GB possessions regime

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Overview

• Distinction between GB performance regime and GB possessions regime
• Objectives of GB possessions regime
• Structure of regime
• Changes being looked at for the period 2009 - 2014
Distinction between GB possessions and performance regimes

• Planned versus unplanned disruption to train operator’s services

• Cut off is 22:00 the night before the disruption

• The regime includes within its scope
  - Possessions – engineering work etc
  - Other causes of disruption e.g. temporary speed restrictions
  - No disruptive possession or wider restriction of use (one that disrupts train operators’ services) carries no liability for compensation i.e. no free possessions allowance
Objectives of GB possessions regime

Compensation

• Provide for compensation to be payable by the infrastructure manager (Network Rail) to passenger train operators for the impact on the operators revenue from the disruption caused by possession or wider restriction of use

• Some limited compensation arrangements for freight

Incentives

• Encourage Network Rail to plan and notify (so that the train operators can communicate to its customers) possessions as early and efficiently as possible
Structure of regime

- Payments for passenger operators based on revenue effect as with performance regime and uses same payment rates.

- However, these payment rates are discounted for all planned disruption and generally on an increasing scale of discounts for earlier periods.

- Three time periods used [to add - I will check the current time period boundaries in weeks].

- Compensation for possessions caused by enhancement work is treated separately outside the regime (compensation for relevant losses).

- Specific cost compensation is provided for significant restrictions of use of several days and costing the train operator at least £10,000 – these include bus costs, publicity costs etc.
Changes for 2009 - 2014

• All compensation for possessions and restrictions of use should go through this regime (bringing in possessions carried out as part of works to enhance the network)

• Compensation of train operators costs for small possessions based on formula

• Full compensation for costs and revenue losses for large disruption possibly with bespoke negotiated element

• Greater opportunity for access to compensation for freight and non-franchised passenger operators