

Plans for open access rail services between Carmathen to London Paddington rejected

February 10, 2021



Grand Union's long-standing application to introduce competitive train services between South Wales and London has been rejected by the Office of Rail and Road.

A statement from Grand Union says:

"In its application, the ORR has acknowledged that Grand Union has proven:

- Capacity to operate 6 pairs of intercity trains between South Wales and London
- Capacity to accommodate the services at Paddington
- Capacity to accommodate the services at Cardiff (and beyond)
- Performance impacts no greater than accepted previously
- An NPA ratio of 0.42-0.45 well above the ORR 'threshold' of 0.3

Despite the varied duties required by the ORR to make its decision, the ORR has rejected the application on one duty only, the forecast absolute level of abstraction.

In 2016, the ORR approved further open access services on the East Coast Main Line (ECML) with a forecast level of abstraction at £24m, (£26.32m today).

This was for 5 pairs of services giving a forecast abstraction per train of £2.4m. Grand Union's forecast abstraction is £25.6m, £2.13m per train.

While the current state of 'rail finances' is cited, the ORR is itself aware that competition drives usage as witnessed regularly on the ECML, with Intercity services on the rail network expected to recover much quicker than commuter services.

The people of South Wales may wonder at the reasoning that sees continuing competitive services approved for the East Coast Main Line which now operates to 4 different destinations, while the Great Western Main line remains devoid of any competition. Grand Union is grateful for the support it has had from its many stakeholders during this process and is currently considering its options."

In response, an Office of Rail and Road spokesperson said: "After careful consideration we have decided not to approve Grand Union Trains' application.

"At this time, and taking account of the pandemic's impact on railway finances, we consider the passenger benefits would not outweigh the significant negative impact on public funds that this might have."