Form **P**

APPLICATION TO THE OFFICE OF RAIL AND ROAD FOR A PASSENGER TRACK ACCESS CONTRACT, OR AN AMENDMENT TO AN EXISTING CONTRACT

ORR ensures that train operating companies have fair access to the rail network and that best use is made of capacity. If a train operator wants to access the national railway network, it will need a track access agreement with Network Rail which requires ORR's approval under the Railways Act 1993. When determining access to the network, we must have regard to our statutory duties, most of which are set out in section 4 of the Act. We must exercise our functions (which include the approval of access contracts) in a way that we consider best achieves those duties.

Use this form to apply to the Office of Rail and Road (ORR) for a passenger track access contract, or an amendment to an existing contract by a supplemental agreement, under sections 17-22A or the Railways Act 1993.

It sets out ORR's standard information requirements for considering applications. Our track access guidance (and our making an application guidance in particular) explains the process, timescales and the issues we will consider. Please read the guidance before completing the contract and this form.

If the facility owner and beneficiary have agreed terms, the facility owner should fill in the form. If not, the beneficiary should fill in the form.

A pre-application industry consultation is usually required before submitting an application. Please see the industry code of practice for track access application consultations for more information.

This form should be completed up to section 10 and sent to consultees along with a copy of the proposed contract or supplemental agreement. Sections 10 and 11 should be filled in after the consultation and before applying to ORR.

We are happy to talk to you informally before you apply. Please contact us here. You can download a copy of this form, and of our model track access contract, from our website. Please ensure that you are using the latest version of this form as published on our website. We may ask for applications which have not used the latest version to be resubmitted.

You may also use and adapt this form if necessary to apply to use railway facilities other than those of Network Rail. Do not use this form for HS1, for which a separate form is available on our website.

1. Application Summary

1.1 Beneficiary company name:

Hull Trains Company Limited (Hull Trains)

1.2 Facility owner details:

Network Rail:	☒				
Region:	Southern ☐	Eastern ☒	North West & Central ☐	Wales & Western ☐	Scotland's Railway ☐
Other Facility Owner:	☐	Please state:			

1.3 Application under the Railways Act 1993 section:

17 ☐	18 ☐	22 ☐	22A ☒
		Supplemental Number:	27
		Current contract date:	17 March 2016
		Current contract expiry date:	Principal Change Date (PCD) 2032

1.4 Applicant status:

Public Service Operator ☐	Public service contract start date:	
	Public service contract end date:	
	Name of funder (e.g. DfT, Local Authority):	
	Does the funder support this application?	Yes ☐ No ☐
Open Access ☒		
Charter Operator ☐		

1.5 Executive summary of the proposed contract or amendment:

The application is to add a new service group into the Hull Trains Track Access Agreement (TAA), covering two return trips from London Kings Cross to Sheffield, with an extension to/from Meadowhall on one trip each way.
Hull Trains has long since catered for London-Sheffield passengers, travelling mainly via Retford with some via Doncaster. It now seeks to expand this business by running direct services from London Kings Cross to Sheffield via Retford, Worksop, and Woodhouse.

Proposed commencement date:	SCD 2025
End date:	PCD 2032
Date approval or directions wanted by:	30/06/2024

1.6 Industry consultation:

Who carried out the consultation?		Network Rail (NR)	
Consultation start date:	05 January 2024	Consultation end date:	05 February 2024
Not carried out ☐			

1.7 Applicant details

Facility Owner Company: Network Rail Infrastructure Limited ("Network Rail") Contact individual: Mark Garner Job title: Customer Manager Address: Floor 4B, George Stephenson House, Network Operations, Toft Green, York YO1 6JT Telephone number: [redacted] E-mail address: [redacted]	Beneficiary Company: Hull Trains Company Limited (the "Train Operator") Contact name: Andy Wylie Job title: Head of Regulation & Open Access Contracts, First Rail Holdings. Address: 8th Floor, The Point, 37 North Wharf Road, London, W2 1AF. Phone: [redacted] E-mail: [redacted]

1.7 Date of application to ORR: 5th January 2024

1.8 Checklist of documents attached to the application form:

- Proposed new contract (S17 or S18) or supplemental agreement (S22 or S22A) ☒
- Marked up Schedule 5 (where applicable) ☒
- Marked up comparison to model contract (where applicable) ☐
- All consultation correspondence ☐
- Supporting documentation required for competing services (see section 6.2) ☐
- Other supporting documents, side letters or collateral agreements (please list):

