

LAST CALL FOR OPEN ACCESS?

York-based Grand Central is making another bold bid to run open access passenger services, following the rejection last year of its proposal for a trans-Pennine service. Managing director IAN YEOWART tells Alan Whitehouse why he is confident of success second time around

Is there a future for open access operators? You might think not as, 10 years after privatisation, there is still only one such operator with little sign that either the Office of the Rail Regulator or the Strategic Rail Authority are keen to see any more.

But this is not Ian Yeowart's view of the world. Fresh from an abortive attempt to shoe-horn in an open access operation across the Pennines, the former BR man with more than 20 years' railway experience under his belt is leading a Grand Central bid that contains no fewer than three open access proposals. The question is, are these little more than ideas written down on the back of a fag packet or are they based on hard-headed business sense?

Yeowart appears slightly offended at the idea that Grand Central's plans are anything but a racing certainty. 'If this is back of a fag packet stuff, then it's a bloody expensive fag packet,' he says.

'So far we have spent about £1m. That's a real commitment. We have Faber Maunsell doing a lot of the groundwork for us on revenue and passenger projections. And we have 14 focus groups to help make sure we deliver what people want.'

When pressed on where the money will come from to run the proposed high-speed services, Yeowart will say only that there is a significant backer but that for now its identity will have to remain a secret. Finances aside, the other jaw-dropping element in Grand Central's latest attempt at becoming an open access operator is the bid for eight precious East Coast Main Line (ECML) paths to run four trains per day from Bradford and Sunderland to London.

With capacity already tight on the soon-to-be re-franchised ECML, it is difficult to see where the open access opportunity will come from. Yeowart's response is brisk and to the point: 'We want to do



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Hull Trains has indeed been a success. Now owned by First Group, it provides a template for other would-be open access operators, with its five direct trains a day to London using a modern fleet of vehicles.

Grand Central has had a more chequered history. Originally set up in the mid-1990s to bid for conventional franchises, it lost out in attempts to win Midland Mainline and Regional Railways North East. The company then lay dormant until 2000 when it re-emerged with plans for an open access service across the Pennines.

The ORR ruled that idea out last June on the grounds that it would abstract revenue from the heavily subsidised TransPennine Express. Grand Central's case was largely based on the twin premise that there was a market not being adequately catered for, and that it could provide an open access service without a need for subsidy. If the service flopped, the only shirts lost would be those worn by Grand Central's directors.

Not surprisingly, these twin themes resurface in the current proposals. Sunderland, with a population of more than 280,000, has no direct rail link with London. Bradford, a city with a population expected to exceed half a million by the end of the decade, currently has two, but the service specification set by the SRA for the new ECML franchise calls for only one.

Grand Central's plan is to use refurbished Mk III stock, DVTs and EWS Class 67 locomotives for the traction (all currently under-used or not used at all). It argues that a DVT plus five Mk III trailers, together with a Class 67, would give better performance than an HST with a two plus eight formation. The sets would be refurbished to a higher standard than current Mk IIIs, giving more leg room, luggage space and cycle racks. A full restaurant and buffet service would be provided. An enthusiastic Yeowart can already reel off sample menus.

