

## **Licensing Review: Conclusions**

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# Executive summary

- Licensing operators of trains, stations, light maintenance depots and networks is one of the Office of Rail Regulation (ORR)'s key statutory functions. Through licences, we promote effective and efficient working relationships between industry parties and hold operators to account in the public interest.
- This document sets out our conclusions and next steps following the Licensing Review: Consultation<sup>1</sup>, which closed on 11 November 2005. Consultees were broadly supportive of our proposals and we therefore intend to implement them all, with one exception (see paragraph 10).
- 3. The consultation addressed three key issues. Firstly, we discussed the Department for Transport (DfT)'s implementation of a European Directive affecting licensing (the Licensing Directive)<sup>2</sup>. This imposed new obligations on most train operators. We set down the 'minimum burden' approach we proposed to take to these new obligations, in particular those relating to financial fitness.
- 4. We have concluded that, where available, we will normally rely on audited accounts prepared on a 'going concern' basis, or alternatively on any analysis already done by the franchising authorities (including an independent review of the business plan), as satisfying the financial fitness requirements. In other cases an assessment focused on an applicant's business plan, supporting analysis and sources of funds will be necessary.
- 5. We will apply the new criteria to all licence applicants in a proportionate way. We will also prepare a simple standard self-declaration letter with the industry, which those covered by the Licensing Directive will submit annually to demonstrate they meet the criteria on an ongoing basis.
- 6. Secondly, we explained recent changes to the licensing regime arising from the Railways Act 2005, including the transfer of certain Strategic Rail Authority

<sup>&</sup>lt;sup>1</sup> Licensing Review: Consultation, ORR, August 2005. This is available at <u>http://www.rail-reg.gov.uk/upload/pdf/246.pdf</u>

<sup>&</sup>lt;sup>2</sup> EC Directive 1995/18, as amended by EC Directive 2001/13. This is available at: <u>http://europa.eu.int/eur-lex/en/consleg/pdf/1995/en\_1995L0018\_do\_001.pdf</u>

(SRA) consumer protection functions. As proposed, we have decided to review third party liability insurance obligations in 2006-07.

- 7. We will merge the two conditions relating to claims allocation and handling and make explicit the compliance requirement. Similarly, we will merge two conditions relating to timetabling and expedite a review of the obligations. We will also insert an explicit reference to licensing guidance on enforcement into model licences and continue to work closely with the DfT and others to ensure responsibilities are clear.
- 8. Finally, the consultation document made proposals to further amend and simplify licences following a review of standard licence conditions. These proposals reflected our commitment to Hampton principles and the wider 'better regulation' agenda.
- 9. Our conclusions are that, as proposed, we will delete five conditions that are outdated and no longer required, and simplify one other, reducing the text from 15 pages to four paragraphs. We will also undertake further work on safety and environmental obligations during 2006-07.
- 10. In light of consultees' views and after further discussion with Health and Safety Executive (HSE) colleagues, we now intend to delete, rather than reword, the standard clause in some licences that allows for revocation on safety grounds. This change will avoid an unnecessary duplication of regulatory powers, as safety certificates and authorisations will be revocable under forthcoming safety regulations.
- We have prepared new model licences<sup>3</sup>. These incorporate the changes described above and minor redrafting to further improve clarity. From today (18 January 2006) we will use these new models as the basis for any licences we grant.
- 12. We propose to modify existing authorisations, where they reflect previous versions, to follow the new model documentation. We will write to affected licence holders shortly, summarising the changes proposed, formally requesting consent to make the modifications and commencing the required 28 day statutory consultation period. We aim to complete the modification

<sup>&</sup>lt;sup>3</sup> Available at <u>http://www.rail-reg.gov.uk/server/show/ConWebDoc.7667</u>

process by spring 2006. We will publish updated licensing guidance on the same timescale.

