

London Southend Airport
Southend on Sea
Essex
SS2 6YF
T: 44 (0) 1702 538500
F: 44 (0) 1702 538501
www.southendairport.com



15th October 2012

Mr P Willcox
Office of Rail Regulation
1 Kemble Street
London
WC2B 4AN

By email philip.willcox@orr.gsi.gov.uk

Dear Sir,

I refer to your consultation reference: ORR/007/2012. I am responding to your consultation on behalf of London Southend Airport Company Limited ("LSACL") and its affiliate Stobart Rail Limited ("SRL"). Our response draws on our experience of building and operating London Southend Airport Station and our concern that the ORR's policy on transparency should assist and not deter third party developers who wish to invest in rail infrastructure.

We support your vision that transparency has a vital role to play in driving the behavioral changes necessary for industry reform, delivering better value for money and delivering an industry that has a sharper focus on its customers.

We agree that transparency should develop to:

- expose where the industry spends the money it receives and on what, to enable passengers, funders and taxpayers to consider whether they are getting value for money and to support informed choices about future spends including at local level; and
- stimulate the design and introduction of new consumer led services and products by third party developers with potential downstream commercial applications.

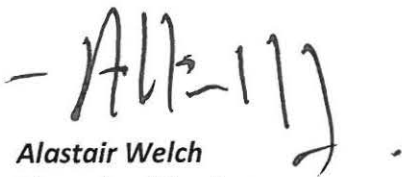
LSACL constructed London Southend Airport Station as part of the redevelopment and expansion of Southend Airport. The station is operated and maintained by SRL. The commercial relationship between SRL and the franchised train operator is set out in a regulated Station Access Agreement ("SAA"). The provisions of the SAA include payments by SRL to the train operator to cover the costs the train operator incurs stopping trains at the station and payments by the train operator to SRL of a share of the revenue generated by journeys to and from the station.

Cont'd/.....2

In order for an arrangement of this nature to work and for the ORR to make informed decisions when approving the associated regulated agreements, it is vital that the train operator is transparent about its applicable operating costs. Even more importantly and specifically in response to your question 7, transparent data from Rail Settlement Plan Limited and other sources of ticket sales data needs to be available to third party developers such as ourselves in order for us to be able to assess the potential return from investment and to audit the actual receipts.

We would be happy to meet you to provide further detail of our experiences as a third party developer. We would also welcome an invitation to your proposed seminar.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Alastair Welch', with a horizontal line above the first few letters and a flourish at the end.

Alastair Welch
Managing Director