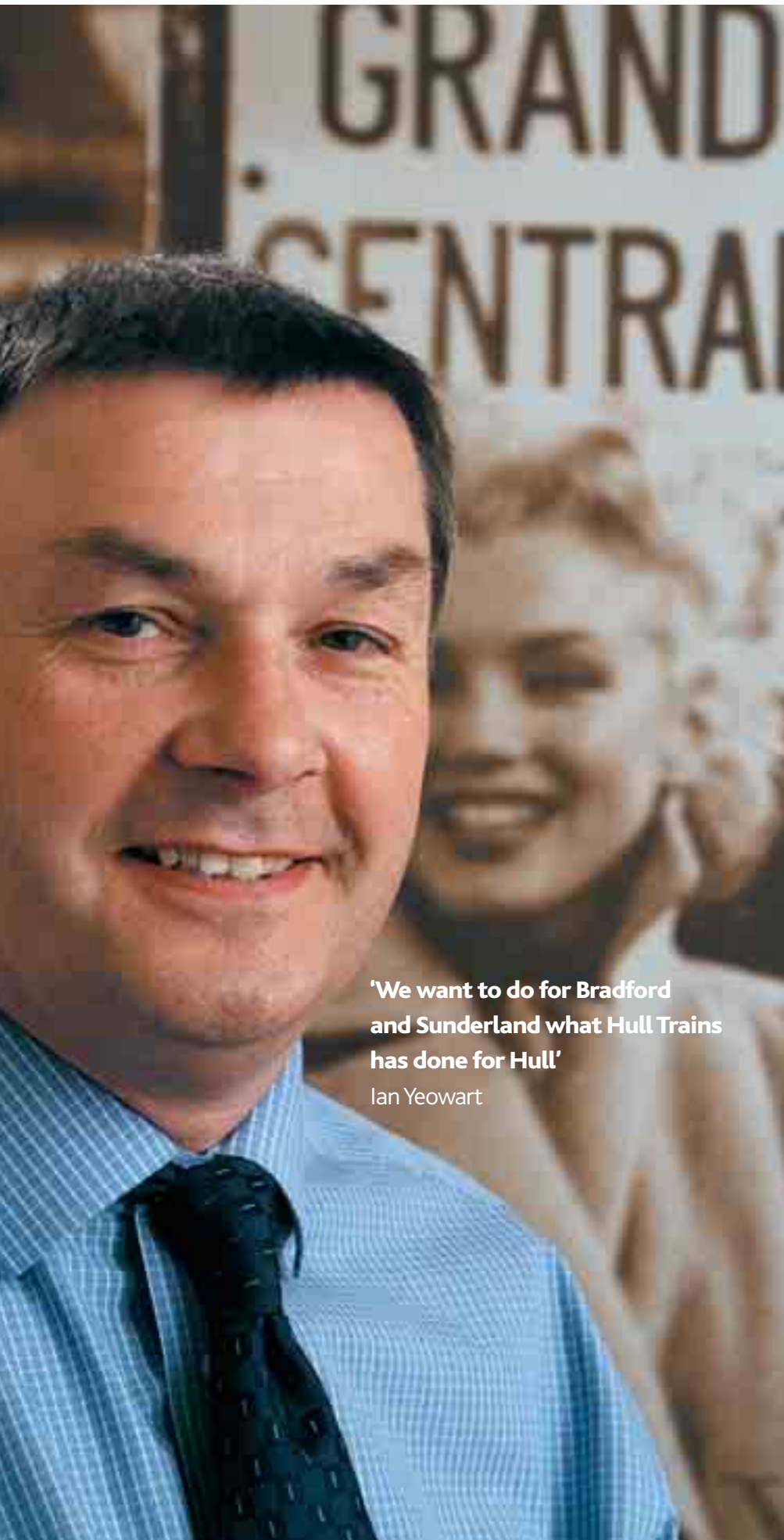
Trains from Sunderland would take a coastal route via Hartlepool with Eaglescliffe serving as a parkway for Middlesbrough. On the Bradford leg, one of the four paths identified by Grand Central would give a journey time of two hours 40 minutes, considerably better than anything currently on offer.

But why should any of this work when similar careful preparation on the trans-Pennine proposals foundered? Yeowart reckons it is all down to detail.

'We won't fall down this time where we fell last time. This time we have Faber Maunsell doing detailed work on revenue generation and abstraction and modal shift. And their work is independent work. Ultimately, it might not support our case. But we are very confident that it will.'

'Our offer is a simple one. We will come in and run these services at our own risk and at our own loss if we get it wrong. We are not asking for the taxpayer to take any of the risk.'

But surely, if there was a market from Bradford to London, for example, GNER would be serving



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Ian Yeowart

it already? 'GNER needs to look at where its biggest markets are. It is all a question of using resources to generate the best return. GNER can earn more by running trains between Leeds and London than it can from Bradford, so that is what it does. But, just as Hull Trains saw a niche market for Hull, we see niche markets in Bradford and Sunderland. The only difference is that we think we'll be using better rolling stock.'

That may be true, but putting together a package before the outcome of the ECML refranchising is known must be risky. What if the winning bid contains proposals for half-a-dozen trains to Bradford? Surely, that would blow Grand Central out of the water? Yeowart says not.

'The way the system works is that they would have to bid against us for the available paths. We will be putting in our bid at the 10 February timetable conference,' he explains. 'The ECML franchise winner would have to get their own bid in to compete alongside us, otherwise they'll stand behind us because our bid will be in first. Are they going to get in by 10 February? I wouldn't think so.'

Will it work? As Chairman Mao might have commented, it is too early to say. On the face of it, anyone offering a new service at no cost to the taxpayer ought to be welcomed with open arms, especially in today's cash-strapped railway. All Yeowart will say is that if this project dies, then Grand Central dies with it.

'I don't think there's really anywhere else to go from here. I think we would have proved beyond any doubt that someone – the SRA, the ORR or whoever – has decided that they don't want Open Access,' he says.

Grand Central has fought every inch of the way since it was established in the early heady days of rail privatisation. Now, with the tide turning in favour of greater centralisation and fewer franchises, it may be that the company will find itself with yet another battle on its hands. And this time, it could be a fight to the finish.

WHAT GRAND CENTRAL IS PROPOSING

- 1 A high-speed service from Sunderland and the Durham coast to London
- 1 Improved cross-Pennine services for the Calder Valley
- 1 A high-speed service from Bradford Interchange, Halifax, Brighouse and Wakefield (Kirkgate) to London
- 1 Grand Central is promising to introduce lower fares with substantial reductions in First Class fares for business and leisure travellers
- 1 Trains will have restaurant and buffet facilities, increased legroom, increased luggage space, and increased cycle space
- 1 The first trains could be running as early as December 2005