

Gareth Clancy
Head of Access and Licensing
Office of Rail and Road (ORR)
25 Cabot Square
London
E14 4QZ

By email: [REDACTED]

25 February 2025

Dear Gareth,

Ref NR Submission on WCML South

We are writing in reply to the Network Rail letter to you of 7 February 2025 outlining their response to the consultation on the competing applications between Nuneaton and London Euston. We recognise that Network Rail will also provide a response specific to our application.

We welcome the statements made by the Secretary of State for Transport (“SoS”) and other representatives of the DfT, recognising the many benefits that can be provided by open access, opening up new markets, driving innovation and fostering competition. In addition we would note that ORR’s careful exercise of its regulatory powers to approve open access operations has helped to provide businesses with the confidence to make significant investment in the industry and wider communities. Our recent order for a fleet of Hitachi trains that will be produced in Newton Aycliffe, celebrated by the Prime Minister and Secretary of State for Transport in December 2024. The Chancellor is also supportive, saying that she was “pleased” about our order of Hitachi trains for our open access services, and that it was something that “means a lot” to her.

We consider that the history of Open Access applications and operations bears out this positive view and that, in reality, successful applications granted by the ORR have universally resulted in service and performance enhancement, higher standards and greater ridership without significant capacity or revenue abstractive outcomes.

We are now in the 25th year of Open Access services in the UK with no real-life examples of track capacity, performance or abstraction risks manifesting themselves. There is strong evidence to the contrary that shows that, Lumo, Hull Trains and Grand Central have all been successful for passengers and co-exist with other operators on their routes without issue. This all stands to support the success of the independent decision making of the regulator in relation to such applications, ensuring the efficient use of track capacity, greater benefits for passengers, and value for the taxpayer.

While we provide a number of high-level responses below to the points raised in Network Rail’s letter, we are continuing to review the detail of Network Rail’s comments and reserve the right to respond further to them if required. In this respect we would welcome, in particular, any direction from ORR on matters which ORR considers it would benefit from further evidence from us (if any).

Timetable

- We welcome Network Rail's assessment that following the introduction of the Lumo Stirling service and the additional Avanti service to Liverpool that there is capacity for our Lumo NW service on the WCML South network.
- Our Lumo NW service to Rochdale will dovetail with our Lumo service to Stirling, to ensure optimal use of the capacity, provide considerable customer benefits, and wider economic benefits.

Performance

- As part of our supporting evidence to the Lumo NW application to run services between Rochdale and London Euston we commissioned Trenolab, performance micro-simulation experts, to demonstrate how the Lumo NW service fits on the network and the performance impacts. The findings of this commission have been shared with Network Rail.
- An important part of the Lumo NW application is the traction doesn't rely on 100% electric running, ensuring it can work within the power supply constraints on the WCML. We believe a battery electric solution can provide an effective solution to capitalise on the WCML capacity that has been identified. It also ensures that decarbonisation remains at the core of the proposition, with further diesel running in Euston station particularly undesirable.
- We have provided significant detail with Network Rail on how a battery electric operation could overcome the power supply constraints on the WCML and the performance characteristics of such an operation.

Euston Passenger Flow

- We recognise the concerns at Euston station for safe movement of customers through the station concourse, our service would not be introducing more trains above the peak hour than is currently approved. It should be recognised that the current Euston footfall is still significantly below the footfall in 2019. In 2023/24 the ORR published entry/exits for the station was 36 million, this compares to 46 million in 2018/19.
- There is still plenty more which can be done on helping the pedestrian flow through the station, and we are happy to help work with industry partners to ensure customers move safely through the station.

HS2

- We recognise that HS2 will bring significant benefits, bringing much needed capacity to the WCML. At this stage it is not clear how and when HS2 will operate north of Birmingham, and restricting any decision on track access until it is clear is unrealistic, there are significant benefits which can be delivered today and the years prior to HS2 launch. Lumo NW brings significant economic benefits to Greater Manchester and Liverpool City Region, and importantly improves the connectivity immediately for the boroughs of Bury, Rochdale, Oldham, Salford, and St Helens.
- As we have done on other major infrastructure projects, we will work with industry partners to ensure projects are delivered smoothly, and importantly that the customers are looked after during periods of disruption.

In summary, we will only submit what we believe are strong applications which have been well stress-tested in respect of network capacity, performance and economics, and our 25 year history in Open Access has demonstrated our success in this area.

Our application has a very strong alignment to the Government's aspirations for private sector investment, delivering improved connectivity and driving economic growth. They build upon a successful track record in these areas, and robust evidence based on outcomes, along with strong stakeholder support.

The Government is encouraging the private sector to deliver for the UK economy and the communities we serve. The Secretary of State for Transport has said that she recognises the benefits that can be provided by Open Access operators in the right circumstances and that both existing and new Open Access operators can open up new markets, drive innovation and offer choice to passengers. We consider that our application does.

We would be grateful if the ORR would take this response into consideration when reviewing the Network Rail submissions and, in the event that queries arise or remain in relation to any of the points Network Rail raises, identify them to us such that we can provide a fully evidenced response.

In the meantime we continue to review the detail of the Network Rail submission and reserve the right to write further in relation to it if necessary.

Yours sincerely,

A solid black rectangular box used to redact the signature of Stuart Jones.

Stuart Jones

First Rail Open Access Commercial Director