% of passengers access the Airport by private car and taxi), along with 35% of employees, contributing to the relief of road congestion and the reduction of environmental impacts of road traffic.

2.2 Within Glasgow the GARL consists of two main elements, additional track and a new platform at Central Station.

2.3 A third track is added between the existing 2 tracks of the Ayr Line from the City boundary to Shields Junction (within the confines of the existing railway land). The impact of this work and the subsequent use, therefore, should be minimal. The intention is to bring the majority of materials in by rail.

2.4 To accommodate the third track, Hillington Rail Bridge over Sandwood Road will be widened (by connecting the two separate decks). In order to ensure that any necessary road closures are undertaken in an agreed manner, it is proposed that the Council and SPT enter into a memorandum of agreement.

2.5 The key impact is on the A listed Central Station with the creation of a new Platform 11A, at the current site of the short-term car park. This will involve the loss of 66 spaces, the threading of the track through an existing arch, the extension of a current short platform, installation of overhead line equipment, strengthening of the undercroft / Argyle Street Bridge and decking over of the down ramp for the car park. These works should also be covered by a memorandum of agreement.

2.6 Various mitigation measures are proposed for the loss of the short-term parking (which includes provision for 20 minute free drop-off parking). It is suggested that other car parks in the area (such as Oswald Street) can be used instead, although there is currently no provision for free drop-off in these car parks. NCP have indicated to SPT that they are prepared to locate 3 disabled spaces within the Oswald Street Car Park, adjacent to the pedestrian entrance to Platform 13. It is proposed in the Environmental Statement that disabled access to Gordon Street be
provided to allow Blue Badge drop-off and that better use is made of the Union Street drop-off facility by the enforcement of the traffic regulations.

2.7 However, general blue badge access to Gordon Street is not permitted in terms of the current traffic order and would be liable to be used by other than those accessing the station. Discussions on this matter are continuing between SPT and Land Services who have agreed that it should be feasible to allow ‘assisted disabled passengers’, pre-booked with the rail operators, access to Gordon Street (except during the weekend when Gordon Street is closed by the Nightzone arrangements and an alternative is required). However, to ensure that an alternative off-road, free of charge, drop-off parking facility is provided, the issue needs to be covered by the memorandum of agreement.

2.8 Four construction compounds are required in Glasgow with access via the local road network. These are:

- Cardonald Business Park, south of Fifty Pitches Road;
- Ibrox east of Transco Gas Holder with access off Broomloan Road;
- Kinning Park at Shields Junction with access off Cornwall Street South; and
- Central Station undercroft south of Midland Street.

2.9 The City Council in its response to the public consultation asked that as part of the GARL proposal the opportunity be taken to provide a new station at Ibrox (even if the Airport services did not stop there). Land for this station is safeguarded in the City Plan. SPT have stated that the GARL proposal does not include Ibrox Station as part of the current scheme. Confirmation is required from SPT that the present design allows for the provision of Ibrox Station at a future date.

3. SERVICE IMPLICATIONS

Financial: None
Legal: Negotiation of memorandum of agreement
Personnel: None

Service Plan: Support the development of strategic transport links: Airport Link

SUBMISSION FROM GLASGOW CHAMBER OF COMMERCE

Glasgow Chamber of Commerce is the largest Chamber in Scotland and the oldest Chamber in the English speaking world.

Glasgow Chamber currently has over 1,600 members representing all business sectors across the city, 63% of which employ fewer than 10 people. The key objectives of the Chamber are to represent business interests and to create wealth and prosperity for the city. We aim to drive forward the business and economic agenda representing members’ interests.
As the key representative of the business community in Glasgow, we have active policy groups working on issues in transport and infrastructure, small business, retailing and tourism, education, employment and skills and energy.

We work with 74 other Chambers across Scotland and the UK through the Scottish and British Chambers of Commerce on macro business challenges such as business rates, third party rights of appeal, economic growth and international trade. We also input to business strategy and lobbying at a national and international scale through the international Chamber network.

Consultation

Glasgow Chamber of Commerce (GCC) welcomes the opportunity to contribute to the consultation of the Glasgow Airport Rail Link (GARL) and our focus is on the perceived impacts to Glasgow’s businesses.

GCC would like to reiterate its ongoing support for the general principles of the outlined Bill as we believe GARL would bring significant improvements to the infrastructure of the city, ensuring that Glasgow Airport’s transport links are comparable with other major international airports. In addition to improving the infrastructure of the city, the link will also provide a major boost for the economy of Glasgow and for Scotland.

Glasgow City Centre

Glasgow City Centre is the commercial heart of the city and stands amongst Europe’s major city regions. The significant and ongoing investment in the city has established an exciting, modern business community and a world class retail, leisure and cultural destination.

Glasgow is the second largest retail destination outside of London and continues to attract significant investment in the development of retail, business and leisure and residential units. Glasgow is also an increasingly popular conference destination.

The development of GARL between the City Centre and Glasgow Airport will improve public transport access to the city from the airport and enhance the appeal of the city both for investment and as a tourist and convention destination.

The rail link will not only increase convenience for tourists and commuters but will also help reduce road congestion through the modal shift offered as Glasgow Airport continues to grow.

Employment

Glasgow is Scotland’s major centre of employment growth and this is expected to continue into the future. Some of the key industries for Glasgow include finance, business services and tourism, for which there is strong international competition, enforcing the need for a substantial infrastructure network.
The link offers the concept of a 16 minute travel time between the city centre and the Airport which will make Glasgow even more attractive and accessible to business travellers. It also increases Glasgow’s attractiveness as a location for corporate headquarters where there is an accessible and direct rail link to a major international airport.

The Future of Glasgow Airport

GCC responded to the GA Master Plan in October 2005 in which BAA envisages passenger numbers rising to approximately 24 million by 2030. Accompanied by the significant investment taking place in the City Centre, it is even more vital to have a fast and efficient rail link between the airport and the City Centre.

CrossRail

In addition to GARL, we would also like to see the progression of the CrossRail development to link Central Station and Queen Street Station, connecting North and South rail networks. This development would link the rail networks and further increase the appeal and benefits of the Airport Rail link by improving travel times and increasing convenience and access to a wider rail network.

Planning Delays

As discussed, GCC is fully supportive of this development and of the general principles outlined in the Bill. However we do have a concern regarding any potential delays to the project.

We recognise that the new Planning Bill gives the opportunity to speed up unfounded appeals; however we would like to see the Airport Rail Link Bill address options to speed up the appeal process.

Further, we would like to see GARL delivered at the earliest opportunity and have concerns that Transport Scotland has been given a 10 year timescale for the compulsory land purchase instead of the normal 5 years (plus the possible extension).

Conclusions

We consider the Airport Rail Link to be a vital infrastructural development to meet the growth of Glasgow as a business centre and tourist destination.

In our support of the business members we represent, we welcome the opportunity to contribute to the Bill and will be happy to assist further if required.
Members of Renfrewshire Chamber of Commerce are overwhelmingly in favour of the proposed Glasgow Airport Rail Link with only a few reservations.

The accepted economic argument is that Glasgow Airport acts as a stimulus to growth in the West of Scotland. A Fraser of Allander Institute report showed that in 2001 Glasgow Airport had around 5000 direct jobs on site and supported a total of 15,700 jobs across Scotland. The estimated contribution to the Scottish economy was in the order of £700 million. British Airport Authorities forecast that the numbers directly employed on site will rise to 8200 by 2015 and 12100 by 2030. It is assumed that this growth will be reflected in new airlines operating from Glasgow with all the associated supply chain opportunities.

The catalyst value of growth at Glasgow Airport is eagerly anticipated by Renfrewshire businesses, however there are anxieties. BAA a member of Renfrewshire Chamber, is concerned about the use of compulsory purchase power to take over ownership of Glasgow Airport land that might not be in the long-term interests of the Airport. BAA would be willing to lease the land. Also BAA is concerned that the Airport needs to be protected against the construction and operation of the railway.

Additional to BAA concerns there are questions within the Renfrewshire business community about the funding of the rail link. The Airlines presently operating from Glasgow do not wish to contribute to the cost of construction and servicing, as they remain unconvinced about the benefits. They in fact quote a possible disadvantage if the cost of the rail link raises the costs of operating from Glasgow. The airlines support their concern by reference to the case of Newquay where an additional levy of £5 per person raised by the local authority forced Ryanair to pullout completely.

There is the additional concern that while both Glasgow and Prestwick Airports will benefit from the associated upgrading of the rail tracks between Glasgow Central and Paisley Gilmour Street only Glasgow Airport is being asked for a financial contribution. This additional cost burden could result in the cost of flying from Glasgow rising and negating the anticipated benefits.

To conclude the members of Renfrewshire Chamber of Commerce would agree that a new railway service between Glasgow Airport and Glasgow Central Station is a sensible policy to pursue but only if Glasgow Airport is protected from unfair cost increases which might impact on the beneficial effects the airport has on the Renfrewshire economy.
SUBMISSION FROM CBI SCOTLAND

Introduction

1. CBI Scotland welcomes the opportunity to contribute to the Committee’s consideration of the GARL Bill. We will focus our comments, as the Committee requests, on whether a new railway service between Glasgow Airport and Glasgow Central Station is a sensible policy to pursue.

2. We represent the interests of over 26,500 businesses in Scotland from every sector of industrial and commercial activity. Transport policy holds significant influence over the degree of success that these businesses can achieve in Scotland and internationally. We have long supported the creation of a rail link to Glasgow Airport, most recently calling for this in our business manifesto\(^1\) prior to the 2003 Scottish Parliamentary Elections, and recognise its role in delivering a fully integrated and coherent national transport infrastructure.

GARL’s Impact on International Connectivity

3. As Scotland’s businesses continue to compete in an increasingly international marketplace, ease of access to suppliers and customers becomes even more critical.

4. We believe that the biggest benefit of a rail link to Glasgow Airport will be the development of Scotland’s international connectivity. If built, the airport rail link would generate greater commercial investment such as influencing new airlines to offer services to / from Glasgow Airport and also in persuading existing airlines in servicing new routes. This has two significant benefits to Scottish businesses:

   • New routes would attract more visitors to Scotland (this will be discussed in more detail later)
   • Regular business travellers would have access to more destinations, limiting the requirement to travel through highly congested interlining airports such as Heathrow or Amsterdam

5. Greater commercial connectivity and success on the international stage is crucial to Scotland’s future economic prosperity.

GARL’s Impact on the Local Economy

6. In addition to laying a platform for increased global success for Scottish businesses, the rail link would also enhance the competitiveness of businesses located in the west of Scotland. The proposed line improvements would create extra line capacity, providing an opportunity to enhance services on the Ayrshire and Inverclyde lines. There are three clear benefits here:

   • The extra capacity will positively influence current problems with overcrowding on existing services

---

\(^1\) ‘Scotland’s Economy: An Agenda for Growth’, CBI Scotland 2003
• Businesses in the west of Scotland would benefit from an expanded pool of labour as employees will have improved transport options
• Improved transport links are an important feature in attracting inward investment\(^2\)

7. The Glasgow Airport Rail Link is a particularly important opportunity for one of Scotland’s key industries – tourism. It has been suggested that a rail link to Glasgow Airport would help attract 52,500 additional UK and overseas visitors and contribute approximately £10 million in additional visitor expenditure in Glasgow, Renfrewshire and Inverclyde\(^3\). When the GARL Committee consider the general principles of the GARL Bill, the positive impact it will have on the tourism sector must be acknowledged.

8. We would also highlight the growth potential of Glasgow’s already lucrative conference sector business. Improved access to and from facilities such as the Scottish Exhibition and Conference Centre strengthen Glasgow’s existing domestic and international appeal as a conference location.

9. Glasgow Airport itself is a significant contributor to the local economy. Generating approximately 5000 direct jobs and 15000 indirect jobs\(^4\), these figures will increase as passenger numbers grow. The rail link would improve access to and from the airport for workers and increase the available labour pool for companies working at Glasgow Airport.

**GARL’s Impact on Existing Modes of Transport**

10. The Scottish Executive’s Air Route Development Fund of £14.4m over the period 2005-06 to 2007-08\(^5\) is one initiative that is supporting an increase in passenger levels at Glasgow Airport. Support for routes, such as the Glasgow to Berlin route (expected to commence on the 3\(^{rd}\) May 2006 and operated by easyJet), must be complemented by improved travel links between Glasgow Airport and Glasgow city centre.