13. Securing 'better regulation' is a continuous process, and further work arising from the Licensing Review will continue throughout 2006-07. This could lead to further proposals to improve existing and model licences.

# 1. Introduction

## Background

- 1.1 ORR published the Licensing Review: Consultation<sup>4</sup> (the August document) on 19 August 2005. It detailed proposals to simplify the licences granted to most operators of trains, stations, networks and light maintenance depots<sup>5</sup>. The consultation document also explained changes to the licensing regime arising from the Railways Act 2005 (in particular the transfer of certain SRA consumer protection functions in July 2005), and the planned implementation of a European Directive affecting railway licensing (the Licensing Directive)<sup>6</sup>.
- 1.2 The 12-week consultation period closed on 11 November 2005. We are grateful to all those who responded. The responses have been fully taken into account in reaching our conclusions.
- 1.3 This document sets out our conclusions and next steps. Consultees were broadly supportive of the proposals made in the August document. We therefore intend to implement all but one of the proposals; in the light of consultees' views and after further discussion with HSE colleagues, we now intend to delete, rather than reword, a standard revocation clause found in some licences. This issue is discussed in Chapter 4.

## Structure of this document

1.4 Chapters 2 to 6 discuss the points raised by consultees and our conclusions on each proposal, in the order we originally presented them. Chapter 7 sets down the next steps and the implementation process. A summary with links to the full text of the 13 responses received is in the Annex. There were no confidential responses.

<sup>&</sup>lt;sup>4</sup> Licensing Review: Consultation, ORR, August 2005. This is available at <u>http://www.rail-reg.gov.uk/upload/pdf/246.pdf</u>

<sup>&</sup>lt;sup>5</sup> The licences held by Network Rail were not considered explicitly, although there is some read-across to those licences.

<sup>&</sup>lt;sup>6</sup> EC Directive 1995/18, as amended by EC Directive 2001/13. Available at: <u>http://europa.eu.int/eur-lex/en/consleg/pdf/1995/en\_1995L0018\_do\_001.pdf</u>

# 2. The European regime

### **European licences and SNRPs**

- 2.1 The August document outlined DfT proposals for implementing the Licensing Directive. DfT proposed that affected operators would, where necessary, have their existing licences designated, partly as a new European licence and partly as a Statement of National Regulatory Provisions (SNRP). The SNRP would deal with matters currently handled as licence conditions.
- 2.2 This approach was intended to reconcile the European view of licences as a 'passport style' authorisation focused on the fitness of an operator, with the domestic view of licences as a flexible, wide-ranging regulatory tool.
- 2.3 The Licensing Directive was implemented on 28 November 2005 by the Railway (Licensing of Railway Undertakings) Regulations 2005<sup>7</sup> (the Regulations). These extended the requirement for railway undertakings to hold a licence and to satisfy four key licensing criteria to most undertakings providing passenger and freight train services in Great Britain; such licences are valid throughout Europe. Previously the European rules had only applied to undertakings providing international train services.
- 2.4 The August document explained that for new-style European licences to remain valid, licence holders would need to meet four criteria, both at the time of application and on an ongoing basis. These criteria relate to professional competence, third party liability insurance, good repute and financial standing.
- 2.5 Consultees supported our proposal to apply the four criteria to all licence applicants (including those for network, station and light maintenance depot licences which are not covered by the Licensing Directive). This was in the context of ORR's discretion to act proportionately within both the domestic and European licensing frameworks, and that to apply different criteria to applications would be complex and confusing. We have amended our licensing procedures and will update our guidance accordingly.

<sup>&</sup>lt;sup>7</sup> The Railway (Licensing of Railway Undertakings) Regulations 2005, Statutory Instrument 2005 No. 3050. Available at: <u>http://www.opsi.gov.uk/si/si2005/20053050.htm</u>

- 2.6 Overall, the four criteria are very similar to those we already applied when determining if an applicant is a 'fit and proper' person to hold a licence under the domestic regime.
- 2.7 However, the August document identified particular differences with respect to the financial fitness criterion. This is now focused explicitly on an applicant's ability to meet its obligations over the following 12 months.

