

The Wrexham, Shropshire & Midlands Railway Company Ltd 4 Brindleyplace Birmingham B1 2JB

11 March 2025

John Larkinson Chief Executive Office of Rail and Road

Dear Mr. Larkinson

WSMR Section 17 Application – 14 March 2024 – Wrexham General to London Euston

WSMR response to "Network Rail representations for applications affecting the West Coast Main Line (South)" letter of 7 February 2025

1. Thank you for asking for WSMR's views on Network Rail's 7 February 2025 letter outlining its reasons for not moving forward with WSMR's application to operate trains between Wrexham General, Gobowen, Shrewsbury, Telford Central, Wolverhampton, Walsall, Coleshill Parkway, Nuneaton and London Euston.

Purpose of this letter

- 2. The purpose of this letter is to respond to Network Rail's 7 February 2025 letter to facilitate expeditious determination by ORR of WSMR's Section 17 application of March 2024.
- 3. Such swift determination will enable WSMR to commence wholly new rail connectivity from the May 2025 and/or December 2025 timetables for the 6 key underserved cities and towns of Wrexham, Gobowen, Shrewsbury, Telford, Walsall and Coleshill.
- 4. This letter also aligns with the support for WSMR services most recently noted:
 - a) By the Secretary of State for Transport, Rt. Hon. Heidi Alexander MP in Parliament on 13 February 2025.
 - b) In the Open Access principles set out by the Secretary of State in her letter to the ORR of 6 January 2025 in respect of opening up direct connectivity markets that do not exist today.
 - c) By the Department for Transport in its letter to ORR of 4 February 2025, including its own assessment indicating the proposal would meet the 'Non-Primarily Abstractive' (NPA) test, and subject to any risks to performance being mitigated "*as far as is possible*".
 - d) In the support of multiple local stakeholders along the WSMR route.

Scope of this letter

5. Its principal scope is to address and resolve the issues raised in Network Rail's letter to ORR of 7 February 2025 and thus facilitate ORR's determination of WSMR's Section 17 application.

An extensively delayed determination process

- 6. For our wider contextual analysis of the lengthy delay in determination of WSMR's 14 March 2024 Section 17 application we attach our letter to you of 22 July 2024, some 9 months ago.
- 7. We do not restate the detail of this analysis, but paragraphs 8-15 below summarise the key components of a scale of delay running directly counter to the ORR's principles of timely, prompt and fair assessment.
- 8. This delay is further exacerbated by the content of Network Rail's letter of 7 February 2025.
- 9. ORR will recall that WSMR started working with Network Rail on timetable development of its proposed service in February 2023, more than 2 years ago, with this being:
 - a) 14 months prior to the ORR's 24 April 2024 letter to the industry setting out its '*Competing* and/or complex track access applications for December 2024, May 2025 and December 2025 timetable changes' process ('ORR 24 April 2024 Process').
 - b) 16 months before Network Rail's 'High Level Plan' ('NR High Level Plan') set out in its 05 June 2024 response to ORR in respect of its 24 April 2024 letter.
 - c) 24 months before Network Rail's 7 February 2025 letter.
- 10. Network Rail also carried out the pre-Section 17 submission industry consultation in November-December 2023, 14 months before Network Rail's 7 February 2025 letter.
- 11. WSMR's Section 17 application was made to ORR 12 months ago, pre-dating the 'ORR 24 April 2024 Process' and the 'NR High Level Plan', and a significant number of post-24 April 2024 competing Open Access applications.
- 12. Network Rail's letter of 7 February 2025 confirms the existence of 9 West Coast South Rugby-Euston Open Access paths but concludes that notwithstanding two years of work with WSMR and nine months of work under the 'NR High Level Plan' it is unable "*to comment on the ability to accommodate the rights between their origin and destination*".
- 13. However, Network Rail's letter does comment on a breadth of topics, including Euston Station passenger flows and the impacts of HS2 away from the geography and Section 17 application timeline of WSMR services, and in doing so appears to extend beyond the fundamental purpose of the 'ORR 24 April 2024 Process' to address specific timetable capacity concerns for various identified pinch points on the Network.
- 14. It is unfortunate that Network Rail's Timetable Capacity Assessment contained in the 7 February 2025 letter, undertaken in September 2024, was not shared with WSMR (or presumably ORR) for comment and resolution for c. 5 months, adding further to determination delay.
- 15. WSMR believes it is disproportionate, unnecessary and in breach of ORR's principles of fairness that its application under the ORR's preceding processes has been drawn into the significant national evaluation of capacity instigated via the 'ORR 24 April 2024 Process' and 'NR High Level Plan', and that this is continuing to inappropriately delay and preclude ORR's determination.