11. In 2003 8.2 million passengers used Glasgow Airport. The DfT have forecast that this number could grow to 15 million by 2030 and airport operator BAA claim that this figure could be as high as 24 million by 2030\(^6\). Whichever figure you believe is most accurate, two things are clear:

• Passenger levels at Glasgow Airport are rising at a significant rate and;
• The current transport infrastructure that provides access to and from Glasgow Airport for passengers will become further strained year-on-year to 2030

---

\(^3\) Glasgow Airport Rail Link, Draft Final Report 2: Assessment of Wider Economic Benefits (March 2005), Roger Tym & Partners
\(^4\) Glasgow Airport Rail Link, Draft Final Report 2: Assessment of Wider Economic Benefits (March 2005), Roger Tym & Partners
\(^5\) [www.scotland.gov.uk](http://www.scotland.gov.uk)
\(^6\) [www.spt.co.uk/garl](http://www.spt.co.uk/garl)
12. Passengers are currently limited by a lack of travel options to and from the airport. Bus services, taxi services and private cars all combine to congest the M8 corridor between the airport and city centre, something that has been exacerbated in recent weeks due to the ongoing road maintenance on the M8 in this area. Unfortunately delays are commonplace, roadworks or not.

Cost Implications

13. The project is estimated to cost £160 million (2004 prices) and the effects of inflation post 2004 must be accounted for\(^7\). This is obviously a significant strategic investment and we await with interest the final funding details.

14. Considering that the remit for this consultation is to ascertain whether the Glasgow Airport Rail Link is a sensible policy to pursue, it is important to draw the Committee’s attention to the financing of the rail link once it is operational. The sustainability of the rail link is particularly important. Ideally we would want to see the rail link revenues exceed operational costs and would want confirmation of how a shortfall in funding would be addressed if required.

15. One key element in any significant infrastructure project of this nature is Scotland’s existing cumbersome planning system. In 2003 CBI Scotland estimated that Scotland’s cumbersome planning system was costing the country £600 million a year – through a combination of deferred benefits of infrastructure investment and lost turnover from delays in commercial investment. That is why we strongly support the reforms proposed in The Planning etc (Scotland) Bill and proposed Transport and Works Bill.

Conclusions

16. Transport is a vitally important area to Scottish business and we have welcomed the devolved government’s decision to invest more in the supply side of Scotland’s economy. The Glasgow Airport Rail Link is a project that CBI Scotland called for in our 2003 Business Manifesto, realising the positive impact that it will have on the west of Scotland’s local economy and Scotland’s economy in general. There are obviously issues around the financing of the project still to be fully addressed but, if delivered on budget, the rail link could have a very positive influence on Scotland’s future economic growth and attractiveness as a destination for investment and visitors.

17. Taking the pressure off other modes of transport, stimulating local economic growth, providing business and other travellers with more choice, improving Scotland’s international connectivity and integrating with the existing transport network are factors that suggest this is a sensible policy to pursue, subject to satisfactory answers on affordability.

\(^7\) [www.spt.co.uk/garl](http://www.spt.co.uk/garl)
Paisley Partnership Regeneration Company (PPRC) is involved in local employment support – within the administration of Renfrewshire Community Planning Partnership's Community Regeneration Funded employment projects and as a direct delivery agency for employability and community capacity projects.

PPRC would see the development of a direct rail link from Paisley to Glasgow Airport as potentially having a positive impact on the local communities and residents of Renfrewshire's most disadvantaged regeneration areas.

Specifically the new link could contribute to the economic regeneration of Renfrewshire through the provision of employment and training opportunities. A major development such as the rail link should provide:

- Increased employment opportunities for local residents created by the physical construction and ancillary service provision for the development.
- Increased ancillary service sector work – potentially through catering, retail, tourism etc.
- Increased training and education opportunities created for example through linked modern apprenticeship programmes.
Introduction

1. The Scottish Council for Development and Industry (SCDI) is an independent membership network, which strengthens Scotland’s competitiveness by influencing Government policies to encourage sustainable economic prosperity. Its membership includes businesses, trades unions, local authorities, educational institutions, and the voluntary sector.

2. SCDI is a long-time campaigner on Scottish transport issues and welcomes this opportunity to provide a contribution to the consideration of the general principles of the Glasgow Airport Rail Link (GARL) Bill.

3. The objective of SCDI’s transport policy is the achievement of a high quality, cost effective and coordinated transport infrastructure based on sustainable principles, such as social equity, accessibility and minimisation of environmental impact.

4. As a way of helping to achieve that objective SCDI supports the expansion of the rail network that is occurring in Scotland. SCDI has, as part of its transport policy, called for the completion of what it sees as priority projects. These priority projects are considered those which will provide relatively significant benefits to the areas they would service and to the Scottish transport infrastructure as a whole. They are felt to provide value for money and also help to meet the social needs of the areas serviced.

5. Many of the major transport infrastructure projects currently being undertaken by the Scottish Executive were considered priority projects by SCDI, including the Glasgow Airport Rail Link.

6. SCDI supports the policy objectives of the Bill, and believes that these will bring benefits not just to the West of Scotland but to Scotland as a whole.

Support for the Scottish Economy

7. SCDI supports the Scottish Executive’s overall aim for transport as being to promote economic growth, social inclusion, health, and protection of our environment through a safe, integrated, effective and efficient transport system. Transport and the links that such a system provides obviously have a major role to play in growing the economy; the top priority for the Scottish Executive. The first policy objective of the bill is ‘to stimulate economic growth in the West of Scotland by developing the capacity and capability of the national and regional rail network.’ SCDI believes that, in addition, a rail link to its busiest airport will benefit the economy of the whole of Scotland. However, work will need to be done to ensure that this potential is met. Not only does the airport and the rail link support and create jobs directly (BAA predicts the number employed on site will grow to 8200 by 2015 and to 12100
by 2030), but an airport rail link will allow Glasgow to compete with other major European cities for both business and leisure tourists. Many of our major competitor cities have existing rail links for their airports to the city centre and they are increasingly becoming expected, especially by business travellers.

8. The rail link will be of a great benefit to tourism, which is such an important sector to Scotland's economy. However, its benefits will also be much wider. Scottish organisations are increasingly competing at the global level and require not only good transport infrastructure at a national level, but also require high levels of international connectivity.

9. SCDI has been a great supporter of the Scottish Executive's Air Route Development Fund and believes that the Glasgow Airport Rail Link will be a welcome addition. It is hoped that the addition of the GARL will help to attract new direct air services to Scotland.

10. Whilst it is welcomed that the Glasgow Airport Rail Link will allow an increased service to Renfrewshire, Ayrshire and Inverclyde (through the stop at Paisley Gilmour Street), the proposed project would be fundamentally enhanced should the Glasgow Cross Rail Project go ahead. This would allow passengers from the airport to access both Central Station and Queen Street Station and as such would greatly increase connectivity to the rest of the rail network. It is vital that this project be advanced following the Strategic Projects Review in 2007.

11. It cannot be assumed that the majority of passengers who arrive at Glasgow airport will be staying in the Glasgow area and so good connections to the national rail network is a prerequisite to the success of this project. This high level of connectivity will enhance the strategic benefits for the whole of Scotland.

12. In order to fulfil the potential of the line it should be considered whether freight, and not just passenger transport, could make use of the line. SCDI would hope that in the future this possibility could be investigated.

**Scotland's International Image**

13. As mentioned above travellers have a level of expectation and it is vital for Scotland's image that the rail link service should commence in a well designed, modern and attractive railway station, which is fully integrated with the airport. As such, SCDI welcomes mention in the promoter's memorandum to this bill that the station would offer 'an opportunity to create a landmark structure'.

14. It is vital that the image of a first class service continues through the whole journey and as such SCDI welcomes the proposal to build a new platform at Central Station. It is vital that there is no 'weak link' which could compromise the image of the service and it should be investigated whether Paisley
Gilmour Street Station should be modernised. Waiting facilities at this station will be particularly important if this is to be used as an interchange.

Social and Environmental Benefits

15. Figures produced by both BAA and by the Department for Transport show that passenger numbers to Glasgow airport are expected to grow considerably over the next thirty years (The Aviation White Paper estimates 15 million passengers per annum by 2030, whilst BAA predicts 24 million passengers per annum by the same year). The road which carries passengers to this airport, the M8, is already a heavily congested road, and as air travel continues to grow, will become even more so. Currently, the vast majority of passengers travel to the airport by road and it is clear that as the volume of passengers increases this will become unsustainable.

16. The establishment of a rail link will greatly improve accessibility by allowing passengers to access the airport by other modes. A reliable service will allow passengers accurate journey times without the dangers of being caught in heavy traffic.

17. As the potential for passenger numbers is met the more environmental benefits that will be accrued, including reduced use of private cars, reduced congestion and better air quality levels.

18. SCDI welcomes the proposal to make the service frequent (every fifteen minutes) with quick journey times (16 minutes). A fast reliable service will maximise the possible advantages a rail link can have over travelling by private car and will encourage more passengers to switch to this option.

19. As this project is delivered it is important that sufficient promotion of the GARL is undertaken to ensure that as many travellers as possible consider the service on offer. The services must then meet the expectations of the traveller to ensure that they continue to use the train and do not revert to use of the car. This includes, as detailed above, a reliable, punctual and frequent service with high levels of customer service provided. The impression of passengers’ will also be helped with comfortable, clean rolling stock with adequate storage space.

20. Increasingly travellers are making multi-modal journeys and this fact must be considered when trying to attract more people to use the train. Accurate and accessible information about intermodal options for journeys must be provided.

21. Connectivity would be greatly increased with the use of through-ticketing and the use of smart cards to ease the change between modes of transport, including buses and the Glasgow underground. Other changes which can improve the experience of multi-modal passengers include increased coordination between bus and train companies and the option of multi-modal tickets. This should ensure that there is no cost penalty on journeys involving transfers.
22. With regard to the social benefits, SCDI welcomes the role that the rail link will play in the regeneration of the M8 corridor and in connecting areas of low car ownership by increasing their rail options. The rail link will also alleviate the overcrowding experienced currently on services.

**Conclusion**

23. As this consultation by the committee tries to ascertain whether the GARL is a sensible policy to pursue, as SCDI as detailed in the evidence above, we believe that it is a policy with the potential for significant benefits for Scotland. Its potential will be maximised should the recommendations detailed in our submission be adopted, in particular the Glasgow Cross Rail project. As with all major projects in order to be successful it is important that the £160 million GARL project be delivered on time and on budget.
GLASGOW AIRPORT RAIL LINK BILL: 
REPLIES FROM THE PROMOTER

Background

1. A paper containing the promoter’s written replies to the Committee’s questions on the Bill and its accompanying documents was submitted to the Committee for its meeting on 18 April 2006.

2. This paper is an edited version of the promoter’s original paper, containing the replies to issues that are most likely to be examined by the Committee at its meeting today.

Private Bills Unit
April 2006
QUESTIONS ON THE BILL’S GENERAL PRINCIPLES

Economy

Question 1: With reference to the first bullet point of paragraph 4 of the Promoter’s Memorandum, what evidence do you have to suggest that developing the rail network contributes to economic growth, with reference to the existing, extensive railway and underground system in the west of Scotland?

1. As part of the work undertaken in preparation for the parliamentary submission, the Promoter commissioned consultants to undertake an assessment of the wider economic benefits of the GARL project. These consultant’s subsequent report was entitled the Assessment of Wider Economic Benefits report (“AWEB”) and has been made available on the Promoter’s GARL website. The report outlined that the Promoter is aware from previous experience throughout the UK and Europe that rail transport investment projects such as GARL are capable of producing a number of potential significant effects and impacts, in terms of land use planning, regeneration and socio-economic related issues.

2. Whilst there is a well established rail network in the SPT area, there are some significant direct benefits that will be realised as a result of the GARL project including:

   ▪ The existing rail network between Paisley Gilmour Street and Shields Junction is at or near capacity, however the introduction of a third track directly as a result of the GARL project will increase rail capacity by up to 50% between Paisley and Shields Junction.

   ▪ The creation of 2km of branch line will open up access to Glasgow Airport from the wider rail network either directly or through interchange at Paisley Gilmour Street or Glasgow Central Stations.

   ▪ As indicated within the Promoter’s Memorandum (paragraph 115) the GARL project will have an estimated Net present Value of £64 million (i.e. the economic benefits of GARL will outweigh the costs by £64 million).

3. Further quantified benefits identified for the GARL project (including development effects and wider economic benefits) are outlined in our response to Question 2 below. In addition to these potential benefits (i.e. employment, floorspace, development and investment), it is anticipated that there would be a series of other benefits and impacts. These broadly comprise the following features:

   ▪ significant local labour market and training benefits;
   ▪ business activity and competitiveness;
market and investor confidence;

- image and place competitiveness – in terms of both the Airport and surrounding City region;

- potential regeneration benefits, via greater accessibility to employment and services, which may enhance leisure, recreational and tourism opportunities; and

- impact on visitors and tourism potential – helping to cement positive first impression and City image, key to encouraging repeat visits.

