



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

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](#) 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 9 and sent to consultees along with a copy of the proposed contract or supplemental agreement. Sections 9 and 10 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:

First Trenitalia West Coast Rail Limited
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### 1.2 Facility owner details:

Network Rail:	<input type="checkbox"/>				
Region:	Southern <input type="checkbox"/>	Eastern <input type="checkbox"/>	North West & Central <input checked="" type="checkbox"/>	Wales & Western <input checked="" type="checkbox"/>	Scotland's Railway <input checked="" type="checkbox"/>
Other Facility Owner:	<input type="checkbox"/>	Please state:			

### 1.3 Application under the Railways Act 1993 section:

17	<input type="checkbox"/>	18	<input type="checkbox"/>	22	<input type="checkbox"/>	22A	<input checked="" type="checkbox"/>
Supplemental Number:						02	
Current contract date:						11 December 2022	
Current contract expiry date:						14 December 2030	

### 1.4 Applicant status:

Public Service Operator	<input checked="" type="checkbox"/>	Public service contract start date:	November 2019
		Public service contract end date:	14 December 2030
Open Access	<input type="checkbox"/>		
Charter Operator	<input type="checkbox"/>		

### 1.5 Executive summary of the proposed contract or amendment:

This Application, made under Section 22A of the Railways Act 1993, is for Firm Rights to run additional services between London Euston and Liverpool Lime Street from 10 December 2023. These additional services reflect the wishes of the Secretary of State on award of the West Coast Franchise (TSR3).

Proposed commencement date:	10 December 2023
End date:	14 December 2030
Date approval or directions wanted by:	

### 1.6 Industry consultation:

Who carried out the consultation?	Network Rail on behalf of FTWRCL		
Consultation start date:		Consultation end date:	
Not carried out	<input type="checkbox"/>		

### 1.7 Applicant details

<u>Facility Owner</u> Company: Network Rail Contact name: Paul Harris Job title: Franchise & Access Manager Address: 2 <sup>nd</sup> Floor, Baskerville House, Centenary Square, Broad Street, Birmingham, B1 2ND	<u>Beneficiary</u> Company: Contact name: Sue Rhymes Job title: Track Access Manager Address: Ground Floor, Victoria Square House, Victoria Square, Birmingham, B2 4DN
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### 1.7 Date of application to ORR:

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## 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.

**Train operating licence:** West Coast Trains Limited (the "Train Operator") holds a valid train operating licence under section 8 of the Railways Act 1993 and a European licence for the purposes of the Railways (Licensing of Railways Undertakings) Regulations 2006.

**Railway Safety Case:** The Train Operator holds a valid safety certificate under the Railways and Other Guided Transport Systems (Safety) Regulations 2006

## 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).

This Application, made under Section 22A of the Railways Act 1993, is for Firm Rights to run additional services between London Euston and Liverpool Lime Street from 10 December 2023. These additional services have been developed in collaboration with the WCML Industry Planning Group (IPG) and Event Steering Group (ESG) workstreams.

These changes reflect the wishes of the Secretary of State on award of the West Coast Franchise (TSR3)

The table below shows a summary of the additional quantum being applied for.

	SX	SO	SUN
Northbound	+12	+12	+5
Southbound	+11	+11	+4

Key benefits to passengers will be:

- Additional hourly service between London and Liverpool to help stimulate economic growth and employment opportunities.
- Significantly improved intermediate connectivity through increased journey opportunities between Liverpool and principal stations on the West Coast Main line. This includes through delivery of a regular hourly inter-city service from Tamworth and Lichfield Trent Valley, supporting regional modal shift away from road onto rail.
- Improved interchange and regular service intervals between London, the Trent Valley and Liverpool City Region, alongside other Operators
- Enhanced travel opportunities which will support an increasing number of planned major events, stimulating overall economic growth in the region
- Alongside core hourly Liverpool services, direct access to Liverpool John Lennon Airport via Liverpool South Parkway to allow the airport to continue to grow their international routes as well as increase their patronage post covid.
- Improved journey experience for both leisure and business passengers through increased seating capacity.

Originally consulted in October 2019 as part of a Section 17, this Application is being re-consulted due to the time that has elapsed, and developments in the final IPG/Event Steering Group (ESG). These informed the design of the Concept Train Plan (CTP), the structure of which accommodates the proposed services, and onto which these changes will be made.