London to Sheffield timetabled paths ("F3 prints")
Consequential minor alterations to other services

2. Licence and railway safety certificate

2.1 Please state whether:

- you intend to operate the services yourself; or ☒
- have them operated on your behalf. ☐
  - if so, please name the proposed operating company:

2.2 Does the proposed operator of the services:

(a) hold a valid train operating licence under section 8 of the Railways Act 1993 or an exemption under section 7, ***and*** ☒

(b) hold a valid safety certificate under the Railways and Other Guided Transport Systems (Safety) Regulations 2006. ☒

If the answer to (a) ***or*** (b) is no, please state the point reached in obtaining a licence, exemption and/or safety certificate.

3. The proposed contract or amendment

3.1 Application overview: Please detail the proposed contract or amendment. This should cover the services, the commercial terms, and the reasons for making the application in the terms proposed. This information should be laid out clearly and concisely, and fully highlight the changes from the previous version of the contract (in the case of an amendment).

The contract is to be amended by the creation of a new service group within Schedule 5 to introduce two return trips from London Kings Cross to Sheffield, with an extension to/from Meadowhall on one trip each way. Station stops for this new service group are also included.

The Specified Equipment is altered to become service group specific with the proposed introduction of class 221 or 222 units onto the Sheffield service.

The introduction of this service group requires an amendment to Schedules 4 and 8 and a mechanism to achieve this is included in a new Schedule 11.

3.2 Safety risks: Please explain any important safety risks that have been identified arising from the proposal and how these will be controlled (by reference to the facility owner's safety authorisation and the train operator's safety certificate).

No important specific safety risks have been identified with this proposal, save the usual risks that are associated with operation of passenger trains and introduction of additional services on the Network

3.3 Contract duration: For new agreements or extensions to existing agreements, please provide justification for the proposed duration and, if more than 5 years, with reference to the Railways (Access, Management and Licensing) Regulations 2016.

Not applicable – this supplemental agreement is due to end at the current end of the existing contract (PCD 2032).

3.4 Terms not agreed with the facility owner (for applications under sections 17 or 22A only): Please explain any areas of the application which have ***not*** been agreed, the reasons for the failure to agree and the reasons for seeking these provisions.

FirstGroup, the parent company of Hull Trains, is a quoted company on the London Stock Exchange and the announcement of this new service is classed as share price sensitive so no discussions could take place until the stock market is informed of this proposal in the usual manner.

However, it is anticipated that this application will eventually be converted into an section 22 application and discussions with the facility owner to achieve this can now take place.

3.5 Bespoke provisions (departures from ORR's model access contracts)

Does the proposed contract include any departures from ORR's model access contract:

Yes ☒ No ☐

If yes, please set out and explain any:

- areas where the drafting of the application changes ORR's published template access contracts (as appropriate, cross-referencing to the answers below). Please also explain why these departures have been made.

The introduction of this new group will require a change to Schedules 4 and 8, after a suitable calibration period. To give effect to this change, a new Schedule 11 has been introduced, the wording of which is almost identical to that used in the ECTL (Lumo) TAA.

- instances where the proposal departs from the charging and/or performance regimes established by ORR's latest periodic review (or subsequent interim reviews) as reflected in ORR's model access contracts, including the financial implications (e.g. establishment of an access charge supplement or rebate).

Not applicable

- new processes (e.g. a self-modification provision) which have been added. Please also demonstrate fully how this new process is robust and complete.

See above.

3.6 Consolidated contract
For amendments to existing contracts, is the version of the consolidated contract on our website fully up to date? If not, please explain why not.

Yes, up to and including the 25th supplemental – the 26th Supplemental (extension of existing additional services to PCD 2024) is in consultation at the time of this application.

4. The impacts of the proposal

4.1 Benefits: please set out what specific benefits the proposal will achieve. Please describe the benefits to passengers and any impact on other operators, including freight operators.

The benefits of this proposal are to provide through passenger services between Sheffield, Woodhouse, Worksop, Retford and London Kings Cross, obviating the need to change trains and bringing new passengers onto the rail network.

Further detail on both the passenger and economic benefits to the region will shortly be provided (to the ORR only) as part of their decision-making process.

4.2 Capacity: How have you satisfied yourself that there is enough network capacity for the services in the proposal? Please include details on all relevant capacity considerations, including but not limited to track, platform availability, and power supply traction.

A timetable study has been carried out, using the June 2024 database as the basis. The F3 prints (all days) and consequential minor flexes required to other services are included with this application.

