

Consent to certain actions for the purposes of the Interim Order made by the Competition and Markets Authority (CMA) on 1 July 2016

Completed acquisition by Arriva Rail North Limited (Arriva) of the Northern Rail Franchise

We refer to your emails of June and July 2016 requesting that the CMA consents to derogations to the Interim Order of 1 July 2016 (the '**Interim Order**'), as listed below. The terms defined in the Interim Order have the same meaning in this letter.

Under the Interim Order, save for written consent by the CMA, provision was made that Arriva will hold separate the Northern Franchise Business from any Arriva Business and refrain from taking any action which might prejudice the Reference or impede the taking of any remedial action following such a Reference.

After due consideration based on the information received from Arriva and in the particular circumstances of this case, Arriva may carry out the following actions, in respect of the specific paragraphs:

Derogation from paragraph 5(g)(ii) of the Interim Order: Changes in nature, description, range and/or quality of services provided by Northern Rail Franchise/Arriva

By email dated 10 June 2016, Arriva requested permission to withdraw Specified Route [X], as part of a withdrawal of 34 of its Yorkshire Tiger services. Arriva explained that [X]. Arriva was unable to [X].

Specified Route [X] only makes up a small proportion of the services affected by this withdrawal.

Arriva is, accordingly, permitted to withdraw Specified Route [X], as part of a withdrawal of 34 of its Yorkshire Tiger services.

Derogation from paragraph 5(g)(ii) of the Interim Order: Changes in nature, description, range and/or quality of services provided by Northern Rail Franchise/Arriva

By emails dated 9 and 17 June 2016, Arriva requested permission to make a number of changes to its bus timetables with regard to its Arriva North East bus services [X].

Arriva explained that the Local Transport Authority (LTA) [X] (and hence the bus service [X] timetable would have changed). Accordingly, Arriva was going to adjust its other local services in response, including bus service [X]. The LTA ultimately decided to [X] and Arriva would not need to implement the intended changes as regards bus service [X]. The change to bus service [X] is, therefore, triggered by external circumstances.

Service [X] is a removal of certain ‘summer only’ services on Sunday and Bank Holidays. There is also a reassignment of services between the [X] and [X] for internal reporting purposes. These changes are therefore not merger specific.

Service [X] is a minor change in the scheduled route. This arose in response to a number of [X]. The change is not expected to degrade the service.

Service [X] is a minor change in late evening services, relating to [X] the relevant services, and relates to a part of the service which does not overlap with the Northern Franchise.

Service [X] relates to a reorganisation of routes [X] (previously [X]) and [X] in the [X] area. Arriva has provided information which illustrates that the change is intended to improve punctuality and transparency for customers.

Arriva is, accordingly, permitted to make the proposed changes to the timetables for Arriva North East bus services [X].

Derogation from paragraph 5(g)(ii) of the Interim Order: Changes in nature, description, range and/or quality of services provided by Northern Rail Franchise/Arriva

By email dated 5 July 2016, Arriva requested permission to withdraw Specified Route [X], as part of the withdrawal of the [X] and [X] services.

Arriva has provided evidence that the withdrawal relates to [X]. At the same time, Arriva has increased services on other routes where this is [X].

Arriva is, accordingly, permitted to withdraw its Arriva North East bus service [X].

The CMA's consent to the aforementioned actions does not, under any circumstances, permit Arriva from taking any other action prohibited under the Interim Order.