

**Station Licence**

**granted to**

**First/Keolis Transpennine Limited**

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*Note: Conditions 3, 4, and 8 are not used in this licence.*

# Part I - Scope

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1. This licence was granted by the Office of Rail Regulation ("ORR"), in exercise of the powers conferred by section 8 of the Railways Act 1993 (as amended) ("the Act"), to First/Keolis Transpennine Limited, company registration number 04113923 ("the licence holder") on 30 January 2004. The licence authorises the licence holder to be the operator of:
  - (a) the stations listed in the Schedulesubject to the Conditions set out in Part III.
2. This licence came into force on 30 January 2004 and shall continue in force unless and until revoked in accordance with Part IV.

*Note: The wording above was affected by a modification scheme made on Friday 30 March 2007. See the Explanatory Notes at the end of the licence.*

# Part II - Interpretation

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1. In this licence:

“comply” is to be interpreted in accordance with ORR’s most recently published licensing guidance.

"control" (a) A person is taken to have control of the licence holder if he exercises, or is able to exercise or is entitled to acquire, direct or indirect control over the licence holder’s affairs, and in particular if he possesses or is entitled to acquire:

(i) 30% or more of any share capital or issued share capital of the licence holder or of the voting power in the licence holder; or

(ii) such part of any issued share capital of the licence holder as would, if the whole of the income of the licence holder were in fact distributed among the participators (without regard to any rights which he or any other person has as a loan creditor), entitle him to receive 30% or more of the amount so distributed; or

(iii) such rights as would, in the event of the winding-up of the licence holder or in any other circumstances, entitle him to receive 30% or more of the assets of the licence holder which would then be available for distribution among the participators.

(b) Subsections (4) to (6) of section 416 of the Income and Corporation Taxes Act 1988, and the legislative provisions referred to in those subsections, apply to the interpretation of paragraph (a) in the same way that they apply to the interpretation of subsection (2) of section 416 of that Act;

"licensed activities" means things authorised to be done by the licence holder in its capacity as operator of stations pursuant to this licence; and

"LTUC" means the London Transport Users Committee and any successor to LTUC which performs the same functions.

"the RPC" means the Rail Passengers Council and any successor or delegated body which performs the functions of the RPC.

"RSSB" means Rail Safety and Standards Board Limited (a company limited by guarantee and registered in England and Wales under number 04655675), and its successors and assigns.

"station" includes light maintenance depot insofar as any station is also a light maintenance depot.

2. Any reference in this licence to a numbered paragraph is a reference to the paragraph bearing that number in the Condition in which the reference occurs.
3. In interpreting this licence, headings shall be disregarded.
4. Where in this licence the licence holder is required to comply with any obligation within a specified time limit, that obligation shall be deemed to continue after that time limit if the licence holder fails to comply with that obligation within that time limit.
5. Where in this licence there is a provision for ORR or the Secretary of State to give consent, such consent may be given subject to conditions.
6. The Interpretation Act 1978 shall apply to this licence as if it were an Act.
7. The provisions of section 149 of the Act shall apply for the purposes of the service of any document pursuant to this licence.
8. Unless the context otherwise requires, terms and expressions defined in the Act and the Railways Act 2005 shall have the same meanings in this licence.

# Part III - Conditions

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## Condition 1: Insurance against Third Party Liability

1. The licence holder shall, in respect of licensed activities, maintain insurance (including self-insurance) against third party liabilities on terms approved by ORR (including, but without limitation, with respect to the type, cover and level of insurance and identity of insurer), with any such modification as may be required pursuant to paragraph 3.
2. The licence holder shall, except where ORR may otherwise consent, ensure that every insurance policy maintained pursuant to paragraph 1 shall require 30 days' notice to be given to ORR by the insurer or insurance broker of any lapse or cancellation of or material change to the policy.
3. Where ORR notifies the licence holder that ORR reasonably requires any modification of the insurance approved by ORR pursuant to paragraph 1, the licence holder shall, no later than 60 days (or such longer period as ORR may approve) from the date of the notice, procure that such modification is made.
4. In this Condition:  
  
"self insurance" means the licence holder's financial capacity to meet any liability to a third party in respect of which the licence holder does not otherwise have insurance.