## **Financial fitness**

- 2.8 The new financial fitness criterion was discussed at an industry seminar hosted by the Association of Train Operating Companies (ATOC) on 21 October 2005. Attendees welcomed our intention to minimise the impact of the changes where possible.
- 2.9 In light of the debate at the seminar, consultees' views and discussion with DfT about its franchise assessment process, we have developed the 'minimum burden' approach further. We have adopted the following approach.
- 2.10 An audited statement by the applicant company's directors confirming its 'going concern' status, normally included in annual accounts, will satisfy our requirements. This reflects the meaning of 'going concern' in UK and international accounting standards.
- 2.11 Where a licence applicant is also a franchise bidder, we will take confirmation from the franchising authority that the applicant has passed its financial fitness assessment and that the applicant's business plan has been independently reviewed, as also meeting our requirements. This takes account of DfT's current franchising assessment process, which considers a broad range of financial issues. ORR will need to consider the impact of any future changes made to this process.
- 2.12 We will assess the financial fitness of non-franchise applicants without audited accounts on the basis of a forward-looking business plan, supporting analysis and the sources of funds available. We will set out the main elements of this analysis in our published licensing guidance. We will *not* expect an applicant to procure a costly audit review of the financial information solely for this purpose.

## The ongoing obligation

- 2.13 Consultees supported our proposal in the August document that the obligation to meet the four new criteria on an ongoing basis should apply only to European licence holders. Those holding only licences under the Railways Act 1993 (as amended) (the Act) will only be assessed against the criteria once, at application. We thought, and consultees agreed, that the benefits of simplicity would be outweighed by the increased burden on operators if we required other types of licence holder to demonstrate ongoing compliance with these criteria.
- 2.14 There was also general support for our proposed 'light touch' approach to the ongoing assessment of European licence holders. This will focus on an annual self-declaration. We will now work to develop a simple standard self-declaration letter and process with the industry, which we will publish in revised guidance.

#### Other issues

- 2.15 Consultees raised four other issues in relation to the implementation of the Licensing Directive:
- Confidentiality, in particular the treatment of confidential financial information;
- The treatment of pension liabilities in financial fitness assessments;
- The use of temporary licences, where a licence holder no longer meets one or more of the four criteria; and
- The ongoing need for non-passenger train licences under the Act, given that European freight licences only cover goods services.

Our conclusions in respect of each are set out below.

2.16 Confidentiality concerns should not arise where the financial fitness test is satisfied by either audited accounts prepared on a 'going concern' basis, or a franchising authority confirmation. In other cases we draw applicants' attention to the 'general restrictions on disclosure of information' provisions in section 145 of the Act. These restrictions also apply to ORR's European licensing activities.

- 2.17 The Freedom of Information Act 2000 has two relevant exclusions. The first is for information provided in confidence. To benefit from this, the information concerned must be marked as such and robust reasons provided for it to not be disclosed. The second covers information prohibited from disclosure by enactment, such as section 145 of the Act. Anyone who is concerned should seek legal advice.
- 2.18 Pension liabilities will normally only be relevant to the financial fitness assessment to the extent that they prevent annual accounts from being signed off on a 'going concern' basis. No separate consideration of pension liabilities would be necessary if the organisation's annual accounts have been signed off by auditors as being prepared on a going concern basis.
- 2.19 We would consider exercising our discretion to grant temporary European licences in the event that a European licence holder no longer met all of the four licensing criteria. This could be appropriate when there is a realistic expectation of the licence holder being able to meet the relevant criteria again, for example in the case of the financial fitness requirement, by a financial restructuring.
- 2.20 Our interpretation of the Regulations is that operators carrying out non-passenger operations *not* caught by the Regulations will continue to hold non-passenger licences under the Act, whether or not they also received a European freight licence on 28 November 2005.
- 2.21 For example, consider an operator caught by the Regulations who previously relied on a non-passenger train licence under the Act to authorise national freight operations and services in support of network maintenance. From 28 November 2005, that operator holds a European freight licence and associated SNRP (covering its national freight operations) *and* its original non-passenger train licence (covering its other operations). The two types of licence will include the same conditions, enforced by ORR in the same way.
- 2.22 However, an operator providing passenger services under a European passenger licence will not retain a passenger licence under the Act, as its European passenger licence will cover all of those operations.

