



Ian Williams
Senior Track Access Manager
Office of Rail and Road
One Kemble Street
London WC2B 4AN

Cc: David Reed

By email only

25th July 2019

Dear Ian,

Track access contract for new open access services between Blackpool and London

John Larkinson wrote to me in June 2018 advising of the ORR's decision to award track access rights to Great North Western Railway Limited (GNWR) for new open access rail services between Blackpool North and London Euston commencing in 2019. Based on discussions and correspondence between our organisations, and with Network Rail, over the past few months, I am writing to you with the following requests regarding the final form of the directed contract.


Company name

Since the decision last year, Alliance Rail and GNWR have been working closely with Grand Central and Arriva UK Trains to establish the best way of delivering the new services. As you know, there have been some hurdles to overcome before mobilising the project, not least the uncertainty and delay in the cascade of rolling stock from LNER's IC225 fleet. Given the fixed end date for the contract, Arriva has concluded that the best way of delivering the new business is for it to be operated by, and branded as, Grand Central. Mobilisation of the new business is already under way and is being project managed by Grand Central.

I am therefore asking for the name on the contract to be *Grand Central Railway Company Limited* rather than *Great North Western Railway Company Limited*.

Rolling stock

The application for rights to operate 110 mph services between Blackpool and London was originally made to ORR in October 2017. Most of the inputs to that application were planned much earlier that year. In your decision letter you advised that you would "include conditions requiring appropriate rolling stock to be secured". Refinements to the business case after the decision indicated that there were some risks inherent in using a small fleet of Class 91 locomotives on the WCML. Furthermore, introduction of new or additional competing services by other operators on the route means that demand was forecast to be lower than originally modelled.

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Grand Central has therefore decided to use Class 90 locomotives to haul the new trains and to reduce the initial formation to five Mark 4 coaches plus DVT, with an option to increase to six coaches as demand increases.

Class 90s are route cleared for the whole route between Euston and Blackpool and are familiar in operation on the WCML as freight locomotives. A small sub-fleet has been used for around three years to substitute for Class 91s on LNER's services, even though their maximum speed of 110 mph did not match that of the Class 91s. Grand Central's WCML services are planned to operate at 110 mph. Network Rail has now agreed that the 110 mph sectional running times on the Blackpool route for Class 91s are appropriate for Class 90s as well.

I am therefore asking for the contract to specify traction in the form of Class 90 rather than Class 91 locomotives. Insofar as it affects the provisions included in the contract I am also seeking your approval to reduce the initial number of coaches per train to five.

Station investment

The decision letter required an investment in both rolling stock and stations to justify the length of contract. At the time of application it was anticipated that services would start as early as May 2019 and that the contract would run for 7½ years, expiring in December 2026. The earliest start date for passenger services is now February 2020 with full service expected to commence in May, limiting the length of full passenger service operation under the contract to just over 6½ years.

The original sums proposed for investment were also based on firm rights being granted for six return services each weekday whereas the decision letter granted only five firm rights with contingent rights for the sixth path. Our initial service will not exercise this contingent right.

I am therefore seeking your agreement to reduce the sum to be invested in stations and depots from £1.5 million to £1.2 million to reflect both the shorter contract and the smaller number of rights granted. I acknowledge that in order to secure firm rights for a six path we may expect to increase this investment. Please note that we will still invest the full sum agreed for rolling stock.

Draft contract


Chris Hanks has separately provided you with a copy of the draft contract, agreed with Network Rail that reflects the requests above. Work on Schedules 4 and 8 is still in progress. Chris will forward you an updated copy once the work has been completed and the relevant parameters have been included in these schedules.

Yours sincerely,




Richard McClean

Managing Director

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