**Question 2: Paragraph 14 of the Promoter’s Memorandum refers to that fact that the Glasgow Airport Rail Link will “bring the benefit of good airport accessibility and related economic benefit to the whole region”. Can it be explained how the “whole region” will benefit economically?**

4. The AWEB report prepared in support of the GARL project provides detail of the quantifiable and non-quantifiable economic benefits of the project to the wider region. The main quantifiable wider economic benefits of the GARL project are noted as follows:

- **Conurbation wide employment**: Support for continuing employment growth of at least 65 jobs per annum (1,300 jobs in 20 year period) in Glasgow and Renfrewshire, and 5 jobs per annum (100 jobs in 20 year period) in Ayrshire and Inverclyde;

- **Tourism and leisure employment**: 275 gross new jobs and 96 net additional new jobs from increased tourism expenditure;

- **Paisley Town Centre**: enabling the development of a new opportunity for up to 135,000 square feet office market accommodation and up to 675-700 gross new jobs and 315-328 net additional new jobs over 3-4 year period;

- **Gross Added Value**: Generation of additional Gross Added Value of at least £2.1 million per annum in Glasgow and Renfrewshire; £0.16 million per annum in Ayrshire and Inverclyde; £3.14 million per annum from tourism and leisure employment; and in excess of £10 million per annum from Paisley town centre based employment (post-completion). In total, this would represent between £283 to £290 million over 20 year period.

5. A number of non-quantifiable economic benefits are also highlighted, including: supporting continuing economic growth at Glasgow Airport continued support for employment growth associated with the Clyde Waterfront Regeneration Initiative; contribution towards the potential for additional tourist and visitors numbers and the linked expenditure; as well
as supporting the competitiveness of the City region in relation to conference market and other general future business opportunities.

6. In the context of the above matters, although the core benefits of the GARL project will relate primarily to Glasgow, Renfrewshire, Ayrshire and Inverclyde, there will be other benefits to the wider West of Scotland by virtue of improved rail services and greater accessibility to over 143 rail stations.

**Question 3: What is the predicted growth in job numbers at Glasgow and Prestwick airports directly attributable to GARL, what types of jobs are expected to be created and who is likely to fill these jobs?**

7. The assessment of the GARL project was conservatively based on the Department for Transport forecasts of air passenger growth. Consequently, no increase in air passenger numbers at Glasgow, or Prestwick, was assumed as a result of the GARL project. As employee numbers are largely a function of air passenger numbers, no increase was assumed as a specific result of the GARL project. The increase in employee numbers is therefore solely due to the Department for Transport forecast of passenger growth. The additional employees will cover a range of occupations from flight crew to maintenance staff and employees in retail outlets. No change in the pattern of home origins of employees has been assumed, although the employment catchment of the airport is likely to grow as the number of staff increases.

8. In reality, the assessment was conservative and the GARL project would help support the continuing growth of the airport both in terms of passenger numbers and job numbers.

9. For example, there is an estimated potential for up to 15,000 jobs at Glasgow Airport, in line with the anticipated growth in passengers volumes outlined by the Government Aviation / Air Transport White paper, where Glasgow Airport itself is expected to double to some 15 million passengers by the year 2030. The Promoter believes that the GARL project will play a key part in this growth by helping to deliver the surface access strategy for Glasgow Airport.

10. It should be noted that whilst our assessment did not directly assume an increase in jobs at the airport as a result of the GARL project, the 650 jobs created in Glasgow and Renfrewshire over the next ten years could be located at or close to the airport.

**Question 4. Can more detail be provided to substantiate the claims made in paragraph 117?**

11. As part of the work undertaken in preparation for the parliamentary submission, the Promoter commissioned consultants to undertake an assessment of the wider economic benefits of the GARL scheme. This
assessment was prepared to provide a broad examination of the wider economic benefit for West Central Scotland, with particular emphasis placed upon the immediate GARL route corridor, particularly within the City of Glasgow and Renfrewshire, but then also the benefits for the wider regional area comprising Inverclyde and Ayrshire.

12. The assessment comprised a number of individual but integrated components which were combined to provide the wider economic benefits identified in the Promoters Memorandum. This included: initial examination of the potential broad qualitative and quantitative benefits of rail investment; identification and assessment of the headline impacts; detailed analysis of a business survey, undertaken to support and provide justification for the GARL; and calculation of the wider quantitative benefits, in terms of employment impacts across business, leisure and tourism, as well as construction and other non-quantifiable impacts.

13. The gross employment impacts were considered in context of the likely displacement, leakage and multiplier effects, and net additional employment impact provided. This was then matched by a broad assessment of output in terms of Gross Added Value impacts attributable to GARL. A summary of these benefits has been provided previously by the Promoter in paragraph 117 of the Promoter’s Memorandum. The wider economic benefits are outlined within the Promoter’s answer to Question 2 above and are summarised again below. The core quantifiable wider economic benefits of the GARL project are noted as follows:

- Conurbation wide employment: Support for continuing employment growth of at least 65 jobs per annum (1,300 jobs in 20 year period) in Glasgow and Renfrewshire, and 5 jobs per annum (100 jobs in 20 year period) in Ayrshire and Inverclyde;
- Tourism and leisure employment: 275 gross new jobs and 96 net additional new jobs from increased tourism expenditure;
- Paisley Town Centre: enabling the development of a new opportunity for up to 135,000 square feet office market accommodation and up to 675-700 gross new jobs and 315-328 net additional new jobs over 3-4 year period;
- Gross Added Value: Generation of additional Gross Added Value of at least £2.1 million per annum in Glasgow and Renfrewshire; £0.16 million per annum in Ayrshire and Inverclyde; £3.14 million per annum from tourism and leisure employment; and in excess of £10 million per annum from Paisley town centre based employment (post-completion). In total, this would represent between £283 to £290 million over 20 year period.

14. A number of non-quantifiable economic benefits are also highlighted, including: supporting continuing economic growth at Glasgow Airport
continued support for employment growth associated with the Clyde Waterfront Regeneration Initiative; contribution towards the potential for additional tourist and visitors numbers and the linked expenditure; as well as supporting the competitiveness of the City region in relation to conference market and other general future business opportunities.

Question 5. Paragraph 65 quotes Glasgow City Council’s City Plan; “the absence of a rail link to Glasgow Airport places it at a disadvantage compared with other UK and European airports...”. Does the promoter have any relevant information on other UK and European airports with rail links and the economic benefits they enjoy as a result?

15. With respect to other UK airports, Chart 1 below shows airports with annual passenger numbers of 1 million to 22 million in 2005. Heathrow (more than 64 million), Gatwick (more than 30 million) and airports with passenger numbers of below 1 million lie outside the scope of the chart. The chart demonstrates that Glasgow (8.8 million) and Edinburgh (8.4 million) are the two airports with the largest annual passenger numbers that do not possess a rail link. It can be seen that many smaller airports already enjoy a direct rail connection and some have recently been opened (such as London City and Cardiff Airports).

Chart 1

<table>
<thead>
<tr>
<th>Airport</th>
<th>Passenger Numbers (millions) in 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southampton</td>
<td>2.5</td>
</tr>
<tr>
<td>Cardiff</td>
<td>3.0</td>
</tr>
<tr>
<td>London City</td>
<td>4.8</td>
</tr>
<tr>
<td>Prestwick</td>
<td>5.0</td>
</tr>
<tr>
<td>Leeds / Bradford</td>
<td>6.0</td>
</tr>
<tr>
<td>Aberdeen</td>
<td>7.0</td>
</tr>
<tr>
<td>Liverpool</td>
<td>7.5</td>
</tr>
<tr>
<td>East Midlands</td>
<td>7.0</td>
</tr>
<tr>
<td>Newcastle</td>
<td>8.0</td>
</tr>
<tr>
<td>Bristol</td>
<td>8.0</td>
</tr>
<tr>
<td>Edinburgh</td>
<td>8.5</td>
</tr>
<tr>
<td>Glasgow</td>
<td>8.8</td>
</tr>
<tr>
<td>Luton</td>
<td>9.0</td>
</tr>
<tr>
<td>Birmingham</td>
<td>9.5</td>
</tr>
<tr>
<td>Stanstead</td>
<td>9.0</td>
</tr>
<tr>
<td>Manchester</td>
<td>10.0</td>
</tr>
</tbody>
</table>

16. With respect to other European airports, Chart 2 below shows cities/airports that are in direct competition with Glasgow for Conventions,
Trade and Tourism. Chart 2 shows that, with the exception of Prague, Helsinki and Dublin airports\(^1\), all competitor cities possess a rail link.

**Chart 2**

Passenger Numbers (millions) at European Airports (2005 unless otherwise stated)

---

17. (Further information in relation to other UK and European airports is provided in our response to Annex 4 question 8.)

18. Furthermore, the research and consultation undertaken in preparing the AWEB report illustrates the perceived requirement for the provision of direct airport rail links, as part of an overall integrated multi-modal transport network.

19. First and second tier regional cities in Europe compete for investment and business opportunities and operate in a highly competitive environment. It has been indicated by consultees including Scottish Enterprise, Glasgow City Council and the Glasgow and Clyde Valley Tourist Board that, for Glasgow to continue to compete successfully in such a business environment, it is considered essential for the conurbation to have an equivalent high quality business infrastructure, transport connections and services, including airport rail / light rail connections, and a high quality gateway experience to boost overall positive perceptions of the potential investor/visitor. This includes both potential mobile business investment and leisure business, where the latter offers immense potential for business expenditure.

20. Discussions with GARDL consultees indicates that it remains firmly their view that the implementation of the fast Airport rail link will be a significant

\(^1\) Proposals for a metro rail connection to Dublin Airport are currently in development by Department of Transport Ireland
contributory factor in supporting not only business but also tourism in the Glasgow conurbation and throughout the West of Scotland.

21. This position has been re-affirmed by the recent statement made by Alan Wilson, the Chief Executive of Scottish Council for Development and Industry (Scotsman, 5 April 2006), who strongly support the GARL project. He states that “where our major cities do lag badly behind their European counterparts is in connectivity by air and rail. Glasgow, for example, is in 39th place on rail links and 43rd on air links... and this lowly position for Scotland’s biggest city clearly underlines the importance of going further.” The GARL project will therefore be a key ingredient in ensuring that Glasgow (and Scotland) is able to compete with other major European cities.

22. As a key illustration of this competitive requirement at a ‘flagship’ level, all cities hosting Olympic Games in recent years have ensured that such airport – city rail transport infrastructure were provided, as an essential ingredient of their competitive bid. For example, Athens, Sydney and Barcelona each of developed a system specifically for this purpose. Indeed, the International Olympic Committee questions as to robustness of London’s bid for the 2012 Olympic Games focused upon the quality of the city’s transport links and ability to transport large numbers of people across the conurbation, despite possessing direct rail links from each of the city’s airports. Cities hosting the Commonwealth Games are also largely similarly equipped, with only Melbourne, the 2006 Commonwealth Games host City, being the exception with public transport access by bus only. The bid by Glasgow to host the 2014 Commonwealth Games will only strengthen the need for such a direct rail link service.

23. Research by the Airports Council International highlights the economic and social significance of airports as key aspects of air transport systems and the economy. The research covering airports across 45 European countries indicates that the accessibility that airports bring to a region is perhaps the single most important of these factors. It confirms that airports are not only key drivers for economic, social and tourism development and investment, but also act as a catalyst for improved accessibility. It notes that restricting the development or capacity of an airport would have subsequent implications for the local economy. In this context, the development of Glasgow airport and its ability to continue to be competitive with other major cities will be limited should there be no direct airport rail link.

Questions as Listed in Annex 1 with corresponding answers

Questions on the Bill’s General Principles:

Transport Benefits

Question 6. For clarification, in terms of the policy objectives set out in paragraph 4, can you define what the Ayrshire/Inverclyde/M8 corridors are
and what exactly is meant by “the sustainable regeneration of the M8 corridor and Ayrshire/Inverclyde corridors”? 

1. In the context of paragraph 4, the Ayrshire/Inverclyde/M8 corridors are generally defined as the M8 corridor between Glasgow city centre and Port Glasgow, the Inverclyde rail corridors served by the Wemyss Bay and Gourock train services and the Ayrshire rail corridors served by the Ayrshire trains that route via Paisley Gilmour Street as broadly indicated on the map attached at Appendix 1. As indicated on said map, the Ayrshire corridor mainly includes parts of North and South Ayrshire.

