

East Sussex County Council
Office of Rail Regulation - Periodic Review 2013: first consultation
May 2010

Officer response
2 September 2011

1. Thank you for the opportunity to comment on the Office of Rail Regulation's (ORR) first stage consultation for Periodic Review 2013, which will establish the outputs and funding for control period 5 (CP5), commencing 1 April 2014. Please note that this is an officer response to the consultation.
2. Our comments are general, rather than specifically answering the questions posed in the consultation document or commenting on the technical nature of certain elements of the document.
3. We are pleased to note that:
 - The objective is to protect the interests of customers and taxpayers.
 - Network Rail and train operators will need to work together to drive down costs, grow revenue and to optimise use and development of the rail network.
 - It is proposed to switch off or relax the 'no net loss, no net gain' provisions in the franchises that exist, which insulate train operators from financial impacts of changes made during periodic reviews. This 'no net loss, no net gain' provision nullifies the incentives for train operators to work with Network Rail to drive down costs.
 - ORR will take into account local authorities (reasonable) requirements to the extent that they are not covered by the government specifications.
 - There should not be any bias towards capital expenditure.
 - ORR want to ensure Network Rail will face strong incentives to perform well in its wide ranging roles, and to forge partnerships with passenger and freight operators to enable the delivery of improved whole industry outcomes.
 - There will be improvements to incentives for Network Rail to make best use of existing capacity.
4. There are benefits and disbenefits to extending or reducing the length of the funding control period. However, due to the current unpredictable financial climate it is recommended that for the present time, the five year duration for the control period is retained. When the financial situation is more settled, and a comprehensive and more accurate list of benefits and disbenefits becomes available, the timeframe for the control period could be revisited. For example, consideration could be given to whether the control period should align with the Government's Comprehensive Spending Review time period.

5. This consultation is another opportunity to highlight to the rail industry that priority should be given to rail capacity improvements which will reduce severe overcrowding currently occurring on rail services. For example, in the short term CP5 2014-2019 and relevant strategies which will inform this, such as the High Level Output Specification (HLOS).
6. Although actual numbers of passengers on East Sussex rail services may not necessarily be comparable with those in densely populated areas, the Uckfield line (to London Bridge) and the East Coastway line (between Brighton and Ashford) suffer from severe overcrowding during peak hours. As a result, many commuters are having to stand for a significant period of their journey, i.e. more than half an hour, which is unacceptable.
7. As sections of these routes are not electrified - Uckfield to Hurst Green and Ashford to Hastings - additional diesel rolling stock is required as a matter of urgency on these lines to accommodate existing and future passenger numbers. In the absence of new rolling stock being built, in the short/medium term diesel rolling stock arising from electrification of other routes (such as Crossrail and Great Western Main Line) should be redeployed on these lines where compatible. However, in the longer term these routes need electrifying and dual tracking. Funding should be made available in PR13 to improve capacity of the existing rail network on lines such as these, and a programme of where diesel units arising from electrification of routes will be deployed needs to be prepared.