# 3. Consumer protection conditions

#### Introduction

- 3.1 The August document highlighted changes made to licences to reflect the transfer of consumer protection activities from the SRA under the Railways Act 2005. The model licences reflect further changes following the commencement of parts of the Railways Act 2005 that devolved powers to the Scottish Ministers in October 2005.
- 3.2 The August document then proposed further changes designed to increase transparency.
- 3.3 Our conclusions are that:
- We will review third party liability insurance obligations;
- We will merge the two conditions relating to claims allocation and handling and make explicit the compliance requirement;
- We will merge the two conditions relating to timetabling and expedite a review of the obligations;
- We will insert an explicit reference to licensing guidance on enforcement within model licences and continue to work with DfT and others to ensure responsibilities are clear; and
- No further changes are required to the conditions relating to liaison with the Rail Passengers' Council (RPC), complaints handling, disabled persons protection and through-ticketing and network benefits, beyond those needed to implement the Railways Act 2005.

#### The former consumer protection conditions

#### Insurance

3.4 We inherited SRA's policy and procedures concerning third party liability insurance obligations. These have not been reviewed for some time, and having carried them forward for continuity, we felt a thorough review was

timely. Consultees supported a wide-ranging review. We will incorporate this work into our 2006-07 Business Plan.

#### Claims Allocation and Handling Agreement (CAHA)

- 3.5 We also inherited the SRA's obligations in relation to CAHA. Hence we thought it sensible to recombine the two conditions which were created from one single condition when the SRA was established by the Transport Act 2000.
- 3.6 All consultees supported the merger of the two related CAHA conditions. Network Rail's concerns that clarity had been diminished to achieve brevity have been addressed in updated drafting.
- 3.7 Network Rail was concerned that an explicit reference to compliance with CAHA might signal our closer involvement in the detailed operation of the agreement, or reduced flexibility when a coordinated industry response to a major incident was required.
- 3.8 Our intention is to improve transparency (making explicit an existing obligation) and consistency with other licence obligations. We do not intend to become more closely involved in the detailed operation of CAHA or that the industry's flexibility to respond to incidents is reduced. Given that other consultees supported the proposal, and our conclusions on enforcement below, we have concluded that compliance should be included in the model licences.

#### Timetabling

- 3.9 We also inherited the SRA's obligations in relation to timetabling. Hence we thought it sensible to recombine the two conditions which were created from one single condition when the SRA was established. Consultees supported the merger of the two timetabling related conditions. The model licences have been amended accordingly.
- 3.10 However, consultees expressed a clear preference to review the timetabling obligations sooner rather than later, given the momentum built up while addressing the delivery of T-12. We agree there is scope to expedite a review. We have therefore concluded that, with appropriate input from the passenger and freight perspective, the Network Code Part D working group should

recommend any necessary consequential changes to these conditions. Our November 2005 Network Code conclusions document refers to this work<sup>8</sup>.

#### Other former consumer protection conditions

3.11 Nothing has arisen during consultation that has caused us to alter our view that no major changes are needed to the conditions relating to RPC liaison, complaints handling, disabled persons protection and through-ticketing and network benefits, beyond those pursuant to the Railways Act 2005.