2. The development of the rail network capacity in the key transportation corridors such as the M8 and in Ayrshire/Inverclyde can greatly assist in supporting the overall GARL objective of sustainable regeneration. Benefits will be felt through the increased platform capacity at Central Station that will afford opportunities for service development, specific potential benefits through improved reliability and rail capacity in the Paisley to Glasgow corridor that will impact on the North and South Ayrshire Council and Inverclyde Council areas served by the existing rail infrastructure. With 50% more services calling at Paisley Gilmour Street it is anticipated that this capacity improvement will have a beneficial effect for those other stopping rail services between Paisley and Glasgow.

3. It is recognised that rail transport investment (including investment in the GARL project) is capable of producing a number of potential significant impacts, comprising sustainable regeneration. In particular, such investment in the rail infrastructure will provide greater accessibility and choice of transport, as means of reaching place of employment and services, as well as other amenities (leisure, recreation and tourism).

4. Overall sustainability and regeneration will be enhanced by virtue of related effects of rail investment, such as development and wider economic benefits, covering job and floor space creation, development and investment. This will all provide for a more sustainable approach to development, living and movement. The importance of the latter will be addressed through public transport network upgrading, consisting in part by the GARL project and its associated increase in rail network capacity.

Question 7. While paragraphs 8, 9, 34 and 64 provide some explanation of how the rail link will benefit Prestwick Airport, is there any further evidence on the expected benefits for Prestwick?

5. The GARL project will provide additional track capacity between Paisley Gilmour Street and Shields Junction. This will facilitate the operation of up to 6 trains per hour between Ayrshire and Glasgow throughout the day (i.e. an extra two trains per hour over and above the four GARL trains per hour). This will benefit passengers to and from Prestwick Airport both by providing them with a more frequent service and by reducing crowding on the route. This will help facilitate the further development of Prestwick Airport.
However the quantitative analysis undertaken for the GARL project did not examine the effects of any increase in use of Prestwick Airport as a result of additional train services to Prestwick Airport station.

6. In addition, as a direct result of introducing a third track between Paisley Gilmour Street and Shields Junction, operational performance modelling has shown that the three track solution would lead to higher levels of reliability along this section of route when compared to the base year for assessment (2004).

7. A further benefit for travellers between Glasgow Airport and Prestwick Airport would that a passenger could step on a train at Prestwick Airport, change trains in Paisley and get off a train at Glasgow Airport (or vice-versa) without having to switch travel modes, thus increasing the accessibility of both airports by rail. This additional choice in mode of travel would be specifically beneficial to any transfers between both airports.

Question 8. Paragraph 16 states that GARL will also allow the opportunity to develop extra services for Ayrshire or Inverclyde by utilising the additional capacity that will be available after the works are completed. Can more detail be provided on this statement?

8. The GARL project would provide a third track between Shields Junction and Arkleston Junction and would increase the capacity of Arkleston and Wallneuk Junctions. These improvements would provide additional track capacity between Paisley Gilmour Street and Shields Junction. Operational performance modelling has shown that it would be possible to operate up to two extra trains per hour over this section of the route in each direction, in addition to the GARL service and current passenger and freight services. However, the timetable would need to be re-structured to accommodate these services and further infrastructure works could be required between Shields Junction and Glasgow Central and west of Paisley.

9. These additional trains could serve either the Ayrshire or Inverclyde lines. During the assessment of the GARL project, a sensitivity test was undertaken on the economic benefits of providing two extra services per hour to Ayrshire. The analysis demonstrated that the value of the benefits increase by more than the value of costs leading to an improvement in the economic case for the project. This indicates that it is likely to be worthwhile to provide additional services using the GARL infrastructure. However, the precise destinations, stopping patterns and date of introduction of such services have not been determined, nor has the investment case been made for any additional infrastructure works that may be needed.

10. The Promoter, because of the integrated nature of rail problems and solutions, has had to confine the case for the GARL project to that presented but paragraph 16 of the Promoter’s Memorandum is intended to
highlight the potential additional benefits which could arise if the GARL project is approved and built.

Question 9. Paragraph 27 states that current plans are for a service of four trains per hour in each direction. Is this sufficient given the current and predicted airport passenger figures set out in paragraphs 8, 36 and 37? If the frequency of the service had to be increased, could this be accommodated by the Bill proposals? Would any increase in frequency alter significantly the expected environmental impacts of the scheme? Have the relevant bodies mentioned in paragraph 27 indicated that they are content with the projected frequency?

(i) Is this sufficient given the current and predicted airport passenger figures set out in paragraphs 8, 36 and 37?

11. The GARL patronage forecasts demonstrate that adequate capacity will be available on the GARL service with the forecast increase in air passenger, and airport employee numbers. A 15-minute interval frequency is considered to be adequate to meet air passenger requirements, for example Heathrow Express, Gatwick Express, Stansted Express and the Arlanda Airport Link in Stockholm all operate at a 15-minute interval. The assessments undertaken to date have considered 3 car trains operating on the GARL service. However, 8 car trains could be accommodated at stations along the route which would allow capacity to be more than doubled with no increase in frequency. Therefore, the infrastructure within the Bill has allowed for future growth.

(ii) If the frequency of the service had to be increased, could this be accommodated by the Bill proposals?

12. As noted in response to Question 8, the GARL project could allow up to two additional services per hour to operate over the main line between Paisley and Shields Junction. These could operate to the airport, to Ayrshire or to Inverclyde line destinations. Furthermore, the double track branch line to the airport was selected mainly because it provides capacity to operate additional services to the airport in the future, if required. However as noted above there is also substantial capacity available by lengthening trains to increase capacity.

(iii) Would any increase in frequency alter significantly the expected environmental impacts of the scheme?

13. The environmental impacts of the proposed service frequency are based on 4 trains per hour, equating to 8 movements per hour, and as discussed above there is capacity to increase the service to 6 trains per hour (i.e. 12 movements per hour). The main potential environmental impact associated with this change would be with regard to noise generated by the operation of GARL. It is estimated that a service increase from 4 to 6 trains per hour would generate an additional noise level of 1.75dB. However, guidance
indicates that noise increases of less than 3dB are not generally detectable by the human ear and therefore it is unlikely that this change would be noticeable. Therefore it is considered that a service increase from 4 to 6 trains per hour would not significantly alter the environmental impacts of the scheme.

(iv) Have the relevant bodies mentioned in paragraph 27 indicated that they are content with the projected frequency?

14. The analysis performed by SKM for the Scottish Executive, which determined the 4 trains per hour projected frequency, was accepted by the steering group of that study as the optimum solution. The Steering Group comprised representatives from the Scottish Executive, Scottish Enterprise, Department for Transport, BAA and the Strategic Rail Authority. The study also consulted with a wider stakeholder group including the rail operators and Network Rail (at that time Railtrack Plc).

15. The recent work undertaken by the Promoter in preparation of the Bill has confirmed that this frequency provides the optimum solution. The detailed analysis was undertaken in close consultation with the Scottish Executive, Transport Scotland, Network Rail, First Scotrail and has been presented to the Freight Operating Companies.

Question 10. Paragraph 28 mentions the estimated patronage figures for the new rail services:

- Please explain how these figures were calculated and the margins of uncertainty in calculating them;

16. Total demand for the GARL service will comprise 3 elements: -

- Air passengers;
- Airport employees; and
- Non-airport passengers between Paisley and Glasgow who switch to using the additional train services between Paisley Gilmour Street and Glasgow Central.

17. These three sources of demand were assessed separately.

18. For air passengers Faber Maunsell developed a new Glasgow Airport Access Model (GLAAM) to predict the response of air passengers to the introduction of GARL. GLAAM was developed using locally collected Stated Preference survey data (refer to our response to Question 31), ensuring that the model reflects how users of Glasgow airport value the various elements of the journey experience (time, cost etc) and any preferences for one mode relative to another. Stated Preference is a well-established research technique for establishing the demand for new transport services. The GLAAM model was calibrated to reproduce the latest available Civil Aviation Authority data on access modes used to Glasgow Airport. In order to forecast the market share of the rail link, it was included as a travel
option in the model and changes in factors such as congestion were also taken into account. Future air passenger growth was assumed in line with DfT forecasts.

19. A Glasgow Airport Employee Access Model (GLEAM) was also developed. This was calibrated to reproduce the travel choices in the 2004 Glasgow Airport Employee survey. Future employee forecasts were supplied by BAA, assuming the DfT forecasts for air passenger growth (which are lower than BAA’s own forecasts).

20. The assessment of non-airport demand was based on the use of an incremental mode choice model that was developed to model potential transfer to rail by non-airport users. This model used data from SPT’s Strathclyde Integrated Transport Model (SITM).

21. The assessment is based on models that attempt to predict the aggregate effect of millions of individual decisions on mode choice. The models use decision-making algorithms based on sound research, and conform to best practice. These models were calibrated so that they reproduced observed mode split proportions in the base year. This gives the best starting point for forecasts. However, in order to test the robustness of the assessment (and as a proxy for margin of uncertainty), a number of sensitivity tests were undertaken. These examined the impact of factors such as higher or lower air passenger forecasts, higher or lower petrol costs and different values placed by air passengers on travel timesavings. In each case the overall economic case for the scheme remained positive.

- Please provide more detail on the profile and number of the likely passengers, with reference to new passengers; redistribution of passengers from existing services; “air passengers”; and “employees”;

22. The forecast annual patronage for 2009 and 2030 is shown in the table below. It indicates that several effects will occur. Firstly, air passengers and airport employees would switch from other modes to use the new GARL service. Secondly, the increase in frequency between Paisley Gilmour Street and Glasgow Central from eight to twelve trains per hour would attract some extra passengers to rail. These passengers would be attracted by the higher frequency which results from GARL rather than by the GARL service itself and would therefore not all use the GARL trains. Thirdly, existing rail passengers between Paisley and Glasgow would have a wider choice of departures and some would choose to use the GARL trains.
The table below presents the proportions of the total GARL patronage by trip type.

<table>
<thead>
<tr>
<th></th>
<th>2009 ('000s)</th>
<th>2030 ('000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air passengers</td>
<td>456</td>
<td>828</td>
</tr>
<tr>
<td>Employees</td>
<td>94</td>
<td>150</td>
</tr>
<tr>
<td>Non Airport related trips new to rail</td>
<td>265</td>
<td>243</td>
</tr>
<tr>
<td><strong>Total extra trips on rail</strong></td>
<td>815</td>
<td>1,222</td>
</tr>
<tr>
<td>Non Airport related trips that previously travelled on the existing services on the Paisley Gilmour Street to Glasgow Central Route</td>
<td>573</td>
<td>628</td>
</tr>
<tr>
<td><strong>Total trips on GARL</strong></td>
<td>1,388</td>
<td>1,849</td>
</tr>
</tbody>
</table>

23. It can be seen from the above table that the proportion of the GARL patronage originating/terminating at the airport would be around 40% of total usage of the service in the early years of operation. This percentage would increase over time due to the relatively rapid growth of the airport. By 2030 over 50% of users would originate or terminate at the airport.

- **What evidence is there to suggest that the rail link will contribute to relief from road congestion and the environmental impacts of road traffic? Is it possible to predict how much traffic will be removed from the M8 as a direct result of the rail link?** (You may also wish to substantiate the claim in paragraph 59, that “rail travel has relatively less emissions than road traffic”.)

24. Information is available from the modelling on the previous mode of air passengers and airport employees. In total, 159000 person trips would transfer from cars and taxis in the opening year, and 279000 would transfer in 2030.

25. This reduction in vehicle trips would result in positive air quality benefits along the M8 corridor. Based on these figures, the Design Manual for Roads and Bridges, Section 3, Part 1 Air Quality, February 2003, HMSO methodology predicts that ambient levels of carbon monoxide, nitrogen dioxide, benzene and suspended particulate matter at receptors within 50 metres of the M8 alignment would fall by up to 0.1%. The methodology states that there is unlikely to be any effect on air quality due to road traffic at properties beyond 200m from any roads that experience a change in traffic flow.
26. With regard to global levels of carbon dioxide (CO₂), based on the estimates of passenger numbers using GARL in 2009 and 2030, assuming that average road journey saved by the opening of the rail link would be 16km and that any reductions would be offset by the net remote emissions of power consumption of the rail network, savings would be of the order of 1,400 tonnes CO₂ per annum in 2009, rising to over 1,800 tonnes per annum in 2030 with GARL in place.