## **Condition 2: Claims Allocation and Handling**

1. The licence holder shall, except in so far as ORR may otherwise consent, at all times be a party to and comply with such agreements or arrangements (as amended from time to time) relating to:
  - (a) the handling of claims against operators of railway assets; and
  - (b) the allocation of liabilities among operators of railway assetsas may have been approved by ORR.
  
2. Except with the consent of ORR, the licence holder shall not, in relation to any of the agreements or arrangements described in paragraph 1 (the "relevant claims handling arrangements"), enter into any agreement or arrangement with any other party to the relevant claims handling arrangements:
  - (a) under which the licence holder agrees not to exercise any rights which it may have under any of the relevant claims handling arrangements; or
  - (b) varying the relevant claims handling arrangementsother than as provided for under the terms of the relevant claims handling arrangements.

## **Condition 5: Provision of Services for Disabled People**

1. The licence holder shall by the date on which this licence comes into force establish and thereafter comply with:

- (a) a statement of policy; and
- (b) a detailed body of arrangements, procedures, services and other benefits to be implemented or provided by the licence holder

designed to protect the interests of people who are disabled in their use of stations of which the licence holder is the operator pursuant to this licence and to facilitate such use (together "the Disabled People's Protection Policy").

2. In establishing the Disabled People's Protection Policy and in making any alteration to it, the licence holder shall have due regard to the code of practice published by the Secretary of State pursuant to section 71B of the Act.

3. The licence holder shall not establish, or make any material alteration to, the Disabled People's Protection Policy unless and until:

- (a) the RPC has been consulted; and
- (b) the licence holder has submitted the Disabled People's Protection Policy, or (as the case may be) the proposed alteration, to the Secretary of State and the Secretary of State has approved it.

4. Where the Secretary of State requires the licence holder to carry out a review of the Disabled People's Protection Policy or any part of it or the manner in which it has been implemented, with a view to determining whether any alteration should be made to it, the licence holder shall promptly carry out a review and shall submit a written report to the Secretary of State setting out the results or conclusions.

5. The licence holder shall:

- (a) send a copy of the Disabled People's Protection Policy and of any alteration to it (approved under sub-paragraph 3b) to the Secretary of State and the RPC;

- (b) in a place of reasonable prominence at each station of which the licence holder is the operator pursuant to this licence, display a notice giving the address from which a current copy of the statement may be obtained; and
  - (c) give or send free of charge a current copy of the statement to any person who requests it.
- 6. Nothing in this Condition shall oblige the licence holder to undertake any action that entails excessive cost taking into account all the circumstances, including the nature and scale of licensed activities.

## **Condition 6: Complaints Procedure**

1. The licence holder shall comply with a procedure ("Complaints Procedure") approved by the Secretary of State as at the date on which this licence came into force for handling complaints relating to licensed activities from its customers and potential customers.
2. Subject to paragraph 6, the licence holder shall not make any material alteration to the Complaints Procedure unless and until:
  - (a) the RPC and, where appropriate, LTUC has been consulted; and
  - (b) the licence holder has submitted the proposed alteration to the Secretary of State and the Secretary of State has approved it.
3. The licence holder shall send a copy of the Complaints Procedure and of any material alteration to it (in each case following approval by the Secretary of State where required under paragraph 1 and sub-paragraph 2(b)) to the Secretary of State and the RPC and, where appropriate, LTUC.
4. Where the Secretary of State requires the licence holder to carry out a review of the Complaints Procedure or any part of it, or manner in which it has been operated, with a view to determining whether any alterations should be made to it, the licence holder shall promptly carry out a review and shall submit a written report to the Secretary of State setting out the results or conclusions.
5. The licence holder shall make such alterations to the Complaints Procedure, or the manner in which it is operated, as the Secretary of State may reasonably require after the Secretary of State has received a report under paragraph 4 and consulted the licence holder.
6. Paragraph 2 does not apply to any alteration made pursuant to paragraph 5.

