

Mr M B Hollands
Commercial Advisor
Contracts and Franchising
Network Rail
Kings Place, 90 York Way
London, N1 9AG

Our ref CL
Your ref

6th September, 2011

Dear Mr Hollands

**Alliance Rail Section 18 Application
Great North Western Railway (West Coast Services)**

I am writing in response to your consultation in respect of applications by Alliance Rail Holdings Ltd (Great North Western Railway) for passenger track access on the West Coast Main Line and other routes.

Transport for Greater Manchester has responsibility for the Greater Manchester Local Transport plan. In relation to rail TfGM and the Greater Manchester Combined Authority are working to ensure the development of rail services relating to the Greater Manchester area is linked to wider plans for the economic development and social well-being of the conurbation.

TfGM has worked closely with Network Rail, the Department for Transport and rail industry parties in the development of plans for the delivery of the Control Period 4 capacity on local rail services, North West electrification, in the development of Route Utilisation Strategies and in the development of Network Rail's plans for the Northern Hub. We believe that our engagement with the rail industry in these activities is leading to substantially better outcomes for Greater Manchester.

The most fundamental issue surrounding the railways that serve Greater Manchester is how to accommodate growth in passenger numbers and freight whilst simultaneously reducing the net cost of operating the railway.

Our observations on the Application are presented below:

General Observations on the Application

Greater Manchester's top five priorities for rail in Control Period 5 are:

- provision of sufficient capacity (including through rolling stock and infrastructure plans) to ensure all passengers can be carried, so long as there is an economic case for doing so;
- delivery of the Northern Hub infrastructure and service patterns in order to release significant city-region economic benefits;
- further electrification of the local and inter-regional rail network in order to reduce rail industry costs and yield passenger benefits;
- preparations for the arrival of High Speed Trains; and
- creation of a significant national Small Projects Fund to facilitate the development and delivery of value for money improvements to stations and the infrastructure.

We have come to our view on this application by balancing the additional connectivity that the new services will create (and the passenger and economic benefits that flow from that) against the impact the services may have on future aspirations for the use of the infrastructure capacity, especially as the North West Electrification and Northern Hub proposals are developed and implemented during Control Periods 4 and 5.

It is often not recognised that the efficient operation of local services in the North of England is dependent upon making good use of the synergies between local and longer distance services – especially on the predominant two-track railway. Where this is not done the impact is often to increase the cost of operating local services. The last major change to long-distance services on the West Coast Main Line in December 2008 led to substantial inefficiencies being introduced into the operation of local trains in and around Greater Manchester – such that around 15 additional carriages had to be injected into the Northern Rail fleet in order to deliver a lesser service. Such impacts increase the financial pressure placed on local services. We would be dismayed if the introduction of any of these new services introduced inefficiencies into the operation of the local services that are the back-bone of the Manchester journey-to-work market.

Greater Manchester has worked very closely with Network Rail and stakeholders across the North of England to develop the proposals for the Northern Hub. The capital costs of this scheme are based on well-evidenced plans for the enhancement of services. It is important that any new access rights do not prejudice the delivery of services that in the longer-term may have better value for money - or worse still, cause the capital costs associated with the Northern Hub investment to rise. In addition to Network Rail's work in its February 2010 report GMPTE carried out its

own economic assessment of the benefits of the Hub proposals for the economy and employment prospects of the North of England. This report confirms the potential wide economic benefits from the Northern Hub programme and can be made available on request.

During the term of the existing Northern Rail track access agreement (and other access agreements that are relevant to our local services) we have some protection from any new rights causing local services to be flexed in a manner that makes them poorer from a passenger perspective, or operationally inefficient. We would be very concerned if in reaction to any new rights on the West Coast Main Line there was downstream pressure for the successor to the Northern track access agreement (or other relevant agreements) to be flexed in a way that introduced inefficiency or a poor timetable for passengers.

TfGM is generally happy with the way the rail network is developed through the Route Utilisation Strategy process and the associated studies – such as the Northern Hub. This process creates a robust and evidence-based strategy that can give funders confidence that economic requirements will be met cost effectively. TfGM is therefore concerned that consideration of this track access application should include the requirements of the wider railway and the contribution the railway makes to both national and local economies - not just the immediate requirements of the applicant.

We note Alliance Rail is seeking access rights from December 2013 for a period of five years (to December 2018). However the application also states *'It does not intend to commence operations until December 2013 at the earliest'* and *'Alliance plans to introduce all these services during the 2014 timetable'*. The application also says, with respect to rolling stock, that *'The first order will be placed following a positive output from the West Coast Event Steering Group'* and *'The timescale for operational service on the UK network is up to 36 months from order'*. The WC ESG is expected to reach its conclusions during 2012 (mid 2012?) - therefore we would appreciate clarity on when Alliance Rail consider they may be able to commence operations.

We also note the application says trains will be a maximum of 8x23m carriages. This length is greater than the platforms at some stations Alliance propose to call and therefore would be interested to know how this issue will be addressed.