27. With regard to the reference in paragraph 59, that “rail travel has relatively less emissions than road traffic” it should be noted that in July 2004 the Parliamentary Under-Secretary of State for Transport was asked a question on the CO₂ emissions of various modes of transport from London to Edinburgh. In terms of road and rail travel his answer is summarised below:

<table>
<thead>
<tr>
<th>London to Edinburgh</th>
<th>CO₂ emissions per passenger - journey (kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rail (modern high speed electric train)</td>
<td>11.9</td>
</tr>
<tr>
<td>Car</td>
<td>71.0</td>
</tr>
</tbody>
</table>

- What calculation has been made of the likely impact (in terms of patronage and economics) of the rail link on existing bus and taxi operators in the area?

28. The use of bus services to and from Glasgow airport with and without the GARL project is shown in the chart below.
29. This shows that bus services to the airport are expected to more than double their revenue by 2030. The introduction of GARL would reduce the gain in revenue (shown by the two lines) because passengers should perceive a benefit in the shorter journey time and journey reliability to and from Glasgow city centre and Paisley. There is an expected impact from the competition afforded by the Rail Link but by 2030 the revenue value is expected to be 50% more than the pre-GARL annual total.

30. In the “with GARL” situation, all other things being equal, bus operators’ revenue from air passengers and airport employees would be reduced by an annual average of £188,000 over the 60 year appraisal period. This has been included in the economic appraisal. This does not take account of the commercial reaction to the new market entry of GARL as an alternative transport mode and the potential for the bus market to satisfy new demands not open to rail.

31. SPT is actively encouraging new bus services to take advantage of new opportunities arising from the introduction of the GARL project.

32. The impact of the GARL project on taxi operators is illustrated in the figure below.

33. As can be seen, the taxi trade is expected to experience large increases in revenue over the current position over the life of the project appraisal period. The estimated effect, all other things being equal, is that with the introduction of GARL total taxi revenues would recover after a three-year period. There is an estimated £1.64m annual average disbenefit to the taxi industry as a whole. As can be seen from the predicted revenue graph, the taxi industry revenue growth is expected to grow in line with previous growth predictions. The Promoter has not appraised the economic
disbenefit to the taxi industry within the economic appraisal as it is probable that other markets would be generated e.g. as a direct result of GARL and the Promoter has not sought to forecast what reaction the taxi industry would have in relation to forecast congestion on the M8 motorway. It is the Promoter’s assumption that the economic benefits would be derived, in part, from journey time savings and these would result from a transfer from all forms of road transport, including bus and taxi, onto the rail link.

34. An important aspect of the modelling at Glasgow Airport is that it does not change the parking charges that exist in the base year, and also the scenario for parking is unconstrained i.e. car park capacities are not considered. It is unlikely that the growth in predicted passenger numbers, and therefore car journeys, could be accommodated in the existing number of car parking spaces. However, the cost of providing the extra parking spaces implied by the growth in the revenue of the parking providers has not been assessed, and is outside the scope of the Promoter’s study. If extra parking capacity cannot be provided, then the parking charges of the private sector would tend to increase to match supply to demand. This would tend to increase the demand for taxis, and increase their patronage and revenue over the current situation still further. Again, this effect on taxi demands has not been appraised by the Promoter.

- If other public transport operators increased or decreased the frequency of their service to the airport, how would this affect economic and patronage figures for GARL?

35. The main potential impact would be from changes in the frequency of the express bus link to Glasgow City Centre, which will compete directly with GARL. The Promoter has undertaken sensitivity tests with a doubling or a halving of service frequency on this service. This has been shown to have negligible effect on GARL and the benefit to cost ratio remains constant at 1.28.

Question 11. Paragraph 31 states that the rail link meets all of the objectives of national government transport policy. Can more information be provided about how accessibility to the airport from Social Inclusion Partnership and regeneration areas and new zones in the Scottish index of multiple deprivation will be improved? Are comparative figures available showing the safety of rail and road based modes? In what way does paragraph 31 explain how the promoter is meeting national government transport objectives on economy and environment?

36. The proposed rail link is expected to increase accessibility by public transport with key benefits realised by the socially disadvantaged (for example those who do not have access to a private car and have to rely on public transport). The provision of a fast, direct service between Glasgow city centre and the Airport, with the provision of one stop at Paisley Gilmour Street station to allow interchange with services to Inverclyde and Ayrshire, will particularly benefit these groups and will, in practice, increase...
accessibility of the public transport network and accessibility to employment opportunities. It is considered that GARL will increase accessibility to Glasgow Airport and Paisley from not only Glasgow Central Station, but also from Glasgow Queen Street station via the free inter-station bus service. GARL would provide an integrated journey, with one ticket.

37. The Scottish Index of Multiple Deprivation shows that there is a concentration of those classified as most deprived along the River Clyde corridor. The GARL project provides up to 50% extra rail capacity between Paisley Gilmour Street and Shields Junction with associated reliability benefits for all rail services along this corridor. It also opens up access to the airport job market together with the extra jobs attracted into the area, all of which must increase accessibility to jobs, amenities and other social provision.

38. It is anticipated that the regeneration area wards will seek to benefit from the transport improvements resulting from the airport rail link, primarily by virtue of increased accessibility and greater job and labour market opportunities being created throughout the wider area, as well as other opportunities situated within the City Centre and elsewhere across the City.

Comparative figures available showing the safety of rail and road based modes

The following data is taken from The Office for National Statistics' Social Trends 36, 2006 edition, table 12.21. This illustrates that any shift of journeys from private vehicles (motorcycle, car, van) to public transport (bus, coach, rail) is likely to result in fewer deaths as a whole.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Motorcycle</td>
<td>115.8</td>
<td>94.6</td>
<td>108.4</td>
<td>112.1</td>
<td>114.4</td>
</tr>
<tr>
<td>Walk</td>
<td>76.9</td>
<td>74.6</td>
<td>55.9</td>
<td>47.5</td>
<td>43.3</td>
</tr>
<tr>
<td>Bicycle</td>
<td>56.9</td>
<td>46.8</td>
<td>49.8</td>
<td>32.6</td>
<td>25.3</td>
</tr>
<tr>
<td>Car</td>
<td>6.1</td>
<td>3.7</td>
<td>3.0</td>
<td>2.8</td>
<td>2.7</td>
</tr>
<tr>
<td>Van</td>
<td>3.7</td>
<td>2.1</td>
<td>1.0</td>
<td>0.9</td>
<td>0.9</td>
</tr>
<tr>
<td>Bus or coach</td>
<td>0.3</td>
<td>0.6</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Rail</td>
<td>1.0</td>
<td>0.8</td>
<td>0.4</td>
<td>0.2</td>
<td>0.1</td>
</tr>
<tr>
<td>Water</td>
<td>0.4</td>
<td>0.0</td>
<td>0.8</td>
<td>0.4</td>
<td>0.0</td>
</tr>
<tr>
<td>Air</td>
<td>0.2</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

In what way does paragraph 31 explain how the promoter is meeting national government transport objectives on economy and environment?

---

In terms of **economy**, the greatest impact will be experienced in relation to employment, with up to +650 additional jobs being created in Glasgow (+600) and Renfrewshire (+50) over a period of ten years. This is equivalent to +65 additional jobs per annum. Since these impacts would likely result from the introduction of the Airport rail link, they would occur mainly inside the City region, but also in areas in close proximity to the rail link corridor through Paisley and Glasgow South. In relation to employment sectors, it is anticipated that the greatest employment increases will occur amongst financial and business services, public administration and less so in retail and catering. This will provide some opportunities for employment in providing support services as well as the more highly skilled occupations.

The Airport rail link is also estimated to contribute to an additional +£2.1 million per annum in terms of potential total gross value added to the Glasgow and Renfrewshire economy. This would be the equivalent to up to +£21 million gross value added over a 10-year period.

In respect of property related impacts it is estimated that the Airport rail link could help support and lead to the development of up to 135,000 sq ft of new office accommodation in Paisley town centre, which in turn could support a further 650-700 gross new jobs in the town centre over a period of up to 4 years.

A number of **non-quantifiable** economic benefits have also been highlighted in the supporting documents, including: facilitating continued economic growth at Glasgow Airport; continued support for employment growth associated with the Clyde Waterfront Regeneration Initiative; contribution towards the potential for additional tourist and visitors numbers and the linked expenditure; as well as supporting the competitiveness of the City region in relation to conference market and other general future business opportunities.

It is therefore expected that the Glasgow Airport Rail Link would provide benefits to businesses and residents alike through improved accessibility to employment and also through the widening of the available labour market.

In addition, the direct transport benefits arising from the project are in excess of the costs required to construct and operate the new rail scheme. This results in a Net Present Value for the scheme of £64 million (i.e. the GARL project’s economic benefits would outweigh its costs by £64 million) as stated in para 115 of the Promoter’s Memorandum.

In terms of environment, the GARL project would provide an alternative sustainable mode of transport to Paisley and the Airport. The environmental appraisal indicates that approximately 80% of the air passengers using GARL are predicted to transfer from private car or taxi, along with more than 35% of employees, contributing to the relief of congestion and reducing some of the environmental impacts of road traffic.
Question 12. Paragraph 44 states that one of the overall aims of the Scottish Executive transport policy is “a clean environment”. Does the promoter have any relevant information on the local environmental impacts of air travel and how these environmental impacts are likely to change if there is greater air travel to and from Glasgow and Prestwick airports? Within this context of increasing air travel and its environmental impact, how do the environmental benefits of the Glasgow Airport Rail Link compare? Can you provide similar information on the local economic impacts of air travel?

46. The Promoter has based the GARL project on the Aviation White Paper (DfT) central forecast for air travel in the U.K. as it relates specifically to the expected growth at Glasgow Airport. In this regard the local impacts of air travel are related to the forecast changes in air travel and this is a matter that the Promoter has taken from the Aviation White Paper. The Promoter understands that such impacts relating to air travel (e.g. aircraft noise) are matters being taken forward in the development of the Airport Masterplan by the airport owners BAA. For example, BAA set out in their draft Masterplan (July 2005) at Section 8.2 proposals associated with Safeguarding the Environment with respect to air noise, ground noise, air quality, water environment, biodiversity, landtake, waste management, energy use and heritage.

47. With regard to Prestwick Airport, the Aviation White Paper states at section 5.26 “Our appraisal shows no significant local environmental impacts associated with growth at Glasgow Prestwick. Indeed, noise impacts should reduce over time as older aircraft are replaced by quieter, more modern ones.”

Within this context of increasing air travel and its environmental impact, how do the environmental benefits of the Glasgow Airport Rail Link compare?

48. The intention of the GARL project is to cater for the increase in numbers of air passengers using Glasgow Airport, as predicted in the Aviation White Paper, and allows for the emerging proposals in the airport operators’ Outline Masterplan for Glasgow Airport. The main direct environmental benefit with regard to the development of the GARL project compared to the predicted increase in air travel is related to surface access whereby the proposal would enable a modal shift from road to rail for air passengers and employees using the Airport.

49. Traffic modelling of the impacts of modal shift from road to rail has shown that it will make a contribution to the reduction on the overall level of traffic on the M8 without other demand management interventions e.g. airport access charging, high occupancy motorway lanes, restrictions on car parking availability. Such strategic demand management interventions and the benefits derived there from are outwith the scope of the GARL Private
Bill but will be a consideration of the Regional Transport Strategy which SPT intends to publish in March 2007.

50. The reduction in vehicle trips will result in positive air quality benefits along the M8 corridor. Based on these figures, the *Design Manual for Roads and Bridges, Section 3, Part 1 Air Quality, February 2003*, HMSO methodology predicts that ambient levels of carbon monoxide, nitrogen dioxide, benzene and suspended particulate matter at receptors within 50 metres of the M8 alignment would fall by up to 0.1%. The methodology states that there is unlikely to be any effect on air quality due to road traffic at properties beyond 200 metres from any roads that experience a change in traffic flow.

51. With regard to global levels of carbon dioxide (CO₂), based on the estimates of passenger numbers using GARL in 2009 and 2030, assuming that average road journey saved by the opening of the rail link would be 16 kilometres and that any reductions would be offset by the net remote emissions of power consumption of the rail network, savings would be of the order of 1,400 tonnes CO₂ per annum in 2009, rising to over 1,800 tonnes per annum in 2030 with GARL in place.

52. It has not been possible to establish the magnitude of these savings in the context of air travel in Scotland as a whole although the Promoter is continuing to research this and will revert to the Committee if further data is found. It is clear however that in the context of CO₂ emissions in Scotland as a whole (not just from air travel) that this saving will be small. For example, the total CO₂ emissions for Scotland in 2000 from all sources including air travel was 61megatonnes.

Can you provide similar information on the local economic impacts of air travel?