## **Condition 7: Liaison with the RPC and LTUC**

1. Whenever reasonably requested to do so by the RPC and LTUC (as relevant) the licence holder shall meet with the RPC and LTUC (as relevant) to discuss and review such matters as the RPC and LTUC (as relevant) may wish to consider in connection with its functions under Part I of the Act. The licence holder shall not under this Condition be obliged to attend more than two meetings with the RPC and LTUC (as relevant) in any calendar year.
2. The licence holder shall provide the RPC and LTUC (as relevant) with such information as satisfies all the following conditions:
  - (a) the RPC and LTUC (as relevant) reasonably requests the information for the proper performance of its functions under Part I of the Act;
  - (b) no undue burden is imposed on the licence holder in procuring or furnishing the information; and
  - (c) the information would normally be available to the licence holder, unless the RPC and LTUC (as relevant) considers the information essential to enable it to exercise its functions under Part I of the Act.
3. In every calendar year in which the licence holder meets with the RPC and, where appropriate, LTUC pursuant to paragraph 1, the licence holder shall be represented by one or more senior executives of the licence holder in at least one meeting with the RPC and LTUC (separately or jointly).
4. Where the licence holder holds another licence each number specified as a maximum or minimum in this Condition shall apply jointly to meetings under this Condition and to meetings under any corresponding condition in that other licence.
5. Where:
  - (a) the licence holder and the RPC or LTUC, or both disagree as to the reasonableness of a request made to the licence holder by the RPC or LTUC, or both under paragraph 1 or paragraph 2;
  - (b) either party refers the dispute to the Secretary of State; and

(c) the Secretary of State determines that the request is reasonable  
the licence holder shall promptly thereafter comply with the request.

### **Condition 9: Railway Group Standards**

1. The licence holder shall comply with the Railway Group Standards applicable to its licensed activities.
2. In this Condition:

"Railway Group Standards" means standards authorised pursuant to the Railway Group Standards Code prepared by RSSB.

## **Condition 10: Environmental Matters**

1. The licence holder shall establish a written policy designed to protect the environment from the effect of licensed activities, together with operational objectives and management arrangements (together "the environmental arrangements").
2. The environmental arrangements shall:
  - (a) take due account of any relevant guidance issued by ORR;
  - (b) be effective within six months beginning with the day on which this licence comes into force; and
  - (c) be reviewed by the licence holder periodically, and otherwise as appropriate.
3. Nothing contained in paragraph 1 shall oblige the licence holder to undertake any action that entails excessive cost taking into account all the circumstances, including the nature and scale of operations of the type carried out by the licence holder.
4. The licence holder shall, upon establishment and any material modification of the environmental arrangements, promptly send ORR a current copy of the policy together with a summary of the operational objectives and management arrangements.
5. The licence holder shall act with regard to the policy and operational objectives and use its reasonable endeavours to operate the management arrangements effectively.

### **Condition 11: Payment of Fees**

1. In respect of the year beginning on 1 April 2003 and in each subsequent year, the licence holder shall render to ORR a payment which is the aggregate of the following amounts:
  - (a) the annual fee applicable to this licence, as determined by ORR; and
  - (b) an amount which shall represent a fair proportion as determined by ORR of the amount estimated by ORR (in consultation with the Competition Commission) as having been incurred in the calendar year immediately preceding the 1 April in question by the Competition Commission in connection with references made to it under section 13 of the Act with respect to this licence or any class of licence of which ORR determines that this licence forms part.
2. The payment shall be rendered by the licence holder within such time as ORR may require, being not less than 30 days beginning with the day on which ORR gives notice to the licence holder of its amount.

**Condition 12: Change of Control**

1. The licence holder shall, if any person obtains control of the licence holder, notify ORR as soon as practicable thereafter.

**Condition 13: Non-Discrimination**

1. Except in so far as ORR may otherwise consent, the licence holder shall not in its licensed activities, or in carrying out any other function contemplated by this licence, unduly discriminate between particular persons or between any classes or descriptions of person.

#### **Condition 14: Emergency Access**

1. During any emergency affecting the railway, the licence holder shall, to the extent that it is legally entitled to do so, grant to any person requesting it such permission to use any station of which the licence holder is the operator pursuant to this licence as is necessary or expedient to alleviate the effects of the emergency.

### **Condition 15: Co-operation with Transport *for* London**

1. The licence holder shall co-operate with Transport *for* London ("TfL") for the purpose of:
  - (a) ensuring the efficient operation of railway services and the provision of railway facilities; and
  - (b) co-ordinating, where possible, anticipated investment projectsto the extent that such matters affect or may affect both the licence holder's and TfL's provision of railway services.