These changes, and subsequent passenger benefits, reflect original industry plans and therefore provide continuity of stakeholder and AWC shared aspirations to enhance regional connectivity and growth.

**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).

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**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](#).

Proposed commencement date:	10 December 2023
End date:	14 December 2030

**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.

We continue to work closely and collaboratively with Network Rail on development of our plans, including introducing these additional services. At this stage, Network Rail are not in agreement with our application due to concerns around power supply, available capacity and performance risk. In addition to evidence demonstrating the services can be introduced robustly and these points can be mitigated, we believe that Network Rail has not sufficiently justified its position on these concerns.

In response, we have provided Network Rail (and ORR) with extensive information, which we believe addresses these concerns, and continue to work constructively with all parties to reach a way forward.

### 3.5 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.

- 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).

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

### 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.

FTWCRL's current TAC expires December 2022. The application for a new TAC is well progressed and supported fully by Network Rail. This will be in place on ORR's website prior to this Section 22a being approved by ORR.

## 4. The expression of access rights and the use of capacity

**4.1 Benefits:** please set out what specific benefits the proposal will achieve, including a justification for requiring the rights and their characteristics. Please provide full descriptions of any new rights required, as compared to the previous contract (in the case of an amendment). Please also describe any significant changes in the pattern of services, their benefits to passengers and any impact on other operators, including

freight operators. Please provide 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 reflect commitments to the Secretary of State on award of the West Coast Franchise.

We have received multiple letters of support for introducing the additional Liverpool services. These include from the Metro Mayor, Liverpool Chamber of Commerce and Marketing Liverpool. These clearly illustrate, the additional services between London Euston and Liverpool will provide additional capacity to address increasing demand and patronage as we emerge from the pandemic, which support the region's wider long-term growth strategy, including enhanced regional connectivity, and supporting the region's tourism aspirations and visitor economy.

The West Coast Main Line provides important links between the Liverpool City Region and other major cities in the UK through the connectivity it offers. The Liverpool City Region Combined Authority have identified and strongly supported the need for a second hourly service to London as it will provide a boost to rail connectivity to and from the Liverpool City Region and help support ongoing economic growth for the area. The proposed additional Liverpool services will double the frequency of off-peak services to and from London Euston to two trains per hour and provide regular hourly off-peak calls at Lichfield Trent Valley and Tamworth in intercity services to and from London Euston and Liverpool for the first time.

Additional capacity on services to Liverpool will enable significant opportunities for the leisure and business sectors through additional visitors to the city and the potential to generate significant investment opportunities. It will also enhance opportunities for more major events to take place in the city again providing an economic dividend.

These additional services which will complement our investment in new Hitachi trains, will enable us to provide Liverpool South Parkway with a new hourly service to and from London Euston. Liverpool South Parkway serves as a key transport gateway for the Liverpool City Region, including John Lennon Airport, and providing a stop here will have great benefits for the surrounding areas and offer large residential populations easier access to our services, as well as enable access opportunities for the airport who are continuing to grow their international routes.

In the December 22 timetable, unadvertised stops at Liverpool South Parkway have been planned into the current services to facilitate them becoming open passenger stops from December 23 without the need to change the timetable.

The table below shows a summary of the additional quantum being applied for.

	SX	SO	SUN
Northbound	+12	+12	+5
Southbound	+11	+11	+4

**4.2 Adequacy:** How have you satisfied yourself that there is enough network capacity for the services in the proposal? Are there any implications for overall network performance and the facility owner's maintenance and renewal activities?

AWC has worked closely with Network Rail in collaboration with other Operators, and has built its timetable on conclusions from the WCML IPG Final Report published in February 2021. The resulting Concept Train Plan, developed through the ESG, delivers a timetable structure that makes for provision for new non-tilt Class 80x rolling stock to replace Voyager 221 rolling stock. Overall performance analysis for December 2022 suggests an On Time figure of 81.3%, above the NW&C regional On Time target for 2022/23 is 70%.

