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Dear Ian,

**Consultation Response: Alliance Rail Holdings Section 17/18 Track Access Applications**

Northern Rail welcomes the opportunity to respond to the two track access applications submitted by Alliance Rail under Sections 17 and 18 of the Railways Act 1993.

Expressed in this letter are the concerns and key issues that Northern Rail have in response to the proposals contained within Alliance Rail's two applications. Northern Rail expects the issues outlined in this letter to be fully considered as part of the Office of Rail Regulation's appraisal process in determining whether Alliance Rail should be granted access rights for their proposed services.

**1. Generic Issues**

- Northern Rail notes that the applications for access rights have effectively now been split into two parts, a section 18 which contains an agreed specification with Network Rail and a section 17 application, seeking rights which the parties have been unable to agree. The applications are confusing, as access rights that are being sought by Alliance Rail have been split between the two applications, which suggests that Network Rail is unable to find suitable capacity for the end to end journey.

Northern Rail also believes that if the ORR grants the rights that are contained in the Section 18 application, then Alliance Rail would be reserving capacity.

- The application form states that operator's services have been flexed in order to accommodate Alliance Rail's aspirations. However, it has not been possible for Northern Rail to fully assess the implications on our own access rights and service patterns, due to a lack of information/suitable solutions for flexed services being made available to stakeholders.
- Northern Rail would therefore like assurances that the proposals contained within Alliance Rail's applications will not significantly infringe or displace Northern Rail's current service provisions, in light of our recent application to extend our access rights to December 2014.
- The rail industry has undertaken a large amount of work in the development of a number of rail strategies for the North West. These strategies provide for the best possible use of capacity, resources and demonstrate economic value for money. Northern Rail is of the opinion that the proposals made by Alliance Rail appear to conflict with these strategies. Northern Rail also believes that Alliance's proposal fundamentally undermines the proposals detailed in the Northern Hub strategy, the West Coast and Northern Route Utilisation Strategy (RUS) and the need to optimise the local service provision.
- Alliance Rail's application is based on the successful introduction and deployment of new tilting rolling stock, scheduled to operate on the network from December 2013. Northern Rail believes that these timescales are unachievable and that if access rights are granted, scarce paths will be allocated without the operator being in a position to provide the services.

Whilst Northern Rail is supportive of introducing new rolling stock, the extensive introduction in new non-proven tilting rolling stock is likely to cause Northern Rail and its passenger's unnecessary disruption. Furthermore, experience has proven that the introduction in new rolling stock impacts on performance levels given the susceptibility of component failure of new trains. Northern Rail has specific concerns in relation to Alliance Rail's proposed use of bi mode rolling stock, as there may be performance risks associated with switching from electric to diesel operation.

## **2. Route Specific Issues**

### London Euston - Leeds

- The Northern RUS recommends the introduction of a 5<sup>th</sup> Trans-Pennine path per hour on this route. We believe based on the evidence available and the capacity constraint on this route, that the Alliance Rail submission undermines the strategy proposed for this route.

- The ORR should be made aware that the Alliance Rail proposal routes this service via Heaton Norris Junction; this junction is extremely congested and it needs to be demonstrated that any increase in traffic will not have a detrimental impact on service resilience. Northern Rail was instructed to rescind a number of its paths to accommodate the WCML December 2008 timetable. The decision to rescind train paths caused dissatisfaction amongst some Stakeholders and it is probable that pressures will be reapplied to have these services re-instated.
- Northern Rail requires a greater understanding in to the timetabling implications of this proposal and expects suitable performance and timetabling modelling to be undertaken to support Alliance Rail's application.

#### London Euston – Bradford

- Northern Rail believes that the introduction of the proposed long distance services to and from Bradford can only be accommodated by flexing existing Northern services, resulting in an undermining of the value to customers of the existing regular service patterns currently offered on these routes; the potential loss of efficiency in resource deployment and the potential loss of revenue and additional operating costs impacting upon Northern and ultimately the DfT.
- The corridor between Manchester Victoria and Bradford is extremely congested due to the high demand for regular scheduled services. The route is also optimised by frequent freight flows, Charters, and TransPennine Express (TPE) for diversionary purposes. Manchester Victoria station is also a major bottleneck due to junction constraints and platform occupation. The current intensity in traffic flows consequently compounds service recovery during times of disruption.