The information from Alliance Rail refers to providing peak capacity between Huddersfield and Leeds, Rochdale and Manchester and between Warrington and Manchester – however, in the absence of detailed timetables, it is not possible to

assess if this is 'useful' capacity that will enable public sector investment in rolling stock to be reduced, as suggested.

The remainder of this letter sets out the specific comments we have about the application.

Specific Observations on the Application

Our consideration of the Alliance Holdings plan is split into the categories defined by their proposals.

Access rights to Leeds via Stockport and Stalybridge

Alliance is applying for access rights to run a service to Leeds via Stockport and Guide Bridge at two-hourly intervals, on which we have the following comments:

- The plan will provide new direct rail connections between Stalybridge and London, and between Stockport and West Yorkshire. Currently these journeys require a change of train at Manchester Piccadilly incurring a time penalty of more than 20 minutes. On their own merit these plans are therefore welcome.
- Alliance Holdings has stated in its publicity that it would seek to make improvement to stations and car parking. We are very interested in their plans, but in the absence of detailed plans are concerned that existing parking provision at Stalybridge may not be adequate for the proposed services. Consequently post 2016, when the number of trains passing through Guide Bridge reduces and the number of trains at Stalybridge increases, we would welcome consideration of these trains stopping at both Guide Bridge and Stalybridge to ease car parking difficulties and generally improve access to the services.
- The route from Stockport to Stalybridge is highly constrained by Heaton Norris junction (where the route to Guide Bridge diverges from the West Coast Main Line through Stockport) and that much of the route between Stockport and Guide Bridge is single-track. Difficulties of timing trains over this section could create pressure to adversely flex the timing of local passenger services and freight trains.
- We are not clear on whether the proposed access rights would make it more difficult to achieve the firm plans set out in the DfT specification for Phase 1 of the Northern Hub (additional cross-pennine services between Manchester and Leeds), which is due to be implemented in December 2016. Such services are a high priority for TfGM as they address the severe overcrowding on this route on both local and longer-distance services. We would be very concerned if Network Rail could not demonstrate that the proposed Alliance Holdings service did not fetter the ability of operators to deliver the services committed for this route as

set out in the DfT specification. These plans have very strong economic benefits for the North of England as a whole. We would be very concerned if they were put at risk by the additional access required for the proposed service.

- Furthermore TfGM has had a long-standing aspiration to seek an increase in the frequency of the local stopping service from Greenfield and Mossley to Manchester, but have accepted this may not be possible without electrification. We would like to better understand whether the plans might make achievement of that aspiration more difficult in future.

Therefore in assessing this part of the Alliance application we ask that the following questions are addressed:

- whether the proposed services can be pathed over the section from Stockport to Stalybridge without creating conflicts with existing access rights;
- whether Network Rail can demonstrate that the proposed Alliance Holdings rights would not prevent the delivery of the services committed in the DfT specification for Northern Hub Phase 1;
- whether the proposed Alliance Holdings rights would prejudice the ability to develop off-peak services at Mossley and Greenfield; and
- whether the proposed Alliance Holdings rights would prejudice the delivery of the proposed Northern Hub services (as recommended in the Northern RUS).

Access rights to Bradford via Eccles, Manchester Victoria and Rochdale

Alliance plans a service at two-hourly intervals to Bradford via Eccles, Manchester Victoria and Rochdale. We have the following comments on these plans:

- These plans will provide new direct rail connections between Rochdale, Manchester Victoria, Eccles and London. Currently journeys to London from Eccles, Rochdale or the Calder Valley via Manchester require a change of train and station in Manchester incurring a time penalty of more than 20 minutes. On these points the plans are therefore welcome. We note, however, that in the late 1990s North Western Trains operated a service from Rochdale to London via Newton-le-Willows, but this was only provided for a relatively short period of time.
- The service would also add to the range of services available at Manchester Victoria, and potentially build the profile of that station at the same time as major plans are being developed, for delivery within Control Period 4, to improve the fabric and facilities of the station and nearby public realm.
- TfGM and Salford City Council are preparing proposals for the development of Salford Central station, including the provision of platforms on the Liverpool /

Chat Moss lines. If these platforms are provided Alliance Rail may wish to consider also stopping at Central.

