

Gareth Clancy
Head of Access and Licensing

Email: gareth.clancy@orr.gov.uk

21 October 2020

Copy list below – **by email only**



Dear colleague,

Competing applications for access to the West Coast Main Line (WCML)

1. We wrote to you on 22 November 2019 setting out our planned approach for considering several operators' applications to run additional services on the WCML. This letter provides an update on activity by ORR and Network Rail, as well as industry developments since that letter.
2. The competing applications are:
 - First Trenitalia West Coast Rail Limited, trading as Avanti West Coast (AWC) applied to us for rights from December 2022 for additional London Euston-Liverpool Lime St services to increase its service from 1 to 2 per hour;
 - Prospective Open Access Operator Grand Union Trains (GUT) applied to us for rights from December 2021 for 4 return services per day between London Euston and Stirling, calling at Milton Keynes Central, Nuneaton, Crewe, Preston, Carlisle, Lockerbie, Motherwell, Whifflet, Greenfaulds and Larbert; and
 - West Midlands Trains (WMT) applied to us for rights from December 2020 to run an additional return service between London Euston and Northampton.
3. More information on each of these applications is available on [our website](#).
4. We asked Network Rail to conduct a capacity assessment to inform our decision-making on the applications. We published this assessment on [our website](#) in March 2020. Network Rail concluded "there is no available capacity without significantly impacting performance and causing a reduction in timetable resilience". As a result of this conclusion, Network Rail launched an Industry Planning Group (IPG) with WCML operators and applicants to establish what additional capacity a WCML timetable recast could deliver. Network Rail has committed, through the IPG, to decide by January 2021 as to whether to proceed with a recast on the WCML and if so the extent of that recast.
5. On 6 May 2020, Network Rail wrote to us to declare the WCML South Fast Lines (Camden Road South Junction to Ledburn Junction inclusive) as 'congested infrastructure'. In accordance with the Railways (Access, Management and Licensing of Railway Undertakings) Regulations 2016, Network Rail is now preparing a capacity analysis report on this infrastructure. The Regulations require that this analysis is published by 11 November 2020 and a Capacity Enhancement Plan produced within six months of that date.
6. There have been a number of changes to applications since our 22 November 2019 letter. On 27 February 2020 prospective open access operator Virgin Trains withdrew its

application for services between London and Liverpool. On 11 March 2020, GUT amended the start date in its application to December 2021, rather than May 2021. On 05 June 2020 correspondence from WMT indicated its plan to move the start date of their proposed services from December 2020 to at least May 2021.

7. On 09 September 2020, Grand Central announced that it will not launch its planned service between Blackpool and London after the effects of COVID-19 “rendered plans “unfeasible””. Grand Central’s track access contract for those services will lapse on the Principal Change Date in December 2020, if it has not commenced operation of the services on or before that date. Grand Central’s application to convert some contingent rights in that contract to firm rights (proposed 2nd Supplemental Agreement) will also expire. Network Rail will need to take into account the impacts of the withdrawal of Grand Central’s Blackpool services in its work on WCML capacity, including the congested infrastructure capacity analysis report and its ongoing IPG.

8. We are required to take access decisions within 6 weeks of receiving all relevant information. However, with these competing applications, the relevant information we need in order to reach our decisions is complex and involves more dialogue with Network Rail, applicants and stakeholders than usual. In the case of these competing applications, we are not currently in possession of all the relevant information needed to make our decisions.

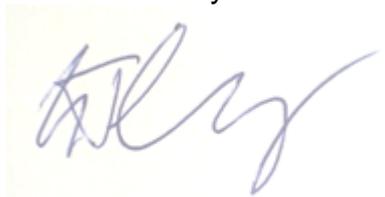
9. We will review the information included in the November capacity analysis report, and the outputs of the IPG in January 2021 to assess whether they give us enough information on the capacity and performance impacts of the proposed services to reach our decisions. It is essential that Network Rail provides prompt and accurate analysis in order to allow us to make timely decisions. We will continue our dialogue with Network Rail and applicants to achieve this.

10. Our decisions will use an economic analysis of the applications, including where applicable undertaking our Not Primarily Abstractive Test and assessing the wider costs and benefits of the possible capacity uses. As the Regulations relating to the Economic Equilibrium Test only apply until 31 December 2020, any decision taken after that point will not take this test into account.

11. As explained in our letter of 11 October 2019, any new applications that compete for additional capacity with the applications listed above will only be considered following the conclusion of our consideration of these existing applications.

12. Please contact me or David Reed if you would like to discuss the applications or industry developments referenced in this letter further. We will publish this letter on our website.

Yours sincerely



Gareth Clancy



Copies to:

Ian Yeowart (GUT)
Russell Evans (AWC)
Georgia Ehrmann (AWC)
Chris Hanks (GCNW)
James Carter (WMT)
Paul McMahon (Network Rail)
Tim Shoveller (Network Rail)
Peter Craig (Network Rail)

Chris Rowley (Network Rail)
Oliver Mulvey (DfT)
Helen Robinson (DfT)
Martin Purcell (DfT)
Linda Bennett (Transport Scotland)
John Hillman (EWR)
Transport Focus
Current WCML operators