

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:

Grand Union Trains

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 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 checked="" type="checkbox"/>	18	<input type="checkbox"/>	22	<input type="checkbox"/>	22A	<input type="checkbox"/>
				Supplemental Number:			
				Current contract date:			
				Current contract expiry date:			

1.4 Applicant status:

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

1.5 Executive summary of the proposed contract or amendment:

Grand Union is proposing a new open access service linking towns which have no, or limited, long distance services, into the wider rail network as far as London. It provides greatly improved connectivity as well as competitive services for some station pairs on the West Coast Main Line (WCML).

Four trains per day each way are planned to operate between Stirling and London Euston via the Scottish Central route which avoids both Edinburgh and Glasgow with intermediate calls at Larbert, Greenfaulds, Whifflet, Motherwell, Lockerbie in Scotland and Carlisle, Preston, Nuneaton and Milton Keynes in England.

Our previous application has been revised due to the timescales surrounding the delivery dates for new rolling stock, and this fresh application proposes the use of off lease 22x rolling stock which we are advised will become available during 2024.

Grand Union intends to work with the appropriate local authorities and ScotRail to discuss possible investment at Larbert, Greenfaulds, Whifflet and Lockerbie to upgrade the stations and improve passenger and staff facilities to a standard appropriate for use by Intercity trains, but which will also benefit local passengers. We have had initial discussions with Transport Scotland, ScotRail and local authorities regarding potential further investment.

Proposed commencement date:	June 2025
End date:	June 2035
Date approval or directions wanted by:	March 2024

1.6 Industry consultation:

Who carried out the consultation?	Network Rail		
Consultation start date:	8 Sep 2023	Consultation end date:	8 Oct 2023
Not carried out	<input type="checkbox"/>		

1.7 Applicant details

<u>Facility Owner</u> Company: Contact name: Job title: Address: Phone: E-mail:	<u>Beneficiary</u> Company: Grand Union Trains Contact name: Ian Yeowart Job title: Managing Director Address: Riverside Lodge, Naburn Lane, Fulford, YORK, YO19 4RB
---	---

1.7 Date of application to ORR:

Copied on 2 November 2023

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.

Grand Union does not currently hold a valid train operating licence or safety certificate but will be working towards both during the application process.

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).

Grand Union is proposing a new open access service linking towns which have no, or limited, long-distance services, into the wider rail network as far as London. It provides greatly improved connectivity as well as competitive services for some station pairs on the West Coast Main Line (WCML).

Four trains per day each way are planned to operate between Stirling and London Euston via the Scottish Central route which avoids both Edinburgh and Glasgow with intermediate calls at Larbert, Greenfaulds, Whifflet, Motherwell, Lockerbie in Scotland and Carlisle, Preston, Nuneaton and Milton Keynes in England.

This revised application reflects the position on capacity as determined by the recent WCML ESG and also the availability of suitable off lease rolling stock.

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 particular safety risks have been identified beyond normal train operation.

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](#).

A contract of up to 10 years is sought to acknowledge the investment to be made in the 22x fleet including further enhancements during the contract term.

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.

Grand Union engaged at the earliest opportunity with the Freight and National Operators (FNPO) team who manage the relationship with aspirant Open Access Operators on behalf of Network Rail. FNPO is fully supportive of the application and has worked closely with us on developing our proposition.

Our previous application contained details of the capacity development plans for the WCML which culminated in the new timetable which included both Grand Union's trains and those planned by Avanti West Coast (AWC). One main area of concern for Network Rail was the planned power supply upgrades and their delivery dates, which was the reason why Network Rail would only support the application if services started after May 2025.

Things have progressed further, with no delivery plan yet for power supply upgrades, so the introduction of a 22x fleet will address the lack of power supply while the recently announced delay with HS2 means a contract for more than 5 years can be considered.

Added to that, the delivery dates for new rolling stock are challenging and it therefore became clear that Grand Union's previous proposed start date was not possible. Starting with off lease 22x means a planned June 2025 start date will be achievable.

While the application at this stage is Section 17, Grand Union is working with Network Rail to agree the application as the capacity position and any areas of concern that were in place at the original application have now been addressed.

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.

Grand Union is an open access passenger operator and is not expecting to change the model passenger (open access) contract.

- 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.

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.

Since the privatisation of the West Coast Main Line (WCML) in March 1997, there has been no on-track competition over the full length of the route, nor indeed any concluded competition 'for the market' until 2019. Grand Central had intended to introduce services between Blackpool and London Euston but that service was impacted by Covid and was not developed.

The Scottish services were initially the poor relation of the Virgin operation and for some time Glasgow, with a two hourly service was less frequent than Chester or Liverpool. This has changed with Glasgow now receiving an hourly service, but the one-time headline 4 hours 9 minutes timing of the 16 30 from Euston has been downgraded to the standard time of over 4 hours 30 minutes, with 5 or 6 calls in the Northwest of England.

Virgin originally failed to serve Motherwell and it is only with the advent of TPE calls that services from this important station started to return to their previous status – Avanti West Coast finally introduced Motherwell calls from December 2022.