53. The AWEB report undertaken in support of the GARL project did not consider the local economic impacts associated with the growth in air travel in general as this was beyond the scope of the project. The report focused specifically on the range of ‘wider economic benefits’ of the GARL project (also cross-reference to Q3 above).

54. The AWEB report does identify the positive support (and benefit) and role of GARL towards continuing economic growth at Glasgow Airport. For example, approx. 15,000 jobs could be supported at Glasgow Airport should the projections for passenger number growth outlined by the UK Government Aviation/Air Transport White paper were to be achieved. This envisages that Glasgow Airport could almost double the current passenger volumes of circa 8 million to 15 million passengers by the year 2030. This could have subsequent local economic impacts.

**Question 13.** Paragraph 56 states that “a new rail station at Glasgow Airport would help to maximise the opportunities for interchange at Scotland’s busiest airport”. Can more detail be provided of what this means, with
particular reference to the likely patronage of the rail link and other forms of transport?

55. A key aspiration within the Outline Masterplan produced by BAA for Glasgow Airport was the need for the airport’s internal road system to undergo a major reconfiguration, with the creation of an integrated public transport interchange giving priority to key public transport services. GARL would assist in achieving this aspiration. For example, Glasgow Airport is the terminus for a number of bus routes at present, and this is likely to increase in future as the airport expands. The provision of GARL would provide opportunities for bus-rail interchange at the airport, providing benefits to passengers. This would lead to some increase in the use of both GARL and bus services providing benefits to operators and potentially resulting in a further increase in bus service levels to and from the airport. This would lead to benefits to people travelling to the airport and would encourage the use of more sustainable access modes. The provision of GARL would also facilitate coach and taxi interchange.

56. The economic assessment, conservatively, did not take account of any benefits from improvements of other transport services in line with the opportunity to develop the transport interchange facility, as it is not currently committed.

Question 16. Paragraph 67 quotes the Aviation White Paper as saying that road and rail capacity must be sufficient to cope with the transport demands of expansion. How will the Rail Link guarantee that this requirement will be met?

62. The GARL project would provide sufficient rail capacity to cope with the forecast level of rail demand at the expanded Airport and will contribute towards tackling road capacity pressures on the Paisley to Glasgow city corridor. However, the GARL project is only one element of the overall surface access requirements of the airport and other measures are likely to be required. This is being addressed in BAA’s Glasgow Airport Masterplan – for which the Promoter is a consultee.

Question 17. Paragraph 105: Why was the decision taken to recommend one additional track between Shields Junction and Arkleston rather than two additional tracks? What implications does that decision have for the capacity of the line?

63. During the development of the GARL project an assessment was made of the implications of providing two (as at present), three and four tracks between Shields Junction and Arkleston. Timetable development work showed that the airport service could be accommodated, in addition to all existing levels of passenger and freight services, with a three track layout. Operational performance modelling showed that the three track solution would lead to higher levels of reliability than in the base year for
assessment, 2004. It would also allow for a limited increase in service levels above the 2004 level within that section of new track between Shields Junction and Arkleston. A four track solution was estimated to be at least a further £30m in capital cost terms and would deliver very little in additional benefits to the GARL project alone. The case for a fourth track was therefore considered to lie outwith the GARL project. However, it should be noted that the third track will be positioned in such a manner as not to preclude the provision of a fourth track in the future.

64. While there may be additional benefits from a four track solution, in terms of further increases in service levels on the Ayrshire and Inverclyde Lines, they are outwith the scope of the GARL project, which only requires three tracks between Shields Junction and Arkleston. It is important to note that further infrastructure works, for example at Glasgow Central, or in Ayrshire are likely to be needed to accommodate the additional services that could make use of a fourth track between Shields Junction and Arkleton. The matter of replacing a fourth track between Paisley and Shields Junction is a wider strategic consideration for Scottish Ministers in partnership with SPT and is likely to have wider implications for other rail infrastructure investment plans across the Scottish rail network.

The SKM Report

Question 22. Paragraph 81: what exactly was the “pessimistic conclusion” of the SKM study and what were the “factors that could materially improve the case for a rail link to Glasgow Airport”?

1. The pessimistic conclusion provided in paragraph 679 of the SKM study stated: “Under our base case assumptions, none of the options at Glasgow would generate economic benefits which would exceed the costs of implementation and operation.”

2. The factors that SKM felt could materially improve the case for a rail link are given in paragraph 686 of their report:

“The factors that could materially improve the case for a rail link to Glasgow Airport include: increased parking charges or tolls at the airport; increased highway congestion levels and therefore increased decongestion benefits; use of even higher values of time than the values used which are significantly higher than the standard appraisal values advised in the Department for Transport’s Transport Economics Note (TEN); and reduced capital costs. None of these factors on their own is likely to make the case convincingly positive.”

3. The Promoter believed that there was sufficient merit in looking more closely at the case for GARL and particularly at the benefits to the wider network from the rail infrastructure anticipated. The case is thus being...
made not just on the grounds of a link to the airport (the central focus of the SKM study) but also on the capacity enhancements between Paisley and Glasgow.

Question 23. Paragraph 97 states that SPTE reviewed the outcomes of the SKM work and “concluded that if additional economic benefits such as those accruing to non-airport rail passengers in the corridor, which had been omitted from the SKM assessment, were included then a much stronger case for the rail link could be made”. Please explain in detail:

- The economic benefits that accrue to non-airport rail passengers in the corridor;

4. Non-airport rail passengers would gain benefit from the increased train frequency between Paisley Gilmour Street and Glasgow Central. They would also benefit from improved reliability due to increased line capacity. The assessment shows that the benefits to non-airport rail passengers would be:
  - Time savings - £49.0 million; and
  - Improved reliability - £41.2 million

5. These factors account for 27% of the overall benefits of the scheme.

- All the other additional economic benefits;

6. In addition to the non-inclusion of non-airport rail passengers in the corridor, the Promoter identified the following omissions from the benefits:
  - Airport visitors; and
  - Non-airport related travel to the airport (e.g. to businesses within walking distance of the station).

7. Furthermore, the Promoter was concerned that the modelling of highway congestion did not fully reflect the predicted increases in traffic to Glasgow Airport. The Promoter was also concerned that the modelling assumed no real change in car parking charges, and that extra capacity would be provided to match demand that would remain as conveniently located as it is now.

- Why these were omitted from the SKM study.

8. The Promoter is exploring this matter in discussions with Transport Scotland.

Question 24. Paragraph 108: Please provide detail on the costs of the alternative routes, particularly in light of the mitigation strategy for the preferred St James Playing fields option, which, presumably, has increased the costs of that option?
9. It should be noted that branch line alternative route options X, Y and Z all cross the St James' playing fields and hence all would be subject to mitigation works. As such, the playing field mitigation costs do not materially affect the decision made to proceed with option Y.

10. The assessment of the branch line alternative routes was undertaken during the early stages of work carried out by the Promoter’s principal consultant, Faber Maunsell. An initial assessment led to Option W being dropped from further consideration. This was mainly due to the additional cost involved (estimated at least £25 million to £40 million more than the other options) due to it having the longest route length and as a consequence of the high costs of constructing the M8 tunnel and the approach structures on either side. In addition, the requirement for a tunnelled section was considered to introduce more risk. A minimum headroom of 5.3m could not be provided below the viaduct at the western end of the Airport which would restrict access to this area and there would be disruption to Network Rail operations when constructing the route adjacent to the existing railway line. There would also be the requirement to acquire residential properties and land in the vicinity of St James Avenue.

11. The results of the initial assessment demonstrated there was little to differentiate between Options X, Y and Z and therefore all three were taken forward into a more detailed assessment.

12. This more detailed assessment included the calculation of capital costs for the purpose of comparing the options. The comparative capital costs from this more detailed assessment are presented below.

<table>
<thead>
<tr>
<th>Option</th>
<th>Capital Cost (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>77</td>
</tr>
<tr>
<td>Y</td>
<td>63</td>
</tr>
<tr>
<td>Z</td>
<td>61</td>
</tr>
</tbody>
</table>

13. It should be noted that all three of these options traverse the playing fields, so all three would require a mitigation strategy, with associated costs.

**Question 25. Paragraph 115: Please provide more detail on the predicted shortfall between the operating costs and the revenue raised (in so doing, please also clarify the terms “Net Present Value” and “Benefit: Cost Ratio” in plain English). Who carried out this appraisal?**

14. A preliminary financial appraisal has been undertaken based on passenger numbers as set out in the Promoter's response to Question 10 above, which shows an annual average deficit of £1.32 million over a 30 year appraisal period. It should be noted that this analysis only includes revenue from new passengers and does not include the revenue from
passengers who switch from other trains nor from any additional services that may be developed to Ayrshire.

15. Grant Thornton, the Promoter's financial advisers, are continuing to conduct further analysis of costs and revenues and an example from the initial findings have shown that setting a single fare of £3.75 (instead of £3.30) would reduce the annual deficit by around 17% to an annual average of £0.75 million. The Promoter also believes that the conservative approach in estimating the patronage, as highlighted in the Promoter’s answer to Question 10 above, means that there are further opportunities to reduce the deficit. Work on this is ongoing and will be used to assess an appropriate level of subsidy that would need to be drawn down within the regulatory framework for fare setting and hence the final fare to be applied to the GARL project.

16. Cost benefit analysis is defined by the Treasury as “Analysis which quantifies in monetary terms as many of the costs and benefits of a proposal as feasible, including items for which the market does not provide a satisfactory measure of economic value.”

17. As the costs and benefits occur at different points in time, discounting is used to bring the values to a common price year so that they can be compared. Discounting is based on the principle that people prefer goods and services now rather than later. The discounted value is calculated by reducing its value by the appropriate discount rate for each year between the base year and the year in which the value occurs.

18. The Present Value of Benefits (PVB) and Present Value of Costs (PVC) are assessed using this method. The Net Present Value (NPV) is the difference between the benefits and the costs.

19. The Benefit Cost Ratio (BCR) is a further value for money measure where the benefits are divided by the costs. It shows how much benefit is generated for each pound of expenditure (for example a BCR of 1.20 means that for every pound of expenditure there would be a benefit of One pound twenty pence.)

20. The economic assessment of the NPV and BCR was carried out by the Promoter’s Principal Consultant, Faber Maunsell.

21. The financial assessment of operating costs and revenues was undertaken by the Promoter’s Financial Adviser, Grant Thornton.
Question 26. Paragraph 116:

• What are the “additional planning criteria” mentioned?

22. The additional planning criteria are the policy objectives of the Bill and are given in paragraph 4 of the Promoters Memorandum. These are:

- To stimulate growth in the West of Scotland by developing the capacity and capability of the national and regional rail network;
- To contribute to a sustainable basis for the future growth of Glasgow and Prestwick Airports in terms of government and regional objectives for airport surface access;
- To support the sustainable regeneration of the M8 corridor and Ayrshire/Inverclyde corridors by developing rail capacity;
- To improve social inclusion and accessibility by connecting areas of low car ownership and high deprivation within west Scotland to economic opportunities at Glasgow and Glasgow Airport;
- To provide a high quality, high capacity public transport service between Glasgow Airport, Paisley and Glasgow that will attract car and other users through offering a high quality, high reliability, safe, frequent service and competitive journey times; and
- To provide public transport services to Glasgow Airport and in the M8 and Ayrshire Corridors that integrate with the existing transport network and allow for the future development of enhanced interchange opportunities with bus, car, rail, cycling and walking.

• Were these considered in the original SKM report and if not, why not?

23. These were added for the purposes of the current GARL project and reflect the fact that the recent work undertaken by the Promoter is at a more detailed level than the work undertaken by SKM. The planning criteria are therefore a more detailed sub-set of the planning objectives used by SKM.

• To what extent will pressure on car parking at the airport be reduced?

24. The GARL project would reduce the number of car park spaces required by around 187,000 parking space days per year.

• Is more detail available on how this will support the Greater Glasgow and Renfrewshire economy?

25. As outlined within paragraph 117 of the Promoter’s Memorandum, in addition to the transport economic benefits, it has been estimated that there will be considerable wider economic benefits arising as a result of GARL. For example it has been estimated that the project could:
• Deliver approximately 650 jobs to Glasgow and Renfrewshire over the next ten years;
• Create a further 60 jobs to run the new GARL service;
• Support the development of up to 135,000 sq ft of office accommodation in Paisley Town Centre, which would provide the opportunity of a further 675 jobs for Paisley town centre over 3 to 4 years;
• Help to bring 52,500 additional UK and overseas visitors and contribute towards £10 million in additional expenditure every year to Glasgow, Renfrewshire and Inverclyde; and
• Support Glasgow’s estimated £115 million conference sector.