- Alliance Holdings has stated in its publicity that it would seek to make improvement to stations and car parking. We would be interested to learn of their detailed plans for Eccles. The North West RUS recommended that the station facilities should be improved (including DDA access and CIS – not referred to in the Alliance document). We would also like to understand their plans for car parking at Rochdale as parking there is under pressure. If their plans for Eccles and Rochdale are well developed and funded then we would be more supportive of their proposals. Without such plans we would have concerns around the adequacy of the facilities at these stations. We would also like more information on how additional station operating costs are to be funded. It is likely that a high proportion of tickets for travel on Alliance services would not be sold through station booking offices and, therefore, commission from their sale would not be available to the SFO.
- We are not clear whether the proposed access rights would make it more difficult to implement the plans set out in the North West, Yorkshire & Humber and Northern RUSs (including the Northern Hub proposals which are recommended in the Northern RUS) for the development of the Chat Moss and Calder Valley services. In particular we are concerned that the committed developments (North West Electrification and Ordsall Chord) will significantly increase the number of trains using Victoria station from December 2016, but there are no proposals to increase platform capacity at that time. The 2016 plans have very strong economic benefits for the North of England, therefore we would be concerned if Network Rail could not demonstrate that the proposed Alliance Holdings service did not blight the ability of operators to deliver the plans outlined for these routes as set out in the RUSs, and DfT specification for the route between Liverpool, Newton-le-Willows, Manchester and Leeds with electrification and Northern Hub Phase 1.
- The electrification of the Chat Moss route between Manchester and Liverpool will create opportunities to improve local and long distance services between Manchester, Liverpool, Wigan, Preston and points north. It is important that it can be demonstrated that the improvements to services on these route are blighted by this application for new rights.
- Planning permission has been granted for a multi-modal freight terminal on the Chat Moss route at Port Salford. It is important that this terminal can work effectively and we would be concerned if it could not be demonstrated that access to that terminal can be assured. The planning permission granted by Salford City Council requires the rail access to be operational before any part of the development can be occupied. The operation of the terminal may have the

potential to reduce the level of rail freight movements on other critical areas of infrastructure in the Greater Manchester area (e.g. along the Castlefield corridor).

- The plans also provide a new, and presumably faster, service between Manchester and Bradford. Work by Arups on behalf of Calderdale MBC has demonstrated that there is a strong economic case for improving services on the Calder Valley route.

Therefore in assessing this part of the Alliance application we ask that the following questions are addressed:

- whether Alliance's plans for station facilities at Eccles (and car parking at Rochdale) are committed as part of this application and whether they address the additional car parking demand the services will generate;
- whether Network Rail can demonstrate that the proposed Alliance Holdings rights would not prevent the delivery of the services in the North West set out in the North West, Yorkshire & Humber and Northern RUSs (including the Northern Hub proposals);
- whether the proposed access rights along the Chat Moss route are consistent with the plans to improve local and long distance services between Manchester, Liverpool, Wigan, Preston and points north once the electrification is complete; and
- whether the proposed access rights along the Chat Moss route are consistent with the plans for the Port Salford freight terminal.

Access rights to Blackpool and Carlisle

Alliance is applying for access rights for two services along the line through Preston (one to Blackpool and one to Carlisle), which in combination will provide a two-hourly additional service to Preston. Neither service stops at Wigan; therefore these plans have no apparent benefit for Greater Manchester, but could disrupt services to/from Manchester.

It is not clear to us whether the Alliance services would conflict with the proposed re-routing of services between Manchester and Scotland via Wigan with electrification of the eastern end of the Chat Moss route in 2013 and between Manchester and Preston in 2016. We would be concerned if the Alliance application were to put at risk the development of the Manchester-Scotland electric service and to adversely impact on the provision of services between Manchester and Barrow-in-Furness and Windermere after electrification between Manchester and Preston in 2016.

Therefore in assessing this part of the Alliance application we ask that the following questions are addressed:

- whether the Alliance bids and Manchester – Scotland proposals are compatible; and
- the impact of the proposed Alliance access rights on the ability to deliver services between Manchester and Barrow-in-Furness / Windermere from December 2016.

Conclusions

New services are to be welcomed where they provide additional benefits to passengers. These applications are particularly welcome as they challenge old-established service patterns and therefore have the potential to open up markets not currently served well by rail.

However there is insufficient detail to allow us to easily assess the impact of the proposals on (i) existing services, (ii) RUS recommendations (including the Northern Hub proposals), and (iii) other well evidenced future aspirations.

The Alliance Holdings plans introduce two new services to London from Greater Manchester, which also cross the Pennines (Stockport to Leeds, and Eccles to Bradford). These additional services are to be welcomed in principle, but in both cases we would be concerned if the new services put at risk (i) existing passenger services, (ii) plans set out in the relevant RUSs - including plans for the Northern Hub, and (iii) plans for the development of freight services. The Northern Hub work has clearly demonstrated economic benefits for the whole of the North of England and it is vital it is also demonstrated that the Alliance Rail proposals are consistent with these plans.

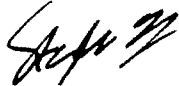
The assertion in the application that these services will assist in the delivery of the additional passenger capacity identified as needed by the relevant RUSs cannot be verified without detailed timetables.

Of the Alliance Holdings proposals the plans for the Calder Valley route are most promising, but we seek comfort that they will not blight other service development plans for this corridor.

The plans by Alliance Holdings include improvements to station facilities and car parking. We believe these issues must be addressed before the services could run. We therefore look forward to getting a better understanding of their plans for station facilities, especially at Eccles.

I have copied this response to Alliance Rail. If you wish to discuss any part of this response please contact either myself or my assistant, Mr Chris Loader (0161 244 1276).

Yours sincerely



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