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Rt. Hon. Chris Grayling MP  
Secretary of State for Transport  
Department for Transport  
Great Minster House  
33 Horseferry Road  
LONDON  
SW1P 4DR

18 May 2018

Dear Chris

You will appreciate the importance of East Coast rail services to the people and economy of Scotland, connecting all of Scotland's seven cities with major cities of north and east England and London. Therefore I followed your statement in Parliament on 16 May regarding the failure of Virgin Trains East Coast's franchise contract with interest - as it marks the third successive failure of the UK Government's East Coast Franchise, an operator of last resort solution was the better of the available options moving forward. There are a number of issues arising from this announcement that I wish to raise with you. It is unfortunate that you did not call me before the announcement, as you previously promised to do so, but this letter follows from my discussion with Jo Johnson MP when we spoke a few hours afterwards.

My first interest is the passengers. You previously stated that day-to-day operations on the East Coast Main Line will be unaffected by the collapse of Virgin Trains East Coast, and I am pleased that you have confirmed that this is still the case. My immediate concern is to ensure there is no slide in the provision or quality of existing services for Scottish passengers. I am heartened to hear that the new IEP fleet remains on track for commissioning in December 2018, increasing services from 19 to 27 trains per day between Scotland and London by 2020. Can you assure me that East Coast service improvements already promised for Scottish passengers will still be delivered to the same timescales ?

Turning to the staff who deliver these services for passengers, can you assure me their employment, terms and conditions and pension arrangements will be protected? I would expect, as a matter of course, that the relevant trade unions will be consulted and effectively involved in these changes.

I note that you are establishing London North Eastern Railway (LNER) to be run from 24 June 2018 by an operator of last resort which is overseen by the Department for Transport. Also that you are creating a new board with an independent chair to oversee the operation of the LNER route. The board will also work with the your department to build the new east

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coast partnership with Network Rail. I understand that the arrangements for this partnership remain to be determined.

You explained that the Board will have “members who importantly will ensure that the interests of other operators on the route are taken into account.” On this basis, I trust you will agree it is appropriate that the Scottish Government should be represented on the new Board, reflecting that East Coast is a cross-Border operation, with important interactions with ScotRail services.

I know you will be aware that the railways of Scotland are a great success. Even within the constraints of the current partial devolution arrangements, ScotRail performance and passenger satisfaction measures consistently outperform the average achieved in England. We sympathise with the difficulties you have experienced in England in managing your subsidiary company, Network Rail. We recognise the ORR’s evidence that in England in Control Period 5, Network Rail has become less efficient and has exceeded its Control Period 5 capital budget to the extent that you have been obliged to cancel major enhancement projects, cease further electrification, and defer asset renewals which should have helped improve performance. In Scotland, our effective oversight has contributed to continued efficiency improvements of Network Rail in the same Control Period 5. Network Rail capital expenditure in Scotland has been controlled within our budget such that we have neither cancelled enhancements nor needed to defer renewals. Network Rail is now delivering a rolling programme of newly electrified Scottish routes.

Therefore I am extremely disappointed and angered by your patronising suggestion that the Scottish Government is incapable of running Network Rail. I am willing to accept that you may have blurted this out in the heat of a Parliamentary debate, and I therefore wish for you to confirm whether it is your view that there must be no more devolution of Network Rail functions to Scotland or whether you wish to affirm that meaningful dialogue on this matter should progress between our two governments.

As well as the obvious requirement for Scottish representation on your new LNER Board, I am confident it would benefit from the expertise we can offer. I would be pleased to work in practical partnership to the mutual benefit of both England and Scotland: a real opportunity for progress on this essential route which links our two capitals.

Best wishes,

  
**HUMZA YOUSAF**

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