• What is meant by “Improve sustainability”?

26. GARL would increase the attractiveness of public transport as an option for trips accessing Glasgow Airport. It would therefore increase the use of an environmentally less harmful mode (rail), and decrease the use of environmentally relatively more harmful modes (car, taxi). GARL would contribute to a sustainable basis for the future growth of Glasgow and Prestwick Airports in terms of government and regional objectives for airport surface access. GARL would also support the sustainable regeneration of the M8 corridor and Ayrshire / Inverclyde corridors by developing rail capacity.

Question 34: Given other scheduled and ongoing major transport infrastructure projects (for example, Waverley, Edinburgh Trams, work associated with the London Olympics), what makes the Promoter satisfied that, if the Bill gains Royal Assent, there will be sufficient engineering and construction capacity available to carry out the works?

27. The Promoter believes that, from current evidence available, there is sufficient engineering and construction capacity to carry out the works for GARL. This is in line with the view taken by the Construction Confederation, who state on their website that “The public sector is construction’s single largest client ….. We believe that construction does have the capacity to deliver; the real area of concern is our bidding capacity which is often stretched by an inefficient and costly procurement process.”

28. With respect to procurement and bidding capacity the Promoter is currently undertaking a detailed procurement and contracting strategy analysis as part of the Value for Money assessment. This work includes a detailed market sounding exercise where the views of the market on commercial, financial and risk allocation aspects of the potential project are being requested to capture this understanding in the procurement and contracting analysis and ensure an efficient process is followed. Furthermore the Promoter has regular dialogue on this matter with Transport Scotland and

3www.thecc.org.uk/index.asp?page=ourpolicy
Network Rail specifically relating to the rail sector of the construction industry.

**Question 35. What will be the impact on airport traffic levels at Glasgow and GARL patronage if proposed developments at Edinburgh Airport are approved? What will be the overall impact of the M74 extension on traffic flows?**

29. The study team has not produced the forecasts for the number of air passengers using Glasgow Airport. The Department for Transport (DfT) maintains a model, SPASM, that provides forecasts for the number of air passengers for UK airports. This is the tool that was used to provide forecasts for the White Paper “The Future of Air Transport (DfT, December 2003) which determined the demand at both Glasgow and Edinburgh Airport. The study team used the ‘Modified Central Case’ forecasts as supplied by the DfT’s consultants. The use of this central case was confirmed in discussions with the DfT and the Scottish Executive. It is therefore the DfT’s planning conclusion that the levels of air demand at Glasgow take account of the forecast demand arising at Edinburgh.

30. The M74 Northern Extension was included in the modelling for this project; the effects on lowering the access time to Glasgow Airport for that corridor are therefore included. A scenario without the M74 Northern Extension was not produced as it is a committed scheme that is proceeding independently of the GARL project. However, should the M74 Northern Extension not proceed for whatever reason it is likely that the economic case for GARL would improve.

**Question 36. Are there any other relevant local or national transport or planning developments that may affect the overall case for the Glasgow Airport Rail Link and, if so, can the Promoter demonstrate how these developments have been taken into account?**

31. At the start of the modelling process for GARL, a number of existing or planned transport developments were identified in discussion with the Promoter, Faber Maunsell and key stakeholders (Scottish Executive, Glasgow City Council and Renfrewshire Council) as being likely to be implemented within the timeframe of GARL and hence may potentially impact on travel patterns within the study area. The table below outlines those schemes that were identified and whether they were included within the base transport model in either the year 2009 and/or 2030.
### Table: Schemes and Their Types

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Type</th>
<th>2009</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>M77/Glasgow Southern Orbital</td>
<td>Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finnieston Bridge</td>
<td>Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bishopbriggs Relief Road</td>
<td>Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Three Towns By-pass Saltcoats/Stevenson/Ardrossan</td>
<td>Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seaward St</td>
<td>Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M8 Capacities 2005/6</td>
<td>Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M74 Northern Extension</td>
<td>Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bus Services Glasgow - Renfrew/Paisley/Erskine</td>
<td>Bus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>added via Finnieston Br.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-metro services Northbank : City Centre-Scotstoun</td>
<td>Bus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>via Broomielaw/ SECC/ Expressway/ South Street</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North Electric/Argyle Line Revision Dec.05</td>
<td>Rail</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Glasgow-Stirling service extended to Alloa</td>
<td>Rail</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Glasgow-Cumbernauld/Falkirk service with Gartcosh</td>
<td>Rail</td>
<td></td>
<td></td>
</tr>
<tr>
<td>stop added</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M80 Stepps-Haggs</td>
<td>Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M8 Baillieston/Newhouse</td>
<td>Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kirkintilloch Link Road</td>
<td>Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M8 Capacities</td>
<td>Road</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

✓ = included, ✗ = not included

32. As the above table outlines, a number of significant schemes have been taken account of within the GARL scheme including the M74 Northern Extension and a number of bus and rail enhancements. The analysis undertaken for GARL did not test the exclusion of the above schemes as they are deemed committed works. However, as a proxy to future changes in transport and/or developments a number of sensitivity tests were undertaken. Notably a sensitivity test that assumed only half of the rate of growth at the airport was undertaken, the results of which still showed that the economic case for GARL would remain positive.

33. There are a number of other potential complementary developments at various stages of completion that have not been taken into account but could have a positive impact on GARL and are summarised below.

34. The current Crossrail scheme that is being promoted by the Promoter will have a beneficial impact on GARL. The Crossrail project is widely regarded as one of the most important strategic rail infrastructure projects in Scotland, because it closes a critical gap in the Scottish rail network. The project has the potential to join south-west Scotland with the rest of the country, by constructing the missing link across Glasgow. It opens a huge range of possible new rail connections across Scotland by integrating the network and providing faster journey times. Crossrail will also improve local Glasgow conurbation rail links and support economic regeneration in some of city’s poorest areas. The project would also:

- Improve national connections linking north and south Glasgow rail networks; and
• Expand the potential for direct travel to Glasgow Airport and Glasgow Prestwick International Airport from other parts of Scotland.

35. Bishopton is recognised in the National Planning Framework as the preferred area for long-term expansion to the west of Glasgow. As identified in the Glasgow and Clyde Valley Structure Plan the area is well related by the rail network to Glasgow Central station. Services on this line have the potential to be enhanced through improvements associated with the development of the Glasgow Airport Rail Link.

36. Johnstone South is identified in the Glasgow and Clyde Valley Structure Plan in relation to the proposed expansion area. This will provide an opportunity to provide new and improved local social and community facilities including local retail provision. The site has good existing accessibility to the rail network via Milliken Park station. It will provide the opportunity to investigate the provision of park and ride facilities which are currently lacking at the station. Rail services have the potential to be enhanced through improvements to the rail infrastructure associated with the development of the proposed Glasgow Airport Rail Link.

37. Riverside Inverclyde is a joint initiative between Inverclyde Council, Scottish Enterprise Renfrewshire, Communities Scotland and the Private Sector to promote the economic regeneration of approximately 4 miles of generally derelict land from Port Glasgow through to Greenock. The development comprises a £400 million regeneration initiative which will deliver locally, over the next ten years, 2,500 new quality homes, 2,500 new jobs and more than 530,000 square feet of new business accommodation. All stations serving Riverside Inverclyde including Greenock Central, Cartsdyke, Bogston and Port Glasgow will be linked to the airport via interchange at Paisley Gilmour Street.

38. North East Phoenix/East Candren is identified within the Renfrewshire Local Plan (March 2006). The proposed development area will comprise major business, industry, housing and warehousing development. The development site is located immediately adjacent to the south west of St James Interchange (M8/A737). Rail services have the potential to be enhanced through improvements to the rail infrastructure associated with the development of the proposed Glasgow Airport Rail Link.

Questions as listed in Annex 4 with corresponding answers

Question 1: The funding statement provided for a previous private bill (the Edinburgh Tram Line Two Bill) did not include inflation. Further, after submitting the statement, the Promoter of that Bill was subsequently required to include an indicative figure for “Optimism Bias”. Can the Promoter confirm whether these elements have been included in the estimate or whether they are likely to be required at a later date? Can the Promoter confirm whether there are any other factors that may result in the
estimate requiring to be changed? Why are the figures presented calculated in 2004 (4th quarter) prices?

39. The Promoter confirms that Optimism Bias has been included within the Estimate of Expense at a value of £35 million Q4 2004 (fourth quarter of 2004). This excludes inflation. The Optimism Bias has been calculated in accordance with Office of Government Commerce Treasury guidelines and Green book guidance as issued by HM Treasury. This has been discussed in detail with Transport Scotland, who state that they are satisfied that the Promoter has been robust in assessing the likely risks to the project at the various stages and in appraising the likelihood and impact of the risks. Furthermore Transport Scotland have stated that they are content that the Promoter has put in place a robust risk management strategy for the lifecycle of the project, thereby reducing the likelihood of the estimate requiring to be changed.

40. The figures presented were calculated in Q4 2004 (fourth quarter of 2004) as this was the time at which the original capital cost estimates were undertaken. The most up to date rates available at that time were used. This estimate has been recalculated using guidance received from Scottish Executive’s Major Projects Transport Programme on 15 March 2006 “Guidance for Adjustment of Prices in Construction Cost Estimates for Inflation and Changes in Market Conditions”. This guidance takes account of all relevant factors. Calculations show an estimated cost for the GARL project of up to £210 million to the point of completion of construction. (This is known as the “outturn cost”).

Question 2: It now appears unlikely that both the Edinburgh Trams will be built to the full extent envisaged in the respective Private Bills, at least initially, because of a funding shortfall. If GARL costs exceed estimates who will carry the risk? What arrangements have been made to limit any cost escalation falling on council tax payers or the Scottish Executive?

41. All endeavours will be made to ensure the avoidance of cost escalation falling on council taxpayers or the Scottish Executive. These will be minimised as a result of contract conditions and strategy for procurement, which takes account of risk. This requires that the terms of any future contract negotiated achieves optimal risk spread amongst participants in the project and allocated to the party best able to manage that risk. Wherever possible the transfer of risk and therefore cost will be away from the public sector.

Question 3: Is the full contingency likely to be required? How was the figure of £35,105,000 for contingencies calculated?

42. At this stage amount of contingency to be spent is not known in absolute terms. However, the amount required has been estimated to be the Optimism Bias figure calculated at £35,105,000. A detailed estimate and quantification of all project risks is a continuous process as the design develops. This means the amount of contingency required is regularly
reviewed in a robust and methodical manner. At this stage of project development the Promoter considers that the project costs should allow for the full amount of contingency.

43. The amount was estimated by a risk analysis process where the Promoter, the Promoter’s professional advisers, Transport Scotland and other key stakeholders (namely BAA and Network Rail) identified, evaluated and quantified the risks in the project. This analysis led to the result of applying a 28% addition to all project costs as a general allowance to deal with project risks and uncertainty. A 28% allowance translates to £35 million. All calculations have been in accordance with HM Treasury guidance.

Question 4: What are the expected individual contributions from the funding sources mentioned in the funding table and what conditions have been attached to these expected contributions?

COMMERCIAL IN CONFIDENCE

44. At this stage, whilst the estimated costs of the project have been developed, the final contribution from the various parties has not been finalised. The Promoter is endeavouring to secure contributions from all parties. However, in the event that contributions are not forthcoming or are less than hoped, then the Scottish Executive will be asked to contribute the funding required in support of this project bearing in mind the importance to the West of Scotland specifically and Scotland as a whole. Any funding contribution received from BAA/Glasgow Airport Limited will be used to reduce the funding contribution required from Transport Scotland/the Scottish Executive. Bodies from which contributions are being sought include:-

Table 1

<table>
<thead>
<tr>
<th>Transport Scotland</th>
<th>Transport Scotland have advised the Promoter that, until they have concluded negotiations with BAA/Glasgow Airport Limited, they are not in a position to confirm the exact level of funding that will be made available to the Promoter.</th>
</tr>
</thead>
<tbody>
<tr>
<td>BAA/Glasgow Airport Limited</td>
<td>Transport Scotland have advised the Promoter on the current status of negotiations between themselves and BAA/Glasgow Airport Limited. Transport Scotland are leading these negotiations, on behalf of SPT and the GARL project, as part of a co-ordinated exercise in respect of the rail links to both Glasgow and</td>
</tr>
</tbody>
</table>
Edinburgh Airports. Transport Scotland have advised the Promoter that the negotiations are complex, but good progress has been made in respect of discussions around a potential funding contribution by BAA/Glasgow Airport Limited to the GARL project. Transport Scotland envisage that they will be in a position to provide the Committee with more clarity on the content of any agreement on such funding contribution during the Preliminary stage, and certainly prior to the Preliminary Stage debate.

| Strathclyde Partnership for Transport (the Promoter) | Funding of up to £4,500,000 has been committed but not yet spent. A further sum will be identified once the organisation is notified about its future three-year allocations from the Scottish Executive. |
| Clyde Valley City Region Forum | No sum specified yet but discussions are continuing on potential funding from the City Region Fund. |
| Scottish Enterprise Glasgow & Scottish Enterprise Renfrewshire | No sum identified to date but discussions are continuing on potential funding from these bodies, both of whom have indicated support to the GARL project. |
| European Funding | In the form of TENs (Trans-European Networks) funding. A bid is being prepared for both the design elements and construction phase. A potential contribution of up to 50% may be available for the design phase costs and up to 15% for the construction phase costs. |

45. No conditions have been discussed or agreed in the event of contributions being made.

**Question 5:** Only one example of “other public sector funding” (the “City Region Fund”) is provided; please provide full details of the others.
46. The table above (see paragraph 8) sets out the potential public sector funding for the GARL project. Discussions with funding partners commenced in 2005. At this stage many of these bodies do not as yet know what their funding will be beyond 2007/08, and therefore no definitive figures have been agreed. Those approached support the project and discussions are ongoing to ensure that when funding levels beyond 2007/08 are known, contributions can be agreed. However should such funding ultimately not be available, the Promoter expects it to be provided by the Scottish Executive.

