



Wellington House
40-50 Wellington Street
Leeds
LS1 2DE
28th March 2014

Rachel Gilliland
Customer Relationship Executive
Network Rail
4th Floor
Kings Place
York Way
London
N1 9AG

Dear Rachel,

REF. SECTION 17 PROPOSED TRACK ACCESS CONTRACT: (ALLIANCE RAIL HOLDINGS - GREAT NORTH EASTERN RAILWAY)

I write in response to the above mentioned consultation.

Metro has had constructive dialogue with Alliance Rail in the recent past on its GNER proposal, including for investment in station facilities/a new strategic park and ride rail facility in the east of Leeds rail corridor. Metro is in principle supportive of the Alliance Rail proposal to run direct services between Bradford Forster Square/Ilkley and London, however is not in a position to support the specific proposal at this time, due to a number of questions we have, and a particular timing issue as outlined below.

- The Leeds City Region Transport Strategy highlights the need for improved connectivity between the City Region and London to support the economic future of our region. As a major and growing city, Bradford has relatively poor connectivity with London when compared to other cities of equivalent size.

Indeed the emerging evidence from the work of the East Coast Main Line (ECML) Authorities grouping, of which Metro is part, suggests that of all the “off-route” destinations served by Long Distance High Speed (LDHS) services, improving connectivity between Bradford and London would deliver a very high level of economic benefit to UK Plc.

- Metro is also currently the promoter of 3 new stations in West Yorkshire, including at Kirkstall Forge, which is a major brownfield land regeneration site in the City of Leeds. Through the proposed West Yorkshire Plus Transport Fund, Metro is also developing proposals for a strategic park and

Our Ref: T4310

9732192

ride site in the east Leeds rail corridor. At this stage we are doing further work to understand the preferred location for such a facility. Clearly the Alliance Rail GNER proposal for calls at these stations could help with the wider economic regeneration of the areas served by the new station facilities. Metro has had constructive dialogue with Alliance Rail on possible joint investment in these stations, which we would like to continue to develop further.

- Metro has been developing evidence in support of an enhancement to LDHS services serving West Yorkshire from London. In particular, we are fully aware through our membership of the East Coast Main Line CP5 Connectivity Fund Programme Board and Industry Planning Group, of the Department for Transport sponsored remit to improve journey times and connectivity between Leeds and London via the East Coast Main Line Connectivity Fund.

Included in this remit is the ability for the ECML infrastructure to allow an increase in LDHS service frequency between London and Leeds to 3 trains an hour. Metro's evidence suggests that there is a good case to extend one of these three trains per hour to Bradford, and possibly Halifax, which would strongly underpin the economies of these centres. Metro is also aware of the strong market potential to better serve Harrogate with LDHS services.

The Alliance Rail GNER proposal for a two hourly service to Bradford Forster Square is therefore in principle very attractive to Metro in that it helps deliver the aforementioned improved West Yorkshire LDHS connectivity.

- Whilst Metro is generally agnostic as to whether the above-mentioned enhancement to West Yorkshire LDHS services are operated by franchised or open access operators, we do believe that given the current franchise competition for the Inter-City East Coast (ICEC) Franchise, it would be wrong to allocate paths/a track access contract now to the Alliance Rail GNER Bradford/Ilkley and Cleethorpe services, without the ICEC franchise competition having concluded, and the implications thereof having been considered alongside the Alliance proposal.
- Clearly having some competition in the rail passenger market can in principle be a good thing to help deliver better outcomes for customers. It should however be borne in mind that the Alliance Rail GNER proposal coming at this time part way through the ICEC franchise competition will no doubt be seen as a major risk to ICEC bidders, and could heavily influence their proposals for improved LDHS services to/from West Yorkshire. Metro would wish to understand in more detail what ICEC bidders are proposing in terms of better serving West Yorkshire, before committing to fully supporting the Alliance Rail GNER proposal. For example, if an ICEC bidder were to propose to serve Bradford with an hourly service to/from London, then Metro would obviously find this very attractive and would likely support it.

- We would also like to point out that according to Metro's understanding of the capacity constraints on the Leeds North West corridor (gained in part as a result of the timetable development work we have undertaken to support the new station proposals at Apperley Bridge and Kirkstall Forge), the route is heavily constrained capacity-wise. Metro would wish to understand in detail Network Rail's viewpoint on this in terms of route capacity, and the implications on other operators (notably Northern Rail services) as a result of the Alliance Rail proposal, before committing to supporting the GNER proposal. The same can also be said for the east Leeds rail corridor and Leeds station itself, which is planned for electrification and capacity enhancement as part of the 2012 HLOS/most recent Periodic Review process outcome.
- A further point that I feel must be made, is that of the affordability challenge that the UK railway is having to deal with, and how the Alliance Rail GNER proposal can help meet this challenge. If the evidence suggests that the Alliance Rail proposal will help grow the railway rather than abstract revenue from it i.e. the franchised operators, then that can only be a positive thing as it could lead to greater track access revenue and so reduce the overall cost to the public purse of running the railway.

If on the other hand the evidence suggests the proposal is simply abstractive, then this would be a negative thing as it would no doubt reduce profits for the ICEC franchise operator, and also in this case Northern Rail and its potential successor, and in turn reduce the revenue flowing to the Department for Transport. At this present time, the Department for Transport's budget to support rail services is coming under scrutiny as part of the Government's efforts to reduce the national debt.

Metro, as part of the Rail North consortium is working towards taking on a greater role in the specification and management of the local/inter-urban rail franchises, including taking on a level of financial risk. As the franchised services in scope of Rail North receive relatively high levels of public subsidy, any proposals from other operators that could impact negatively on the total Government budget for rail service support, could mean there is less money to support inter-urban/local services in the scope of Rail North, and impact on Metro's future position in relation to financial risk. This would be of concern to Metro. We have a particular concern in this regard in relation to what station calls by GNER services at the new Kirkstall Forge station would mean. Metro would need to have further detailed dialogue with Alliance Rail and Northern Rail on this matter before it could support the GNER proposal in this regard. This is obviously also the case in relation to future franchised ICEC services to/from Bradford.

- Metro would like to see full acceptance of Metro tickets on GNER services, and would invite Alliance Rail to be part of the West Yorkshire ticketing scheme.

Metro is therefore supportive of the proposal in principle but not of the specific proposal outlined until the above-mentioned queries/points have been worked through and presented in more detail. I would like to be assured that the points raised above have been/will be considered in more detail and the outcome discussed with Metro and the wider rail industry. Once we are fully appraised of this detail, Metro will then be in a position to commit (or not) its support to this specific proposal. I would be happy to discuss these points further with colleagues at Alliance Rail at an appropriate time.

I hope that you find these comments useful.

Yours sincerely,

James Nutter
Rail Manager

cc. Chris Brandon, Alliance Rail