Once the December 2024 database is made available, HT will re-do this exercise, but the potential paths have already been identified.

4.3 Performance: What is the impact on network performance? Please outline your assurance process that shows that any performance risk is tolerable in comparison to the benefits of the application. Please explain any risk mitigations. Please attach any associated evidence to support your case.

No detailed performance analysis has yet been carried out but as all paths are TPS compliant and are not “forced”, we anticipate minimal impact.

4.4 Maintenance and renewals: Are there any implications for the facility owner's maintenance and renewal activities?

None.

5. The expression of access rights

5.1 Changes to rights: please provide full descriptions of any new rights required, as compared to the previous contract (in the case of an amendment). Please attach a fully marked-up version or document comparison of any tables in Schedule 5 which are being modified as a result of this application.

The rights sought are for 2 return paths from London Kings Cross to Sheffield via Retford with intermediate stops at Retford, Worksop, and Woodhouse.

It is currently thought that the first up and last down service will be formed by or continue as an ECS service running via Meadowhall, so rights are sought to run this, in each direction, as a passenger service between Meadowhall and Sheffield

5.2 Flexing rights: Please explain any limitations on the facility owner's flexing rights in the proposal and the rationale for such limitations.

None.

5.3 Specified equipment: Please explain any changes to specified equipment (rolling stock). Has the vehicle and route acceptance procedure in the Network Code (Part F) has been completed? Please explain whether you have, or will have, the rolling stock necessary to exercise the rights.

Initially, the service is to be operated by a class 221 or 222 unit but eventually by a new (unspecified class of) unit once they become available to lease. The Specified Equipment "box" has been altered to make each service group class specific.

As part of the introduction of 22x units onto the Retford to Sheffield section, this section needs to be completely cleared for class 221 and 222 units as well as class 802 units, as Hull Trains also wishes to further enhance its East Coast Main Line (ECML) diversionary capabilities as well as creating a substitution opportunity should the 221 or 222 unit be unavailable on a particular day.

5.4 Contractual obligations: Are the proposed services necessary to fulfil obligations under a public service contract? For publicly contracted operators seeking additional access rights, we will expect to see evidence of funder support for the specific rights and of operators' intent and ability to operate the new services.

Not applicable.

5.5 Public funding: Other than the DfT, Welsh Government or Transport Scotland, are the proposed services subject to financial support from central or local government including PTEs. If so, please give details.

Not applicable.

5.6 Long Term Planning Process: Is the Long Term Planning Process (or similar devolved authority or regional service delivery project) relevant to this application? If so, please explain how the proposed rights are consistent or inconsistent with this.

None of the rights sought are inconsistent with any Long Term Planning Process.

6. Competing passenger services:

We would expect to apply the 'not primarily abstractive' test to:

(i) a new open access service which would compete with franchised services and so impact on the public sector funder's budget;

(ii) a new franchised service which would compete with an existing franchised service, where we would expect to focus the test on areas where the competing franchised

services are operated on behalf of different funders or where for some other reason there are particular concerns over the impact on a funder's budget; and

(iii) a new service, which might be open access or franchised, which would compete with an existing open access service and which, if it caused the existing open access operator to withdraw from the market, could reduce overall competition on the network.

6.1 Please state if your application is for a competing passenger service, and if so please describe the nature of the competition:

Hull Trains already carries passengers that wish to travel from London Kings Cross to Sheffield and these travel via (mainly) Retford and Doncaster. It also carries London to Worksop passengers via Retford.

Existing operators that also carry London to Sheffield passengers are LNER (also connecting via ECML stations) and EMR (direct) and the proposed service will increase competition on the Sheffield - Retford route to/from London.

There will be, to a much lesser degree, competition with some local services operated by Northern between Retford, Worksop, Woodhouse, and Sheffield.

6.2 For competing services, please also confirm that you have attached as part of your submission to ORR the following:

- Business plan, including details of:
  - forecasts of passenger traffic and revenues, including forecast methodology;
  - pricing strategies;
  - ticketing arrangements;
  - rolling stock specifications (e.g. load factor, number of seats, wagon configuration); ☐
  - marketing strategy;
  - estimated elasticities of the services (e.g. price elasticity, elasticity with respect to quality characteristics of the services).
- Demand forecasting (including associated spreadsheet models) demonstrating modelled generation : abstraction ratio. ☐
- Indicative timetables, including associated .spg files ☒

7. Incentives

7.1 Train operator performance: please describe any planned performance improvement initiatives and/or enhancement projects associated with the operation of the proposed services aimed at improving operator performance.

