

## **REFERENCE RELATING TO THE COMPLETED ACQUISITION BY ARRIVA RAIL NORTH LIMITED OF THE NORTHERN RAIL FRANCHISE**

### **Notice of provisional findings under Rule 11 of the Competition and Markets Authority rules of procedure for merger, market and special reference groups<sup>1</sup>**

1. On 20 May 2016, the Competition and Markets Authority (CMA), in the exercise of its duty under section 22(1) of the Enterprise Act 2002 (the Act), referred the completed acquisition by Arriva Rail North Limited (ARN), a wholly-owned subsidiary of Arriva plc (Arriva), of the Northern rail franchise (the Northern Franchise) (altogether the Merger) for further investigation and report by a group of CMA panel members (inquiry group).

#### **Provisional findings**

2. The inquiry group has made the following provisional findings on the statutory questions it has to decide pursuant to section 35(1) of the Act:
  - (a) the award of the Northern Franchise to ARN has created a relevant merger situation;
  - (b) the creation of that situation has not resulted in or may not be expected to result in an SLC for the award of rail franchises;
  - (c) the creation of that situation has not resulted in or may not be expected to result in an SLC in relation to transport networks;
  - (d) the creation of that situation has resulted in or may be expected to result in an SLC on the following overlapping rail flows:
    - (i) Leeds to Sheffield;
    - (ii) Wakefield to Sheffield;
    - (iii) Chester to Manchester; and

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<sup>1</sup> [CMA rules of procedure for merger, market and special reference groups \(CMA17\)](#).

- (iv) Chester to Stockport; and
  - (e) the creation of that situation has resulted in or may be expected to result in an SLC on the following overlapping bus and rail routes:
    - (i) routes 3, X3/X3A and X4 in the Redcar area;
    - (ii) routes 83 and 84 in the Huddersfield area;
    - (iii) routes X14, X15 and X18 in the Ashington area; and
    - (iv) route 12 in the Darlington area.
3. The inquiry group's reasons are set out in full in the provisional findings report, a copy of which will be published on the CMA website shortly, and are summarised in the summary of the provisional findings report (see note below).

### **The next steps**

- 4. Anyone wishing to comment on the provisional findings is now invited to provide the inquiry group with their reasons in writing as to why these provisional findings should not become final (or, as the case may be, should be varied).
- 5. These reasons should be received by the Project Manager on behalf of the inquiry group by no later than 5pm on 30 September 2016.
- 6. The inquiry group will have regard to any such reasons in making its final decisions on the statutory questions and actions. However, the inquiry group shall not be obliged to take into account reasons which are provided after the deadline specified in paragraph 5 above.

*(signed)* Phil Evans  
Group Chairman  
9 September 2016

*Note:* A copy of this notice, the summary of the provisional findings report and the provisional findings report will be placed on the [CMA webpages](#) on 9 September 2016. The published version of the provisional findings report will not contain any information which the inquiry group considers should be excluded from the report, having regard to the three considerations set out in section 244 of the Act. These omissions are indicated by [✂].

Comments should be made by email to [arrivanorthern@cma.gsi.gov.uk](mailto:arrivanorthern@cma.gsi.gov.uk) or in writing to:

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