#### Enforcement

- 3.12 The August document highlighted the transfer of certain consumer protection activities from SRA to DfT (for example, related to ticketing, complaints handling and disabled persons protection). This reflected the synergies between those issues and franchising, fares policy and DfT's other statutory responsibilities. We keep the imposition and enforcement roles for all licence conditions. This means a division of responsibilities.
- 3.13 Consultees supported ORR establishing clear liaison arrangements and managing the division of enforcement from the routine monitoring and approval roles undertaken by DfT. We will continue to further develop these arrangements and will summarise them in our licensing guidance.
- 3.14 Consultees welcomed our intention to focus on remedying systemic or chronic failures in industry arrangements, rather than on the detail of industry agreements, which is best left to industry parties to resolve. This is consistent with the general approach described in our current consultation on an Enforcement Policy<sup>9</sup> that closes on 9 February 2006.
- 3.15 Consultees broadly agreed that it would be useful to clarify on the face of licences that compliance was to be interpreted in accordance with our published guidance. A reference to guidance has therefore been included in the interpretation section of the model licences.

<sup>&</sup>lt;sup>8</sup> In particular, paragraph 2.21 of the Network Code Reform Phase 2: Conclusions – The Way Forward, ORR, November 2005, available at <u>http://www.railreg.gov.uk/upload/pdf/262.pdf</u>

<sup>&</sup>lt;sup>9</sup> Enforcement policy and penalties statement – draft for consultation, ORR, November 2005. This is available at: <u>http://www.rail-reg.gov.uk/upload/pdf/259.pdf</u>

3.16 We will also continue to work closely with DfT, the Scottish Executive and the Welsh Assembly Government to ensure a clear division of responsibilities as between licensing and franchising.

# 4. Safety conditions

#### Introduction

- 4.1 Consultees were generally supportive of all the proposed changes set out in the August document. Therefore, we have concluded that:
- The inspecting officers condition will be deleted;
- The safety and standards condition will be reduced from 15 pages to four paragraphs;
- The obligation to abide by relevant Railway Group Standards (RGS) will be updated and made stand-alone, pending a review once European safety legislation is implemented and we assume our safety responsibilities; and
- The provision for revocation following a serious breach of a safety case will be deleted rather than reworded.

#### Safety related licence obligations

#### Inspecting officers

4.2 The inspecting officers condition has been removed from the model passenger and non-passenger train licences and SNRPs, as it duplicated existing powers under health and safety legislation.

#### Safety and standards condition

- 4.3 The safety and standards condition has been simplified to remove unnecessary references to the Rail Standards and Safety Board (RSSB)'s Constitution Agreement, and renamed 'RSSB Membership'.
- 4.4 To further improve transparency, those sections of the condition dealing with RGS have been separated out into a stand-alone condition, and the text aligned with the similar condition already in station, network and light maintenance depot licences.
- 4.5 RSSB suggested that the obligation to join it might be included in model station licences. We have not adopted this proposal because virtually all

stations are operated either by Network Rail or by licensed franchise operators and concession holders, who are already required to join RSSB. We concluded that it would be disproportionate to create a new wide-ranging obligation in model station licences to catch just three operators<sup>10</sup>.

4.6 RSSB also suggested we take the opportunity to clarify in the reworded condition that the rights, obligations and liabilities associated with RSSB membership apply from the date that membership is required; a three month period is then provided for the joining process to be completed. We have clarified the text in the model condition accordingly.

#### Railway Group Standards

- 4.7 As proposed, minor drafting changes have been made to update and improve the transparency of the RGS condition.
- 4.8 Consultees agreed that a fundamental review of the treatment of RGS should be undertaken once we assume HSE's rail safety responsibilities in spring 2006, and the European Safety and Interoperability Directives are implemented.