WSMR Response

16. However, WSMR fully understands the risks of new services to performance, has undertaken detailed performance assessment using Railsys, and worked with Network Rail to demonstrate how these are mitigated "*as far as is possible*" (DfT as per 4(c) above).

- 17. We thus address the full range of topics in Network Rail's 7 February 2025 letter as below:
 - a) Timetable capacity paragraphs 18 to 24
 - b) Timetable performance paragraphs 25 to 32
 - c) Euston Station Passenger Flows paragraphs 33 to 34
 - d) High Speed 2 paragraph 35

Timetable Capacity

- 18. WSMR agrees with Network Rail's assessment in the 7 February 2025 letter (final paragraph; p.3) that there is unused capacity on the West Coast South route, notably the 9 unused paths per day in each direction between Rugby and Euston identified in the December 2022 Event Steering Group (ESG) timetable for potential Open Access operations.
- 19. WSMR's May 2025 and December 2025 timetable bids thus have each specifically sought to make use of these Open Access West Coast paths identified by Network Rail.
- 20. Via extensive, in-depth and constructive work with Network Rail's timetable planning teams over 2 years, WSMR has demonstrated clearly that "viable paths" (Network Rail planners' description) exist for its proposed services on all seven days of the week for the May 2025 timetable.
- 21. However, Network Rail's 7 February 2025 letter (paragraph 2, p.4) states:

"Network Rail is currently unable to comment on the ability to accommodate the rights between their origin and destination as work to assess the access rights in full is continuing in accordance with the plans provided to ORR on 05 June, 28 June and 12 August 2024 as updated on the 30th January 2025."

- 22. Network Rail proposes no WSMR-specific programme to provide any such comments.
- 23. Taken together with our comments at paragraphs 8-15 above and performance evidence we have developed and submitted to Network Rail and ORR as set out at paragraphs 25-32 below, we suggest Network Rail does now possess sufficient evidence after 2 years of work to expeditiously complete the capacity and performance analysis noted by the DfT (as per 4(c) above) and comment on and support WSMR's application under Section 18 of the Railways Act 1993.
- 24. In parallel we suggest it is now reasonable for WSMR to have initial priority on the identified paths given their availability, its application predating the 'ORR 24 April 2024 Process' and 'NR High Level Plan', and the inappropriately lengthy determination timescale.

Timetable Performance

- 25. WSMR notes Network Rail's assertion that *"we would expect resilience to be significantly reduced in an already poor performing area of the network should additional access rights and services be accommodated."*
- 26. However, WSMR's detailed Railsys-based performance modelling and analysis presented to Network Rail in February 2024 and ORR via the Section 17 application in March 2024 does not support this assertion, with its key findings being:
 - a) "The performance of the WSMR paths themselves is good, being (at worst) equivalent to existing WCML paths and in most cases performing better."
 - b) "The overall network impact is low, with most service groups being unaffected and even those being affected showing a minimal impact. Performance impacts are generally identified on individual train paths (rather than service groups); this is highlighted so that specific interventions (either timetable, operational or in terms of regulation policy) can be developed."

- 27. WSMR notes from Network Rail's 7 February 2025 letter (p.7) that West Coast South performance has gradually declined since the implementation of the December 2022 ESG timetable. However, examples such as a c. 25% deterioration in right time arrivals Moving Annual Average (MAA) at Euston (graph p.7) between 2021/22 P.1 and 2024/25 P.10 is of a much more significant scale than the c. 3% *loss of improvement* (our italics i.e. not in fact a net deterioration) in Time-to-3 that Network Rail notes with additional services such as Euston-Liverpool and Euston-Stirling (paragraph 1 and Table 3; p.6).
- 28. This suggests that either the December 2022 ESG timetable is flawed, or 'other factors' are relevant to this significant decline. This demands immediate cross industry attention and action, but it would be perverse if competition to existing operators were prevented by their current poor performance.
- 29. 'Other factors' may include:
 - Causes of ongoing and deteriorating performance on the WCML, such as staff resourcing/shortages and industrial disputes, which may be wholly discrete from timetable capacity.
 - b) The overall level of delay being caused by Network Rail's infrastructure and/or Avanti's recognised poor level of service which is preventing the timetable operating at a realistic level of resilience.
 - c) WSMR believes that there is an element of built-in 'firewall buffer' or 'resilience' exists in the timetable due to the differing sectional running times between the agreed timetable planning headway (averaging 180 seconds) and the physical signalling headway (90 – 110 seconds) over the route.
 - d) Any lack of planning that has led to inadequate power supplies being available to support the capacity of the route.
 - e) The industry seeking to eliminate WCML diesel hauled services for both "green" credentials and emissions concerns whilst their replacement is precluded due to power supply issues as above.
 - f) Introduction by the Avanti West Coast contract and Network Rail of Class 8xx units which do not comply with Enhanced Permissible Speeds (EPS) for other electric and diesel traction on the WCML, thus reducing overall route capacity and offering less for recovery when perturbation occurs. (n.b. WSMR is proposing to use Class 221 units which are already cleared to operate at full WCML EPS speeds and therefore able to take best advantage of the capability of the infrastructure.)
 - g) Any lack of planning that has allowed overcrowding issues to develop at Euston without a credible plan to deal with the footfall at the station.
 - h) The 'appeared and often experienced loss' of the industry's ability to manage network incidents effectively, promptly implementing network recovery protocols such as CMS and Golden Hour recovery.
- 30. WSMR does not believe that current poor levels of service and performance should be a rationale for Network Rail or incumbent operators to oppose introduction of new rail connectivity. Nor can WSMR seek to offer solutions to 'whole industry' challenges.
- 31. Rather, and as indicated by the DfT (4(c) above), capacity and performance risks of WSMR's proposed Open Access services meeting the Secretary of State's *"right circumstance"* test (4(b) above) should be mitigated *"as far as is possible"*.