On the East Coast Main Line there has been a steady increase in services between London and Edinburgh but apart from one token additional service to and from Stirling at the start and end of the

day, no attempt has been made to provide more direct services beyond Edinburgh – apparently relying on interchange at the increasingly crowded Waverley station which can include the need to negotiate two sets of ticket barriers.

Grand Union is therefore proposing a new service using off-lease 22x rolling stock between Stirling and London Euston making use of the Scottish Central line which avoids both Glasgow and Edinburgh, but which will provide, for the first time, real competition on the important WCML and also attracting air passengers as it bisects the two major Scottish airports of Glasgow and Edinburgh.

Four return services are planned to operate every 3 hours or so with the times of up trains leaving Stirling at 06 29, 09 20, 14 33 and 17 20 and the down trains leaving Euston at 07 20, 10 20, 13 20 and 16 20. These times were derived as part of the output of the ISG/ESG process. The intention, in line with the government's 'Levelling up' agenda is to operate from a base at the Scottish end and at Preston, with an early positioning train at 07 15 from Preston and a return at 20 59 from Euston. One set is planned to be stabled at the London end overnight. Services would operate 7 days a week with a reduced service on Saturday evenings and Sunday mornings.

These trains will offer a new standard of travelling environment with improved legroom and sufficient luggage space for the long-distance journeys that will be made with appropriate on-board catering facilities for the long-distance journeys, including a fixed buffet and a kitchen. Ultimately first class passengers will benefit from a planned bespoke 1st class vehicle with individual seating and private areas for meetings and working on the move. Standard class accommodation will be provided in a 2+1 seating arrangement, giving passengers more space and more comfortable reclining seats than are provided now. However, this may not be fully achievable until new build rolling stock is available. This reflects the changing views on individual's space over the short to medium term as passengers return to the railway.

As has been proved on the ECML - where open access services operate at more than one an hour - when new and additional services are introduced there is a significant increase in passenger numbers and satisfaction, as competitive pressures, which bring improved connectivity, varying passenger offers and price competition, start to take effect. In this instance not only is there competition introduced, but also a planned significant improvement in the passenger environment.

The Grand Union service will also give a clear passenger experience alternative to the new 'Lumo' (a First Group company) Edinburgh service provided on the ECML, which only conveys standard class passengers in 2+2 seating.

The Grand Union proposal is designed to offer the considerable population of over 1 million people in Scotland directly served by the new service. alongside visitors and others, a whole new dimension in their travel option with direct, more comfortable trains and greatly improved connectivity. The provision of through services to and from the Scottish stations which will be served will transform the connectivity of a whole range of significant towns and enable direct journeys, as opposed to enforced travel through the congested hubs of Edinburgh and Glasgow. The elimination of the need to make connections through Edinburgh or Glasgow will result in shorter journey times and avoid the need to change trains which includes changing between the two stations in Glasgow. Direct services, price competition and a comfortable seat are key parts of our offer to encourage passengers to make use of the direct trains.

It will reflect the changing nature of the post-industrial towns in Lanarkshire with their new populations of mobile people at the heart of the developing Central Belt economy based around Edinburgh and Glasgow.

The call at Lockerbie, which compliments the call at Carlisle, opens up direct travel from a massive south of Scotland hinterland.

In England the connectivity and journey time improvements that arise from the interlinking of critical connectional points with each other and with Scotland provide for a wide range of new journeys, with Nuneaton offering new travel opportunities especially from Leicester and Peterborough as well as more locally in the West Midlands, building on upgrades to local and Inter-Regional services. The call at Milton Keynes will be ready for the connectional benefits of East-West Rail as well as offering fast long-distance travel opportunities to the fast-growing South Midlands region. The currently

accepted timetable is unable to include a stop at Crewe due to extended platform occupation, but there is sufficient time in the timetable and a Crewe call, with its wide connectivity benefits, remains an aspiration, which we will explore further during the development of a production timetable.

Grand Union will offer further passenger benefits with flexible ticket options for passengers, (e.g. no need to purchase before boarding, and passengers can use railcards when purchasing tickets on the train) and will look to make purchasing a ticket as simple and uncomplicated as possible – from those very comfortable with the fast pace of technology to those who like to have a physical ticket in their hand.

Grand Union will also make a seat part of the price for the ticket, so for journeys in excess of 30 minutes, any passenger who is unable to be provided with a seat will receive a 50% refund on their ticket, or, if paying on the train, will pay 50% of the advertised fare.

Each station has been chosen because of the benefits and opportunities that it brings. This calling pattern has been designed to provide a major increase in connectivity for the rapidly changing towns between Edinburgh and Glasgow that are on and around the Scottish Central corridor.

Starting at Stirling we offer a step change in the link to Scotland's smallest city, which is a growing administrative and academic centre and now the subject of the City Deal. The new ScotRail services developed post electrification and revised with the 'Fit for the Future' timetable provide excellent connectivity to the main lines to Aberdeen and Inverness. Stirling also offers excellent road links across the whole of the north of Scotland and the West Highlands. It is our intention to work with smaller tour operators to build the Scottish tourism market outside Edinburgh.