The Northern Rail MAA figure for Manchester Victoria to Bradford service group currently stands at 86.64% with the Blackpool to Leeds service group at 83.34%, making these service groups two of the lowest performing routes.

- The capacity consumed by services running across Manchester Victoria between Calder Valley and the Chat Moss routes, and particularly with the need to cross key junctions such as Ordsall Lane means that the proposed Alliance Rail services present a particular constraining factor on the scope for optimising the timetable in the Manchester area.
- Northern Rail would again expect suitable performance and timetabling modelling to be undertaken to support Alliance Rail's application. This information would enable us to understand the effect on the resilience of the network.

- Northern's timetable production is resource led process with the objective of optimising unit and traincrew efficiency. Flexing the current standard pattern timetable will have a direct impact on resources and therefore the subsidy requirements for the route.
- Electrification of the North West is the driver for bringing additional rolling stock to the North of England, together with the DfT's proposals to introduce additional/faster local and express services between Liverpool and Manchester. The operation of the service by EMUs is key to the cascade of rolling stock to deliver the additional capacity to the key urban centres across the North. The introduction of additional rights to Open Access operators along the line between Liverpool and Manchester could jeopardise this cascade plan and Northern seeks assurances that there will be sufficient capacity for additional and revised paths for the franchised services on this route following electrification prior to the granting of any rights to Alliance Rail.
- Calder Valley services form a key element of Northern Rail's revenue income. Evidence suggests that revenue abstraction as a result of this submission will have a disproportionate impact on Northern Rail and wider franchised Government subsidy profiles.

#### London Euston – Blackpool

- Alliance Rail's proposal to operate services in to Blackpool would result in the abstraction of revenue from the Northern Rail franchise with the corresponding effect on Government subsidy profiles as highlighted above.
- Northern Rail would like further clarification relating to Alliance Rail's traincrew resourcing plan. It is inevitable that Alliance Rail will need to recruit traincrew and other operational staff to operate its services. Northern Rail anticipates that Alliance Rail will attract traincrew currently employed by Northern Rail, primarily from the Blackpool area. Unless demonstrated differently, Northern Rail believes it appropriate for the ORR to consider traincrew abstraction costs within it appraisal processes.

Experience has shown that it can take in excess of 2 years to recover from a significant traincrew recruitment drive by another operator which impacts on performance. The MAA for Blackpool service groups currently stand at between 82.42% and 86.18%. A major influence on these figures is the availability of drivers at Blackpool.

- The Preston station area acts as one of the significant network constraints on the WCML, where remaining capacity has to be optimised wisely. Northern Rail, including other industry partners, has raised concerns in relation to the 'justified' use in capacity and impact

on performance resilience these services may have. To assess the potential impact, Northern Rail requires suitable performance and timetabling modelling to be undertaken to support Alliance Rail's application.

#### Euston- Carlisle

- Northern Rail understands that the Cumbrian coast network is an expensive route to both operate and maintain. Farebox revenue on this route is disproportionately low, resulting in the need for significant subsidy. Given that open access operators pay for marginal costs (variable charges) only, the services proposed by Alliance Rail will in effect, be subsidised directly by the U.K tax payer.
- The service structure on the Cumbrian coast is resource led with a timetable based on the optimum deployment of units and crews. Flexing to the Northern Rail timetable, resulting from the accommodation of the Alliance proposal, is highly likely to result in inefficiencies for Northern with a corresponding increase in the costs to the tax payer.
- The Cumbrian cost is a mixture of single and double track, with the inherent potential performance impact. Northern Rail is concerned about the performance implications of the proposals on the Cumbrian coast, but also in relation to the Preston. We would therefore also like to see a performance report in relation to this proposed service.

Yours sincerely

**Helen Cavanagh**  
**Track Access Manager**