None planned.

7.2 Facility owner performance: please describe any planned performance improvement initiatives and/or enhancement projects associated with the operation of the proposed services aimed at improving the facility owner's performance.

None planned.

7.3 Monitoring of services: Will all proposed services be monitored for performance throughout their journey? If not, please explain.

Yes.

7.4 Performance regime changes (for applications under sections 17 or 22A only): where applicable, please provide justification for any changes to Schedule 8 of the track access contract in the proposal. If necessary, please provide any relevant information in support of the changes proposed.

The introduction of this new group will require a change to Schedules 4 and 8, after a suitable calibration period. To give effect to this change, a new Schedule 11 has been introduced, the wording of which is almost identical to that used in the ECTL (Lumo) TAA.

8. Enhancement

8.1 Enhancement details: where the proposal provides for the delivery of any network enhancements, or the services in the proposal are subject to any planned network enhancements, please give full details of the relevant enhancement schemes, including a summary of outputs from the scheme, timescales and the extent to which the network change procedure in the Network Code (Part G) has been completed (where appropriate, by reference to submissions made under ORR's enhancement reporting framework).

None envisaged.

8.2 Enhancement charges: please confirm that the arrangements for the funding of any network enhancements are consistent with the investment framework, and summarise the level and duration of payments, and the assumed rate of return.

Not applicable.

9. Other

9.1 Associated applications to ORR: please state whether this application is being made in parallel with, or relates to, any other current or forthcoming application to ORR (e.g. in respect of track, station or light maintenance depot access contracts). Where the application is being made in parallel with any other application from the same operator, please ensure the applications are consistent with one another. Where the application relies on another operator relinquishing access rights, please provide evidence that this process has been completed.

The relevant Station and Depot Access Agreements will be entered into, and it is anticipated that these will be made on a standard and consistent basis.

9.2 Side letters and collateral agreements: please confirm here that the whole of the proposal between the parties has been submitted with this application and that there are no side letters or other documents which affect it.

Not applicable. There are no side letters.

9.3 Confidential redactions: please list any information that you have redacted from any documentation sent to consultees. If there has been no pre-application consultation, please list any information you want us to exclude from publication. Please provide full reasons for any redactions.

No redactions are applicable at this stage but the business plan, revenue analysis and any rolling stock quotes or contractual details (to be subsequently submitted to the ORR only) will be regarded as wholly confidential.

10. Pre-application consultation

10.1 The consultation:

If consultation has not been carried out, explain why not. If it has, please list the consultees.

FirstGroup, the parent company of Hull Trains, is a quoted company on the London Stock Exchange and the announcement of this new service is classed as share price sensitive so no consultations could take place until the stock market is informed of this proposal in the usual manner.

However, with the stock market announcement having now taken place, it is anticipated that the required consultation can commence without delay.

Who conducted the consultation?

NR

List all consultees who responded and include their responses and any associated documentation or correspondence between the parties.

Not applicable (yet).

10.2 Resolved issues: please explain any issues raised by consultees which have been resolved.

Not applicable (yet).

10.3 Unresolved issues: Please explain any issues raised by consultees which have ***not*** been satisfactorily resolved and why you think these issues should not stop ORR approving the application.

Not applicable (yet).

10.4 Subsequent Changes: Have any changes been made to the proposal following consultation?

Not applicable (yet).

11. Certification

Warning: Under section 146 of the Railways Act 1993, any person who, in giving any information or making any application under or for the purposes of any provision of the Railways Act 1993, makes any statement which he knows to be false in a material particular, or recklessly makes any statement which is false in a material particular, is guilty of an offence and so liable to criminal prosecution.

For agreed applications under section 18 or 22, Network Rail should complete the information below. For disputed applications under section 17 or 22A, the beneficiary should complete it.

I certify that the information provided in this form is true and complete to the best of my knowledge

Signed …… Date 5th January 2024……

Name (in caps) …ANDREW WYLIE……

Job title …Head of Regulation and Open Access Contracts…….

For (company) FirstGroup on behalf of Hull Trains……

12. Submission

12.1 What to send: please supply the application form, the proposed contract or amendment and, where possible, any other supporting information, in electronic form by e-mail, **in plain Microsoft Word or Open Document Text format** (i.e. excluding any macros, auto-para or page numbering, or other auto-formatting).

12.2 Where to send it:
Email: **track.access@orr.gov.uk**