

Representations received from Virgin Trains Re: ORR's Case to answer letter to Network Rail 28 June 2013

From: Gibb, Chris [Virgin]
Sent: 05 July 2013 7:48 AM
To: [Redacted names]
Cc: Price, Alan; [Redacted names]
Subject: RE: Further to the letter of 29th April from Alan Price (re Possible Breach of condition 1 of NR's network licence wrt NR's operational performance)

Alan,

West Coast Trains Ltd. (t/a Virgin Trains) wish to formally object to the proposal as outlined in the attached letter.

Our view is that a fine at this stage is appropriate in respect of Network Rail's failure to meet the Long Distance target in 2012/13. We believe an appropriate fine should be levied, and the funds transferred to ORR, who should then administer a package of passenger benefits for Long Distance passengers, both by way of acknowledgement of their inconvenience arising from delays but also as a lasting reminder to Network Rail of their failure to meet their targets.

I trust you will represent our views to your board when they are considering their decision.

Regards

Chris Gibb
Chief Operating Officer
Virgin Trains

From: Patrick McCall [Virgin]
Sent: 04 July 2013 8:24 PM
To: Price, Richard
Cc: [Redacted name]; Tony. Collins
Subject: NR licence breach

Dear Richard

It was good to speak to you last night. As I explained whilst we are making some progress with Network Rail now recognising and taking a new approach to correcting its appalling performance on West Coast we are keen to maximise the pressure on them.

We feel very strongly that Network Rail should be fined the maximum possible amount for breach of its Network Licence and that ORR should use all other enforcement actions at its disposal to the maximum possible extent. Whilst we recognise that a fine from a financial perspective has no real impact on Network Rail we feel that it has real value in focusing the company's board on its reputation. Not fining them we believe lessens the pressure on them to perform which we feel strongly would be a big step backwards.

We would hope that when a fine is announced Virgin Trains, ORR and Network Rail could issue a joint release which recognises Network Rail's poor performance but in a positive way focuses on the steps we are all taking to rectify the situation. As you know we would like this to include a statement that steps are being made to strengthen the senior management team.

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I very much hope that ORR supports us on this important issue and we are happy to address your board in person if that was helpful.

In meantime if you have any questions please do not hesitate to contact me

Regards
Patrick