### **Condition 16: Changes to the Schedule**

1. If the licence holder serves notice on ORR requesting that it be authorised to operate an additional station, that station shall be added to the Schedule on the date ORR receives the notice.
2. If, within 30 days of receiving the notice referred to in paragraph 1, ORR serves notice on the licence holder that it objects to such authorisation, that station shall be removed from the Schedule on the date the licence holder receives the notice.
3. If the licence holder ceases to be the operator of any station listed in the Schedule, the licence holder shall, within 30 days, serve notice on ORR of such cessation. That station shall be removed from the Schedule on the date ORR receives the notice.

*Note: The wording above was affected by a modification scheme made on Friday 30 March 2007. See the Explanatory Notes at the end of the licence.*

## Part IV - Revocation

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1. ORR may (after having consulted the appropriate franchising authority where the licence holder is a franchise operator) revoke this licence if agreed in writing by the licence holder.
2. ORR may (after having consulted the appropriate franchising authority where the licence holder is a franchise operator) revoke this licence by not less than three months notice to the licence holder:
  - (a) if a final order has been made, or a provisional order has been confirmed under section 55 of the Act, in respect of any contravention or apprehended contravention by the licence holder of any Condition, and the licence holder does not comply with the order within a period of three months beginning with the day on which ORR gives notice to the licence holder stating that this licence will be revoked pursuant to this term if the licence holder does not so comply; provided that ORR shall not give any such notice before the expiration of the period within which an application could be made under section 57 of the Act in relation to the order in question or before any proceedings relating to any such application are finally determined;
  - (b) if the licence holder has not commenced carrying on licensed activities within one year beginning with the day on which this licence comes into force or if the licence holder ceases to carry on licensed activities for a continuous period of at least one year;
  - (c) if the licence holder is convicted of an offence under section 146 of the Act in making its application for this licence; or
  - (d) if a person obtains control of the licence holder and:
    - (i) ORR has not approved such obtaining of control;
    - (ii) within one month of that obtaining of control coming to the notice of ORR, ORR serves notice on the licence holder stating that ORR proposes to revoke this licence in pursuance of this paragraph unless the person who has obtained control of the

licence holder ceases to have control of the licence holder within the period of three months beginning with the day of service of the notice; and

(iii) that cessation of control does not take place within that period.

3. ORR may (after having consulted the appropriate franchising authority where the licence holder is a franchise operator) revoke this licence by not less than 10 years notice, such notice not to be given earlier than 25 years after the date this licence takes effect.

# Schedule - List of Stations

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Arnside

Barnetby

Barrow-in-Furness

Birchwood

Brough

Burneside

Carnforth

Cleethorpes

Dewsbury

Grange-over-Sands

Grimsby Town

Huddersfield

Hull

Kendal

Malton

Manchester Airport

Middlesborough

Northallerton

Scarborough

Scunthorpe

Seamer

Selby

Stalybridge

Staveley

Thirsk

Thornaby

Ulverston

Warrington Central

Windermere

Yarm

# Explanatory Notes

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1. Paragraph 1(a) in Part 1 of this licence should be read in conjunction with condition 16. In the original Part 1, the licence holder could be authorised under paragraph 2(a) to operate stations listed in an attached Schedule 2, and also under paragraph 2(b) to operate stations notified to ORR and to which ORR did not object.
2. The Schedule referred to at paragraph 1 of Part 1 and Condition 16 was called “Schedule 2” in the original Part 1 of this licence.
3. This licence came into force on the date stated in paragraph 2 of Part 1 of this licence. The date of authorisation in respect of any stations notified to ORR under paragraph 2(b) of the original Part 1 of the licence will be determined in accordance with the date of notification and paragraph 3 of the original Part 1.
4. The original Part 1 of the licence contained a notice provision for termination of the licence by ORR. This is now in Part IV of the licence.
5. Paragraph 1 of Part IV also allows the licence to be revoked with the agreement of the licence holder. The original Schedule 1 provided for three months notice of revocation in these circumstances. However, as this provision requires the agreement of the licence holder the revocation can be agreed with immediate effect.