

[News story: CMA considers proposals to protect London to Exeter rail passengers](#)

Last week the Competition and Markets Authority's (CMA) investigation into the award of the franchise to FirstGroup and MTR [raised concerns because FirstGroup already operates the Great Western Railway \(GWR\) franchise](#), which runs the only other train service between London and Exeter.

As the only operator running rail services between the 2 cities, the CMA found that FirstGroup could potentially take advantage of the reduction in competition to increase fares for the half a million passengers a year who use the route.

FirstGroup and its joint venture partner MTR were given the opportunity to avoid an in-depth ('phase 2') investigation by offering proposals (known as 'undertakings in lieu of reference') to the CMA to address the concerns identified.

The companies have now offered to cap unregulated fares between London and Exeter on both South Western and GWR services by linking these to prices on a number of other comparable routes. They have also proposed to maintain the availability of cheaper advance fares on both services – again by comparing with similar routes.

The CMA has decided that there are reasonable grounds for believing that these proposals, or a modified version of them, might be acceptable to remedy the competition concerns it has identified by protecting passengers using both London-Exeter rail services.

The CMA has until 20 September 2017 to consider whether to accept the undertakings, although it may decide to extend this deadline to 15 November 2017 if it decides that there are special reasons for doing so.

As part of its process, the CMA will now undertake a public consultation, which will commence shortly. Details on this consultation will be found on the [case page](#) along with full text of the decisions and all other information about the investigation.

The CMA's decision to consider the proposals comes in advance of the start of the franchise, due on 20 August 2017.