

Rail reform in the Wales and borders area: publication of the memorandum of understanding

25.3.2026 - | Her Majesty's Revenue and Customs

Announces the publication of a new MoU with the Welsh Government and outlines how both governments will work together on rail reform.

I am publishing, alongside the Welsh Cabinet Secretary for Transport and North Wales, the memorandum of understanding (MoU) provided for under Clause 24 of the Railways Bill. The publication of this MoU marks a major milestone in the delivery of rail reform and demonstrates our shared commitment to deliver a simpler, better and more integrated railway for the Wales and Borders area.

This MoU reflects the strong and constructive collaboration that has taken place between the UK Government, the Welsh Government, Network Rail, and Transport for Wales (TfW). Our officials and delivery bodies have worked closely and positively throughout its development, underpinned by a strong relationship between UK and Welsh Ministers.

We have moved from a shared ambition to building a practical shared approach to the delivery of rail services and infrastructure in Wales and its border regions. The MoU reflects the priorities and ambitions of both governments, establishing a clear foundation for how we will work together to deliver the railway in Wales and the Borders into the future.

The MoU sets out a clear framework for how our governments will collaborate in the delivery of a more integrated, user-focused railway, with transparent roles, responsibilities and governance. It empowers joint working between TfW and Great British Railways (GBR), supports empowered local decision-making, and provides a platform for more coherent system planning and improved outcomes for rail users.

Key elements of the MoU include:

- Shared objectives and funding period planning for the Wales and borders area - A commitment to develop and publish a set of shared objectives for each funding period establishing a jointly shaped strategic direction for rail delivery in the Wales and borders area.
- Access, use, and whole-system planning - Commitments to ensure that decisions on access, capacity and charging reflect the shared objectives and recognise TfW's multimodal responsibilities. This will allow GBR and TfW to plan together more effectively and support a seamless passenger experience.
- GBR Wales and Borders / GBR Cymru a'r Gororau - An empowered, locally focused corporate structure within GBR, aligned closely with TfW and operating with clearly delegated authorities. This is a significant step in delivering a more joined-up system that reflects the needs of Welsh passengers and cross-border communities.
- Partnering arrangements between GBR and TfW - A commitment to develop a formal partnering arrangement between GBR and TfW to support integration of track and train, reduce interface complexity, and promote a more coherent and responsive railway.
- Cross-border services - A clear framework for developing, managing and funding cross-border services collaboratively, ensuring continuity, transparency and shared oversight of changes

that affect communities on both sides of the border.

- Core Valley Lines (CVL) interface and simplification- A shared ambition to reduce unnecessary regulatory complexity on CVL, and a commitment to develop jointly agreed interface arrangements that support smooth operation of CVL and the rest of the rail network.
- Governance of enhancement investment – The continued recognition of the Wales Rail Board as a strategic forum for reviewing funding, business plans and delivery of enhancements; reflecting the continuing maturity of Welsh rail delivery capability.

The publication of this MoU represents the culmination of months of intensive, collaborative work. It signals the strong and practical partnership that will underpin how our governments deliver rail reform in Wales and the Borders. It offers greater transparency for Parliament, the Senedd, industry and the public, setting out clearly how each government will work with its respective delivery bodies and with each other.

Looking ahead, Network Rail and TfW will now begin work on developing a formal partnering arrangement on behalf of GBR, building on the commitments in this MoU, to allow for closer joint planning, clearer accountability, and stronger alignment across infrastructure and train operations. This work, coupled with the shared objectives for the next funding period, will support the delivery of a more integrated railway that meets the needs of passengers and communities across Wales and the bordering regions of England.

This MoU represents a significant step forward in the journey to deliver rail reform across Great Britain, and address the existing challenges faced by the Wales and Borders railway both now and in the future.

We are confident that the MoU will provide a basis for deeper collaboration between the UK Government and the Welsh Government, and in future GBR and Transport for Wales. It will improve reliability and performance, strengthen cross-border connectivity, and deliver a modern railway that better serves passengers and freight and the communities in the Wales and Borders Area for decades to come.

<https://www.gov.uk/government/speeches/rail-reform-in-the-wales-and-borders-area-publication-of-the-memorandum-of-understanding>