The timetable has been designed to robustly support the temporary reduction to 15 platforms at Euston from May 2023 for a two-year period, and reduction to 14 platforms in the interim to deliver the HS2 programme. Modelling has demonstrated that the timetable structure overall, including the additional Liverpool services, continues to deliver a T-1 performance benefit (of 2.8%) compared to December 2019. In the Down direction from Euston, Avanti T-1 improves by 13.2%. This illustrates that the station working is robust, and delays are not transferred to the Down direction despite only 15 platforms being available.

We see the phased introduction of our additional Liverpool services as an opportunity to preserve timetable resilience. As such we are committed to continuing to work with NR to review performance and refine the timetable as the plan embeds to drive further improvements.

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

None

**4.4 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.

The rights being sought utilise existing specified equipment together with the procurement of a new-build Hitachi fleet. It is anticipated that the new fleet will be introduced from Autumn 2023. The new fleet consists of a 10 x 7 coach Class 807 125mph EMU trains, which will be deployed on the existing Liverpool service. This will release Class 390s to operate the additional services being proposed in this application.

**4.5 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.

These services form part of the service specification contracted as an obligation under the FTWCRL Franchise Agreement.

**4.6 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.

N/A

**4.7 Long Term Planning Process:** Is the Long Term Planning Process relevant to this application? If so, please explain how the proposed rights are consistent or inconsistent with this.

We have concluded jointly with Network Rail that the outputs from the ESG (in terms of the Concept Train Plan) would form the accepted industry strategy for the short-term until HS2 over-writes it.

Therefore, it is relevant to this application and the proposed rights are consistent with it.

## 5. 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.

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

N/A

**5.2** 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

## 6. Incentives

**6.1 Train operator performance:** please describe any planned projects associated with the operation of the proposed services aimed at improving your performance.

Along with the line speed project to raise the permissible speed for non-tilting trains on the WCML, AWC and Network Rail continue collaborative work on a number of incremental infrastructure enhancements focusing on performance improvement. An example would be the introduction of flashing yellow signal aspects at Rugby (from the south into platforms 1 and 2).

**6.2 Facility owner performance:** please describe any planned projects associated with the operation of the proposed services aimed at improving the facility owner's own performance.

Along with the line speed project to raise the permissible speed for non-tilting trains on the WCML, AWC and Network Rail continue collaborative work on a number of incremental infrastructure



enhancements focusing on performance improvement. An example would be the introduction of flashing yellow signal aspects at Rugby (from the south into platforms 1 and 2).

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

Yes

**6.4 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.

N/A

## 7. Enhancement

**7.1 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).

AWC continues to work closely with Network Rail on joint implementation of a line speed project to raise the permissible speed for non-tilting trains on the WCML. Our new-build Hitachi Class 807 and 805 trains will take advantage of this from their introduction in Autumn 23, enabling optimal use of track capacity to deliver more frequent services and improved connectivity.

This project intends to increase line speeds over sections of the WCML, to take advantage of current guidance and standards which should allow certain sections of route to permit speeds close to the current EPS limit, without intrusive physical intervention.

**7.2 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.

N/A

## 8. Other

**8.1 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.

FTWCRL currently has a Section 18 Application for a new Track Access Contract out for industry consultation (concludes 31 October 2022).

**8.2 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.

**8.3 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.

The consultation version should exclude those items normally redacted by the ORR, for the usual reasons of commercial confidentiality.

## 9. Pre-application consultation

### 9.1 The consultation:

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

As noted above, AWC has worked collaboratively with multiple key stakeholders in development of these proposals as through the industry IPG and ESG forums, alongside ongoing engagement with local authorities and sub-national transport bodies.

Who conducted the consultation?

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

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

**9.3 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.

9.4 Have any changes been made to the proposal following consultation?

### 10. 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 ..... *S. Rhymes* ..... Date .....21/10/2022.....

Name (in caps) .....SUE RHYMES..... Job title.....Track Access Manager

For (company) .....First Trenitalia West Coast Rail Limited.....

### 11. Submission

**11.1 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).

**11.2 Where to send it:**

Email: [track.access@orr.gov.uk](mailto:track.access@orr.gov.uk)

### Annex: Checklist of documents attached to the application form:

- Proposed new contract or supplemental agreement
- Marked up Schedule 5 (where applicable)
- Marked up comparison to model contract (where applicable)
- Consultation responses
- Replies to consultation responses
- Supporting documentation required for competing services (see section 5.2)
- Other supporting documents, side letters or collateral agreements (please list):
