

Valentina Licata  
Office of Rail Regulation  
One Kemble Street  
London  
WC2B 4AN

23rd August 2013

Dear Ms Licata

**Re: Periodic Review 2013**

Further to our letter of 5<sup>th</sup> February regarding the Network Rail Strategic Business Plan, we want to raise some concerns about the Periodic Review 2013 and, in particular, the scale of reduction allocated to the Northern Hub project.

Greater Manchester Chamber of Commerce is the largest Chamber in the UK and we have worked closely with partners including other Chambers of Commerce, businesses and other organisations across the North of England to lobby for additional investment into the rail network, specifically a decade of work on the Northern Hub project. Transport and particularly rail is of great interest as an enabler of economic growth, helping to move people and goods more effectively.

We recognise that Network Rail needs to improve its efficiency throughout the organisation and in relation to the enhancement plans. However the scale of reductions being associated with the Northern Hub - £115 million out of a total of £560 million appears excessive. We are very concerned that cutting 20% of the budget will render the project unable to meet the forecasted outcomes, especially on key routes like the Calder Valley and overall journey times for commuters into Manchester city centre.

The Northern Hub project has an impressive Benefit Cost Ratio of around 4.2:1. We expect that the improved connectivity and accessibility resulting from the combined investment of the Hub and NW electrification will contribute enormously to closing the economic gap between the North of England and the South East. We do not want to see this jeopardised and, given the length of time that the Hub was lobbied for and worked on by the rail industry, we find it very disappointing that these cuts have been proposed at this time.

We hope that you find these comments useful.

Yours sincerely



Chris Fletcher  
Director of Policy and Communications