#### Revocation provision

- 4.9 The changes proposed to the safety related revocation provision were not a cause for concern for most consultees. However, after further consideration and discussion with HSE we have concluded that we should delete, rather than redraft, the provision for the reasons given below.
- 4.10 The proposed Railways and Other Guided Transport Systems (Safety) Regulations<sup>11</sup> will allow safety certificates and authorisations to be revoked. There is no need to duplicate those mechanisms to stop unsafe operations. Moreover, the Regulations already provide that European licences can be revoked if fundamental concerns arise over an operator's safety competence.

<sup>&</sup>lt;sup>10</sup> Those caught would be Glasgow Prestwick International Airport Limited, London Underground Limited and Eurostar (UK) Limited.

<sup>&</sup>lt;sup>11</sup> The draft Regulations together with background information are available at <u>http://www.hse.gov.uk/railways/liveissues/cd199.htm</u>

# 5. Market structure and competition conditions

#### Introduction

5.1 In the August document we proposed removing two outdated model conditions, the wording of which predated the Competition Act 1998 and the Enterprise Act 2002, and other historic provisions relating to cross-subsidy following a change of control. Consultees broadly agreed with our proposals and we have concluded that these conditions should be deleted.

#### Exclusionary behaviour and accounting separation

- 5.2 Virtually all consultees were in favour of deleting these conditions as the matters referred to are now adequately covered by competition law and the existing railway access regime. One consultee noted that the incentive provided by the threat of licence revocation for non-compliance would be lost if we relied on alternative arrangements.
- 5.3 We have concluded that these conditions should be deleted as proposed because we consider that statutory competition and contractual access remedies are sufficient to incentivise proper conduct.

#### **Prohibition of cross-subsidy**

- 5.4 A change in our internal policy resulted in a situation where some older licences contain an additional prohibition on cross-subsidy and related information provision requirements (inserted following a change of control), while others do not. We proposed to delete the extra requirements to bring everyone into line with our current policy.
- 5.5 All consultees were in favour of deleting these additional provisions to ensure a level playing field. We will seek shortly licence holders' consent to remove these provisions.

# 6. Information, environment and other matters

#### Introduction

6.1 In the August document we proposed deleting the condition on the provision of information following the commencement of new statutory powers. We asked for comments on whether and when we should review our general approach to environmental issues and our environmental policy guidance. We also asked for general comments on licensing. Our conclusions are set out below.

## **Provision of information**

6.2 There was general support for removing the provision of information licence condition, on the basis that ORR now has a wider statutory power to gather information under section 80 of the Act. Therefore the condition has been removed from the model licences.

## **Environmental policy**

6.3 There was general support for reviewing the existing environmental policy condition and the associated guidance<sup>12</sup>. We will take this forward in the context of a wider review of our role in environmental matters, as recently proposed in Updating our Corporate Strategy: a consultation<sup>13</sup> and discussed at an industry seminar held at ORR on 16 December 2005.

#### **Other comments**

6.4 There was general support for our proposal to leave the standard fees and other standard licence conditions unchanged, notwithstanding our recent conclusions on the future recovery of economic and safety regulatory costs<sup>14</sup>.

<sup>&</sup>lt;sup>12</sup> Available at <u>http://www.rail-reg.gov.uk/upload/pdf/29-environment96.pdf</u>

<sup>&</sup>lt;sup>13</sup> Updating our Corporate Strategy: a consultation, ORR, December 2005. This is available at: <u>http://www.rail-reg.gov.uk/upload/pdf/263.pdf</u>

<sup>&</sup>lt;sup>14</sup> Licence fees/Safety Levy - Conclusions, ORR, November 2005. This is available at: <u>http://www.rail-reg.gov.uk/upload/pdf/260.pdf</u>

- 6.5 ATOC suggested we could consider with DfT the ongoing need for station and light maintenance depot operations to be licensed at all. We do not believe there is a case for taking immediate action on this but we will consider the issue in due course. In the meantime, station and depot operators will benefit from the simplified licences we have proposed and from the forthcoming implementation of the Stations and Depots Codes.
- 6.6 One consultee suggested we could usefully distinguish between the obligations of charter and other passenger train operators in the summary table of licence conditions within each model licence provided at Annex 2 to the August document. We will incorporate such an amended table in updated guidance.
- 6.7 Network Rail highlighted various similar conditions in its licences that would benefit from updating. It is important that Network Rail's and other operators' licences are appropriately aligned; we will progress this with Network Rail and consult on any proposed changes in due course.