32. WSMR believes it has sufficiently evidenced its case in both capacity and performance terms and against the *"right circumstances"* test to enable its March 2024 Section 17 application to be determined separately from the 'ORR 24 April 2024 Process' and the 'NR High Level Plan' and be accelerated to enable its new services to commence for the public in the May 2025 and/or December 2025 timetable periods.

London Euston Station Passenger Flows

- 33. WSMR notes Network Rail's stated concerns about passenger flows at Euston. However, whilst this is a subject that warrants and is receiving industry attention, we note:
 - a) That in any one hour the proposed Open Access path would consist of one 5-car train arrival/departure, whilst the Avanti service will consist of 16 trains made up of c. 80 coaches, together with 38 services operated by West Midlands Trains and London Overground. One Open Access path in each direction would thus make up c. 2.5% of the hourly passenger flow.
 - b) Euston passenger volumes remained significantly reduced in 2023/24, at 36.2m, 20% lower than pre-COVID 44.7m in 2019/20 and 14% lower than 41.9m 10 years before in 2013/14. Given concourse space has been revised and extended via recent projects this may suggest volume alone is not the sole determinant of passenger flow management, and that passenger numbers from one Open Access service per hour are unlikely to be foundational to the station's overall management.
 - c) Network Rail suggests Open Access Stirling services will exacerbate Euston passenger volume challenges in two evening peaks between 16.45-17.00 and 17.30-17.45 (Figure 2 p.8). These are, however, not at times when Stirling services are due to leave Euston, understood to be at 16.20 and 19:20 (the latter as far as Preston only).
 - d) Network Rail predicts that these peaks will grow significantly by 2042, yet neither the Stirling nor proposed WSMR services would initially receive approval to operate beyond the early 2030s. Presumably in considering overall passenger footfall growth at Euston in the next 20 years Network Rail will be able to consider plans to accommodate this generated via both GBR-contracted and Open Access services, whilst taking account of future volume transfer to High Speed 2.
 - e) WSMR services at London Euston would be opened as early as possible allowing for customers to board the train ahead of scheduled departures. This facilitates prompt service boarding and would support the removing of WSMR customers from accumulating on the station concourse; although WSMR is sure Network Rail welcomes these additional customers circulating the station concourse to browse the many retail outlets in order to make purchases prior to boarding trains.
- 34. Therefore, it seems difficult to justify that one Open Access service an hour would be a materially detrimental to passenger management at Euston Station.

High Speed 2

- 35. WSMR notes Network Rail's comments about HS2, but we suggest these are not relevant to the WSMR application given:
 - a) WSMR services would leave the West Coast Main Line (WCML) at Nuneaton, some 23 miles south of Handsacre where HS2 services would join WCML to head to locations further north.
 - b) The gap in the pattern created by WSMR services leaving the route at Nuneaton can

provide capacity for other northern-direction services.

c) WSMR would be reaching the end of its initial proposed 7 year duration before HS2 services are likely to operate.

Summary

- 36. WSMR believes the capacity and performance cases for its Open Access proposals have been solidly evidenced, evolved over 2 years of development work with Network Rail with risks mitigated as far as is possible, are proportionate for a five trains a day service, align with the Open Access principles of the Government and Department for Transport, and are sufficient for both Network Rail and ORR to reach a supportive position and determination enabling services to commence in the currency of the May 2025 and/or December 2025 timetables.
- 37. As noted in our letter to you of July 2024 we hope WSMR, ORR and Network Rail can continue to work together to see these new services swiftly bring benefits to the economy, communities and environment of the Wrexham-London route from this year.

Yours sincerely

Darren Horley WSMR Mobilisation Director

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WSMR Letter to ORR - 22 July 2024