**Question 6:** If one element of the funding - “TENS” funding - cannot be guaranteed even if the Bill is passed, why should the Committee and the Parliament approve this scheme?

47. Should TENs funding ultimately be unavailable, the Promoter expects this element of funding to be obtained from the Scottish Executive. In the event of TENs funding being unavailable this project should still be approved as it promotes Scottish Executive objectives as set out in the National Planning Framework for Scotland and Framework for Economic Development in Scotland. Airports are important economic development generators promoting greater competitiveness in the Global Economy and sustainable regional development.

48. The delivery of the project would also contribute to the successful implementation of the Scottish Executive Partnership Commitments as outlined in the Partnership Agreement of 2003.

**Question 7:** With reference to paragraph 204, can an explanation be given of what is meant by “a formal change to the Franchise Agreement” and when this is likely to take place? Are there indicative figures showing the breakdown between “ticket sources” and “other ancillary sources”? Please also explain what the other ancillary sources are.

49. The Franchise Agreement is the formal agreement between FirstScotrail, Transport Scotland and the Strategic Rail Authority on the operation of rail services in Scotland. (Note that the Strategic Rail Authority is in the course of being wound up and its functions and responsibilities for the Franchise Agreement were transferred to the Scottish Ministers (i.e. in practice Transport Scotland) with effect from 16 October 2005). The Franchise Agreement covers matters including service provision, levels of service, costs and payments. A formal change to the Franchise Agreement would require both FirstScotrail and Transport Scotland to enter into a further formal agreement (or variation to the current agreement) authorising the changes to service provision, level of service and any cost implications and payments. Such an agreement or variation would require to be in place prior to rail services operating to Glasgow Airport.

50. Transport Scotland set the pricing strategy for the fares on the rail network, along with charges at station car parks. There is then the opportunity for the franchisee to acquire additional revenues through ancillary sources e.g.
advertising. Transport Scotland would offset any revenue from the ancillary sources against the level of subsidy to be provided.

51. The other ancillary sources of funding anticipated by the Promoter are billboard advertising (conservatively estimated at approximately 6% of operating costs) and potential retail income (which has yet to be estimated and agreed). The Promoter does not anticipate station car parking revenue being a source of funding.

**Question 8:** What will be the level of fares, in comparison with the bus fare or a shared taxi fare? What is the fare revenue on a comparable service as a percentage of operating costs? How does this compare with the expectations for the Glasgow rail link?

52. A single taxi fare from Glasgow City Centre to Glasgow Airport is currently in the range of £18 to £24. A bus fare from Glasgow City Centre to Glasgow Airport is currently £3.30 single and £5 return.

53. As a conservative assumption in the economic appraisal the fare for the rail journey between Glasgow Central Station and Glasgow Airport was assumed to be the same as the bus fare i.e. £3.30 single and £5 return.

54. The only comparison that was possible to make for the GARL project in respect to the fare revenue as a percentage of operating costs is a broader comparison against the rest of the First Scotrail network. This comparison has shown that setting rail fares at the same level of bus fares would lead to a subsidy for GARL which is consistent with the rest of the network in Scotland on a per mile basis. However, the Promoter is conducting a number of operational costs and revenue sensitivities to assess an appropriate level of subsidy that would need to be drawn down within the regulatory framework for fare setting and hence the final fare to be applied to the GARL project. Table 2 below has been compiled to provide information on the services, journey times and fares for other UK airport rail links to assist in a comparison with GARL.

**Table 2**

<table>
<thead>
<tr>
<th>Airport</th>
<th>Destination</th>
<th>Frequency (no of trains per hour)</th>
<th>Journey Time to City centre</th>
<th>Single Fare</th>
<th>Return Fare</th>
</tr>
</thead>
<tbody>
<tr>
<td>London Airports</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>London Heathrow</td>
<td>Paddington</td>
<td>4</td>
<td>15 mins</td>
<td>£14.50</td>
<td>£27.00</td>
</tr>
<tr>
<td>London Gatwick</td>
<td>Victoria.</td>
<td>4</td>
<td>30 mins</td>
<td>£14.00</td>
<td>£25.00</td>
</tr>
<tr>
<td>London Stansted</td>
<td>Liverpool Street</td>
<td>4</td>
<td>45 mins</td>
<td>£15.00</td>
<td>£25.00</td>
</tr>
<tr>
<td>Location</td>
<td>Destination</td>
<td>Route Details</td>
<td>Time</td>
<td>Cost</td>
<td></td>
</tr>
<tr>
<td>---------------</td>
<td>------------------------------</td>
<td>-------------------------------------------------------------------------------</td>
<td>-------</td>
<td>-------</td>
<td></td>
</tr>
<tr>
<td>London</td>
<td>Kings Cross Thameslink</td>
<td>(additional 5 min bus journey from airport to Luton Parkway rail station)</td>
<td>6</td>
<td>£11.20</td>
<td></td>
</tr>
<tr>
<td>Luton</td>
<td></td>
<td></td>
<td>25 mins</td>
<td>£22.40</td>
<td></td>
</tr>
<tr>
<td>Regional</td>
<td>Manchester Piccadilly</td>
<td></td>
<td>4</td>
<td>£3.25</td>
<td></td>
</tr>
<tr>
<td>Airports</td>
<td></td>
<td></td>
<td>20 mins</td>
<td>£6.50</td>
<td></td>
</tr>
<tr>
<td>Birmingham</td>
<td>Birmingham New Street</td>
<td>(additional 1.5 min journey for light rail link between terminals and Airport</td>
<td>7</td>
<td>£2.80</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>rail station)</td>
<td>15 mins (avg)</td>
<td>£5.30</td>
<td></td>
</tr>
<tr>
<td>Newcastle</td>
<td>Newcastle Central Station</td>
<td>(light rail)</td>
<td>up to 6</td>
<td>£2.60</td>
<td></td>
</tr>
<tr>
<td>Prestwick</td>
<td>Glasgow City Centre</td>
<td></td>
<td>2</td>
<td>£5.40*</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>45 mins</td>
<td>£9.55</td>
<td></td>
</tr>
</tbody>
</table>

*Note that a 50% discount is available on the standard fare to airline passengers (conditions apply)

**Question 9: Can an explanation be provided of the purpose of the “project financial business case” and who is being referred to by the phrase “the key parties”?**

55. The project Financial Business Case (FBC) is a more detailed development of the financial elements of the Economic case. The Economic Case is the overall case for the project in terms of an assessment of all benefits and costs, the results of which are that the benefits of the project outweigh the costs by a factor of 1.28.

56. The purpose of the FBC is to undertake a more detailed analysis of the financial elements to ensure that the Value for Money is achieved. This work is an iterative process that involves a detailed analysis of the various procurement options, contracting strategy, risk assessments, operating costs and revenue analysis and funding. The ongoing development of the
FBC is being undertaken fully in accordance with the HM Treasury Value for Money Guidance.

57. The Value for Money approach adopted on the GARL project has been considered by the Scottish Executive’s Financial Partnership unit and they have confirmed the approach is in line with the guidance. Work will continue with the Scottish Executive’s Financial Partnership unit as the FBC is updated.

58. The key parties referred to are the Promoter; the Scottish Executive; Transport Scotland; BAA; the rail franchisee (currently First Scotrail) and Network Rail.

Question 10: Given the length of the Glasgow Airport Rail Link line (9 km of main line track to be upgraded; 2 km of branch line to be built) and the length of the Waverley line (49 km), why are the GARL costs 25% greater? (£129 million for Waverley; £160 million for Glasgow Airport Rail Link.)

59. The main reasons why the GARL project costs are greater than for the Waverley Line project is due to various factors, including:

- The majority of the works required for the GARL project would require to be carried out on the operational rail network, whereas the Waverley line would be predominantly a “green field” project. Work on the operational rail network is intrinsically more complicated than work on a green field site as, for example, the area under possession (i.e. temporarily occupied for the purposes of carrying out the works) has to be fully reinstated at the end of the possession period. There are also significant costs in respect of getting personnel, plant and machinery backwards and forwards to the site of the work. There will therefore be higher possession costs on the GARL project due to the amount of work on the operational rail network;

- There will be higher compensation costs payable on the GARL project to the Train Operating Companies (TOC) and Freight Operating Companies (FOC) due to the amount of work on the operational rail network;

- There will be significant confined space working on the GARL Project;

- The GARL project will require a significant element to be built on a new viaduct, whilst the Waverley line would be largely at ground level or on existing bridge structures and embankments;

- On the GARL project there would be a bridge crossing across a key component of the trunk road network (the M8); and

---

On the GARL project the authorised undertaker would have to re-provide significant facilities along its route, including at the airport e.g. Fuel Farm.

Question 11: Annual running costs are given as £4.294m. How does this predicted cost compare with the actual annual running costs of comparable lengths of railway line?

60. The annual predicted operating costs of £4.294 million are the result of discussions between the Promoter, its consultants Faber Maunsell, and the existing franchise holder, First Scotrail. Furthermore, Transport Scotland’s Franchise Management Team have advised that the rates used by the Promoter in compiling the estimate (rolling stock, energy costs, staff costs) are consistent with those within the existing Franchise Agreement (at Q4 2004 (fourth quarter of 2004) prices). The Promoter therefore believes that the estimated annual running cost of GARL is directly comparable to the cost of running an equivalent service elsewhere on the network.

61. The Promoter has sought to obtain actual running costs on comparable lengths of railway line. However, such a breakdown of operating costs on a per line basis has not been possible to obtain, as the specification of services within the franchise agreement is on a whole network basis rather than for each individual line. The Promoter is discussing this further with Transport Scotland to ascertain whether any further details can be provided to the Committee.

Question 12: How do the figures in this Estimate compare with those analysed by SKM in its economic appraisal summary?

62. The cost estimates provided in the SKM report were at 1Q 2002 (first quarter of 2002) prices, and totalled £140 million including Optimism Bias. The total estimate of capital cost in the "Estimate of Expense and Funding Statement" (EEFS) was £160 million including Optimism Bias, and this cost was at 4Q 2004 (fourth quarter of 2004) prices.

63. The Promoter identified three key areas of difference in the cost estimate as follows:

- the majority of change was related to inflation effects (approximately £12 million);
- the location of the station had changed from the SKM study, with a net cost increase; and
- the infrastructure improvements within the existing rail corridor associated with major junction alterations were more than originally estimated by SKM in terms of scope and construction complexity.

64. The operating costs in the EEFS (£4.294 million at fourth quarter of 2004 prices) are greater than the SKM estimate (£3.14 million at first quarter of 2002 prices). This is due in part to inflation, a different method of
calculating track access charges, and a greater definition and understanding of the scheme as a whole for the EEFS estimate.

Question 13: Can the Promoter provide an explanation of the discrepancy between the estimated costs stated by the Minister for Transport and Telecommunications on 16 March 2006 and the “grand total” of £160 million provided in the Estimate of Funding and Expenses Statement?

65. The Promoter’s answer to Question 1 above sets out the estimated costs to take account of inflation and market conditions. The cost estimate is therefore consistent with the statement made on 16 March 2006 by Tavish Scott, Minister for Transport and Telecommunications, as being in the range of £170 million to £210 million.