# 7. Next steps

#### **New model licences**

- 7.1 We have prepared new model licences (and SNRPs). These incorporate the significant changes described above and a range of minor drafting improvements to further improve clarity and readability. From today (18 January 2006) we will use these new models as the basis for any licences and SNRPs we grant.
- 7.2 We propose to modify existing authorisations where they reflect previous templates to follow the new model documentation. We will write to affected licence holders shortly, summarising the main changes proposed and formally requesting consent to make the modifications. In view of the widespread support our proposals received, we will commence the required 28-day statutory consultation period in parallel.
- 7.3 With licence holders' timely consent and subject to the statutory consultation, licences and SNRPs will be modified and re-issued thereafter. We aim to complete the process by spring 2006.
- 7.4 Further work arising out of the Licensing Review will continue throughout 2006-07. For example, work on insurance arrangements, timetabling obligations, the treatment of RGS and environmental matters could lead to further proposals to modify existing and model licences and SNRPs.

#### New guidance

7.5 We will publish updated licensing guidance by spring 2006.

# Annex: Summary of responses

Consultee <sup>15</sup>	Generally supportive?	Key points
Association of Train Operating Companies (ATOC)	Yes	Supports minimum-burden approach to European requirements. Queries treatment of pension deficits. Questions ongoing value of station and light maintenance depot licences. Wants timetabling condition review ASAP.
English Welsh & Scottish Railway Limited	Yes	Suggests ORR recognises 'charter' licences as a separate standard from passenger licences.
Eurostar	Yes	Wants to carry through Licensing Review conclusions to European licences and SNRPs.
FirstGroup	Yes	Important to preserve clarity of respective obligations in timetabling process. Removing accounting separation/exclusionary behaviour conditions could reduce compliance incentives as neither access/competition routes could lead to licence revocation.
Go Ahead Group	Yes	Supports ATOC response. Supports minimum-burden approach to European requirements. Emphasises need for ORR/DfT co-operation to achieve this.
Health and Safety Executive (HSE)	Yes	Restricts comments to safety aspects. Suggests revocation provision is removed rather than changed given forthcoming power to revoke safety certificates and authorisations under European rules.

<sup>&</sup>lt;sup>15</sup> Responses available at <u>http://www.rail-reg.gov.uk/server/show/ConWebDoc.7670</u>

Consultee <sup>15</sup>	Generally supportive?	Key points
Merseyrail Electrics 2002 Limited	Yes	Supports ATOC response.
National Express Group	Yes	Notes little value in new European arrangements, which add bureaucracy. Wants timetabling condition review ASAP; Network Code Steering Group could oversee, though noting finite life. Wants separate Railway Group Standards obligation in licence.
National Express (Londonlines)	Yes	Supports ATOC response.
Network Rail	Yes	Some reservations with introducing 'comply' into CAHA condition. Remove safety revocation provision; do not extend or reword. Timetabling condition should underpin outcome of Network Code reform on timetabling. Suggests possible improvements to its Network licence e.g. condition 15 (Annual Return).
Rail Safety and Standards Board (RSSB)	Yes	Restricts comments to safety issues. Supports removal of detailed RSSB constitution wording. Offers close involvement in RGS condition review. Suggests station operators could have RSSB membership condition.
Virgin Trains	Yes	Supports ATOC response. Wants timetabling condition review ASAP.

Responses available at http://www.rail-reg.gov.uk/server/show/ConWebDoc.7670