The calls at Greenfaulds, Whifflet and Motherwell will improve connectivity for these communities and the whole of the surrounding area which represents the eastern extent of "Greater Glasgow". This area is the furthest from the two central Scottish airports of Edinburgh and Glasgow and the proposed service will greatly enhance rail connectivity and improve rail competitiveness against air for these communities, with corresponding CO₂ benefits.

These calls have been designed to link into the recently upgraded road network, provide car parking options and also to connect into the local ScotRail electric network which now embraces all routes between Edinburgh and Glasgow.

They also follow the busy line of the M80, M73 and then M74 to the Border. A new direct service should prove attractive to car users along this corridor and also make a further significant reduction in CO₂ emissions.

The Lockerbie call provides a stronger link for a massive rural area stretching to the west coast some 80 miles away and into the southern Borders to the east, with the call at Carlisle complimenting this as well as serving the north of Cumbria. These two stations are in the area covered by the Borderlands Growth Deal and the extra connectivity will support local investment in additional car parking spaces at Lockerbie.

Preston [and Crewe] are critical interchange points offering a wide range of links to Manchester, Liverpool, Birmingham, Wales and the East Midlands. Preston area is planned as the operational base at the south end of the route.

Nuneaton offers new links to the northwest and Scotland from Leicester, Peterborough and Cambridge as well as Coventry and Leamington, with Milton Keynes serving the growing South Midlands region as well as offering new connectional links to the new East-West Rail services, including Oxford.

Grand Union is looking to base its operation in Scotland but will need a central base, ideally at Preston from which the English part of the route will be managed. We are proposing to have our trains maintained under a full train service agreement (TSA).

Over 100 new and permanent full-time posts are expected to be created by the operation of this new service, which will bring further benefits to the local supply chains, in terms of maintenance, servicing and provision of catering supplies and support.

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?

The West Coast Main Line (South) Industry Planning Group and its subsequent follow-on Event Steering Group was designed to deliver the requested additional paths and it did so whilst still improving on modelled performance.

Considerable effort was expended in addressing the number of non-compliances that existed in the previous timetables, while addressing incorrect SRTs and interpretation of the rules.

We do not envisage operating at times that will impinge on the facility owner's time for maintenance and renewal activity, other than on the Scottish Central on Sunday mornings, for which, if required, an alternative route is available, but which omits some of our key stations.

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

Grand Union does not require a 'clockface' timetable, as is attempted by other train operators on the West Coast Main Line but is willing to fit into the pattern of services and sit alongside the clockface timetable being developed for others. It has been demonstrated that the paths can be integrated with other paths as necessary.

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.

Grand Union will be using off lease 22x rolling stock which will be refreshed and refurbished prior to entering service. Discussions with ROSCOs has been on-going for some time with indicative lease offers received.

If the application is approved, crew and route training will begin in time for a planned service start in mid 2025.

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.

N/A

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.

N/A

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:

The service offers a significant number of new direct point to point flows but will also compete on a number of flows both from London and elsewhere. The service will also compete on price and quality.

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.

The rolling stock will be maintained under a full TSA, and further improvements are planned to the fleet both in the short and medium term.

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.

Performance will be enhanced by the use of proven and reliable rolling stock with full (off the wires) diversionary capabilities which includes opportunities to operate during periods of low power supply or disruption.

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

All services will be monitored. We will be aiming for high performance in line with our wider Intercity service values so we plan to monitor performance of both our trains and the wider route, which should help deliver better performance for all operators. As a small operator, we intend to create a whole team operation that links between drivers, on train staff and the controller/performance managers as we look to develop a good understanding of any delays and manage the appropriate actions. We believe that this will benefit not just our train services, but the wider network.

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).

While the physical electrification of the route through to Stirling was completed in 2018, there are still a number of power supply issues that have yet to be addressed. Grand Union's use of off lease diesel rolling stock will ensure, that for the present, its services do not impact on the electrical supply to services already operating.

Planned enhancement schemes (mostly around stations and depots/stabling) are at an early stage of discussion with Transport Scotland, ScotRail, Regional Transport Partnerships and local authorities, and details will be provided to the ORR as they become developed and available.

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.

Any funding for enhancements will be in line with the ORR's Policy Framework.

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.

This application replaces a previous application made in October 2022 which proposed new electric/bi-mode traction.

Grand Union will be making further applications in relation to station and depot access.

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.

At this stage there are no further side letters or documents

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.

Nothing in this Form P. Any supplied documents will indicate areas of 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.

This is an updated consultation to reflect the position on traction power supply and new build rolling stock availability. Earlier consultation responses are available on the ORR website.

Who conducted the consultation?

Network Rail (and ORR) conducted earlier consultations. Network Rail will carry out this consultation.

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

All previous consultees and their responses are listed on the ORR's website. Responses to this consultation will be uploaded when they are received and responded to.

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

The previous application addressed a number of issues raised by consultees in their earlier responses as well as fully addressing the situation regarding capacity, performance and on-going power supply issues.

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.

We are unable at this early stage to provide detailed diagrams as requested by WMT.

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 Date

Name (in caps) Job title

For (company)

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

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):
