

Dear Stations and Depot team,

Please find below the response from Chiltern Railways concerning the above consultation. We support the principal of streamlining the Station Change process and realising associated cost efficiencies which might result in conjunction with increasing the ability of third parties to invest.

Referring to the chapter heading in the consultation document:

4.5 – We agree with the concept of “Exempt Activity” so long as only applies to activity which has no result on QX or LTC

4.21 – we agree that £5k is an appropriate level for financial assessment to determine the type of Change Proposal subject to it being open to review

4.22 - we believe that if a change proposal does affect one consultee in a material way than it should be subject to the Material Change for all consultees

4.23 – we do not agree that consultees should be forced to accept up to £5k of incurred costs before compensation is paid as this erodes the consultees ability to control costs effectively

4.24 – if a series of stations are subject to change due to one overall single project which is delivered by the proposer as single project (e.g. CIS upgrades) then the Financial Impact should be considered as a single project. If the nature of works are dissimilar then an individual financial assessment seems fair.

5.8 – We have no comments and support the revised list of valid objections

6.12 – We recognise the theory of the introduction of “participation deeds” for third party developers, but consider that it will unnecessarily increase costs and duplication of work. SFOs are responsible for the efficient and safe operation of stations and every effort should be made to seek SFO sponsorship of a change proposal. SFO have Licence and Franchise Agreement responsibilities which without the need for their sponsorship of a change proposal could be jeopardised.

7.18 – we believe that public and private investors should be treated in the same way as the value of the investment is not increased by the source

7.19 – we believe that one financial threshold should be set, but do not have a strong view as to what that should be

7.20 – we do not support the principal of different contributor types as per our response in 7.18

7.21 – we agree that third party interest can be determined by the length of asset life, this is something which has been seen in the Chiltern Franchise in terms of Car Park extensions as it allows for proper accountancy for depreciation and provision for assets to be valued correctly as they can be sold as a Primary Franchise Asset

8.32 – we are not in favour of co-operation agreements which allow for change proposals to be implemented before the financial settlement has taken place as it removes one of the most significant pressures a proposer can bring to bear on such negotiations. Also, once the project is

completed there is no pressure on the consultees to agree a financial settlement in an expedient manner, increasing the costs for the proposal unnecessarily

8.34 – loss of revenue should be included as part of any compensation claim, this is more important with Franchises which have 100% revenue risk, but also true where “cap and collar” exists as losses are simply passed back to taxpayers

8.46 – we agree that an operator should have the right to object if alternative accommodation is inadequate or unusable, however a “reasonable” test needs to be added

8.49 – we feel that the provision of alternative station facilities as discussed in this paragraph does offer the most protection for the public, but a “reasonable” test could be included i.e. certain alternative facilities could be excluded from being provided with unanimous agreement of the consultees

8.51 – the ability to object to a proposal should include alternative accommodation, with the insertion of a reasonable test, as it protects the SFO from potential Licence and Franchise Agreement breaches and NPS scores benchmarks

9.8 – we agree that re-instatement of original condition should be considered on a case by case basis as the impact of an incomplete project is impossible to estimate in general terms

10.8 – we believe that protections contained in PART G should be retained

11 – we would like ORR to consider a further issue not discussed in the consultation which is that when amendments are approved to the SACs / SSAs a complete new document is used to replace the original document. This is important as over time multiple projects can occur at the same station and multiple amending documents result in a complex situation where errors can be easily made in interpretation of what should actually be provided. We also note that whilst the online public register has recently been improved, we have experienced occasions where the indexation has not been correctly applied and so amending documents have not been easily identified.

12.12 – we do not believe that there is need for a second register as the current system works well

Regards

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