

COMMENTS ON THIS ISSUES STATEMENT

1. Cheshire West and Chester Council (CWaCC) would welcome the opportunity to comment at an early stage, on any potential issues affecting the borough identified by this CMA investigation. Comments would be offered in the context of the best overall interest of service users.
2. Paragraph 3 includes mention that consideration of any other issues that may be identified during the course of the investigation are not precluded. – Will the investigation consider assessing the balance between the extent of competition within any market(s) and scenarios that overall safeguard and improve the customer (rail and bus) experience? i.e. Does relatively stable competition enable greater long term investment and improvements to be made by service providers than could be made in a more volatile competitive trading environment? .

Additionally, the Wales and Borders franchise (Currently operated by Arriva) and the Inter City West Coast franchises (Both serving Cheshire West and Chester) are at differing stages of being renewed. Do the scope of issues for this investigation include being able to liaise with the commissioning bodies of those franchises (Transport for Wales and Department for Transport) to ensure that any potential impacts on competition are adequately managed within the procurement processes, minimizing the need for an investigation after the franchise awards are made? – Particularly bearing in mind the geographical overlap of these three franchises

3. Paragraph 17 states that public transport is expected to be considered as a separate market to private transport unless evidence of substitutability is received. The investigation needs to identify where the “generalized journey costs” (Paragraph 14) are or can be relatively comparable, therefore implying these to be comparable markets. For example, improving the frequency of rail travel between Chester and Manchester could reduce the number of car trips for that journey.

4. Paragraphs 24 – 28 refer to the counterfactual model of comparing the substantial lessening of competition (SLC) impact of the award of the Northern franchise to Arriva against it being awarded to a TOC raising no competition concerns. If the investigation identifies remedies potentially required by Arriva Northern, CWaCC assumes that these will initially be discussed with Rail North Ltd, as joint governing body of the franchise with the Department for Transport.
5. From paragraph 30 the “theories of harm” to be investigated based upon the possible ways a SLC could arise. Does this include considering the track record of Arriva in such situations that already may exist? – For example, relating to the market share of Arriva as a provider of local bus services in Chester and North Wales and as the incumbent Wales and Borders rail franchise operator and now the Northern rail franchise operator? – Should “Arriva Cymru” be added to the list of companies mentioned in paragraph 33 as they provide services in to (and within) Chester?
6. CWaCC believes it is important that views and representation from rail and bus service users are considered within the issues of this investigation.
