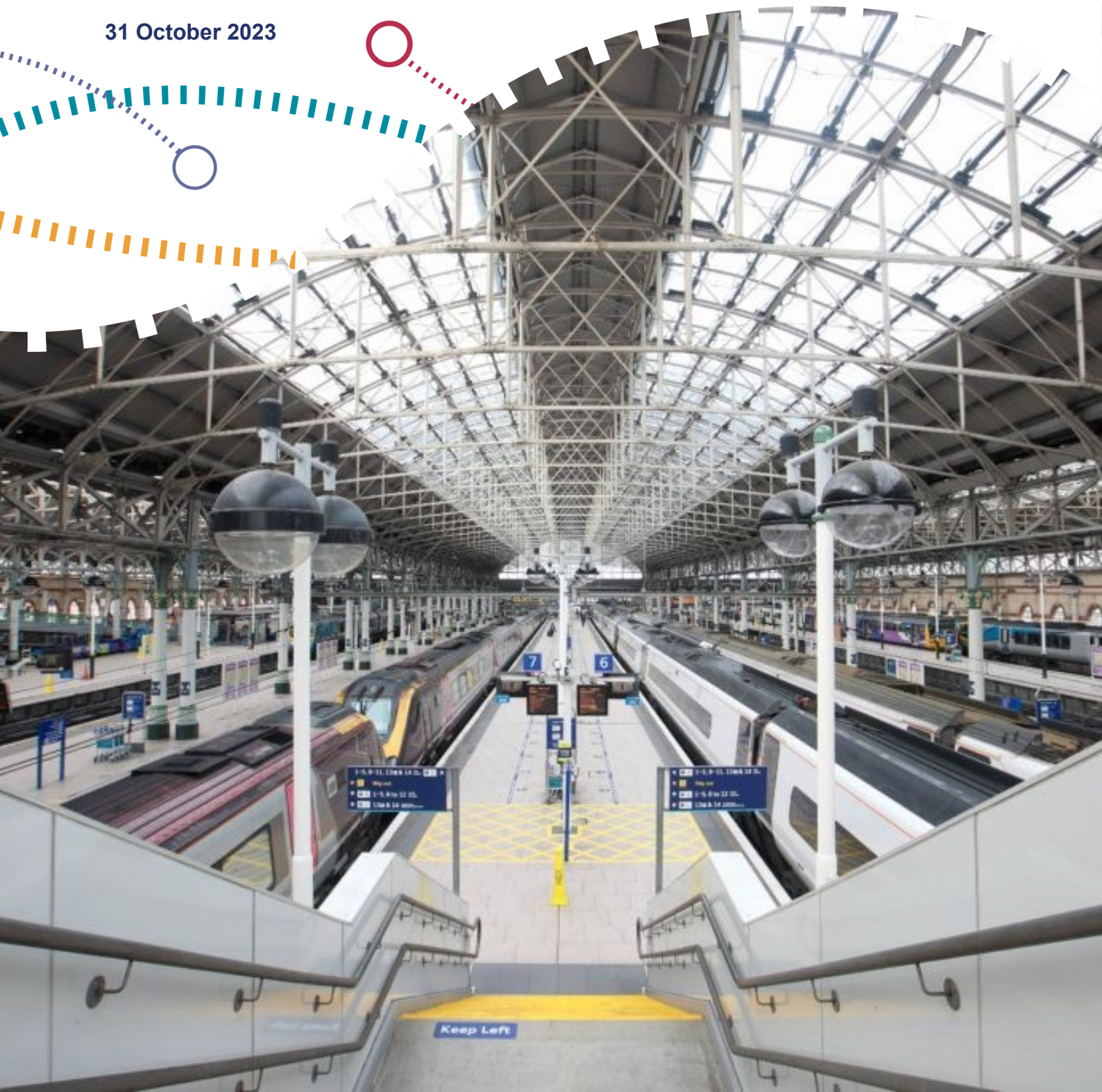


PR23 final determination:

Settlement document for the North West & Central region

31 October 2023



About this document

This is the settlement document for the North West & Central region. It describes our final control period 7 (CP7) decisions for the region.

PR23 determines what the infrastructure manager for the national rail network, Network Rail, is expected to deliver with respect to its operation, support, maintenance and renewal (OSMR) of the network during control period 7 (CP7), which will run from 1 April 2024 to 31 March 2029, and how the available funding should be best used to support this.

This strongly influences:

- the service that passengers and freight customers receive and, together with taxpayers, ultimately pay for; and
- the charges that Network Rail's passenger, freight and charter train operator customers pay to access its track and stations during CP7.

Our final determination sets out:

- our decisions on Network Rail's outcome delivery and its planned expenditure to secure the condition and reliability of the network;
- changes to access charges and the incentives framework; and
- relevant policies on the financial framework, managing change and holding to account.

In addition to **this document**, we have also published as part of our final determination:

Document type	Details
Summary of conclusions and overviews	<p>Our decisions on what Network Rail will need to deliver and how funding should be allocated:</p> <ul style="list-style-type: none">• Summary of conclusions and overview for England & Wales• Summary of conclusions and settlement for Scotland

Document type	Details
Consolidated decisions	A summary of our final decisions across Great Britain
Introduction	An overview of PR23 and background to our final determination
Settlement documents	<p>Detailed final decisions for the System Operator and each of Network Rail's regions in England & Wales:</p> <ul style="list-style-type: none">• Eastern region• <u>North West & Central region</u>• Southern region• Wales & Western region <p>See our summary of conclusions and settlement document for detailed information for Scotland.</p>
Supporting documents	<p>Technical assessments of:</p> <ul style="list-style-type: none">• Health and safety• Outcomes• Sustainable and efficient costs• National Functions• Other income
Policy positions	<p>How we intend to regulate Network Rail during CP7 in relation to:</p> <ul style="list-style-type: none">• Financial framework• Access charges• Schedules 4 and 8 incentives regimes• Managing change• Holding to account <p>With the exceptions of managing change and holding to account, our policy position documents include our assessment of stakeholder views on our proposals. Stakeholder views for managing change and holding to account are published in a separate document.</p>

Document type	Details
Impact assessments	A consolidated set of assessments of the impact of our final policies on access charges and contractual incentives on affected parties

Next steps

We will now implement our final determination. Implementation is the process through which we amend operators' track and station access contracts to give effect to new access charges and incentives (such as Schedule 8 benchmarks and payment rates) determined through the periodic review. We expect to issue our review notices in December 2023 and, subject to Network Rail's acceptance, issue notices of agreement and review implementation notices in time for CP7 to commence from of 1 April 2024.

We expect Network Rail to publish a delivery plan for CP7 that is consistent with our final determination. We have published [a notice](#) alongside our final determination which sets out expectations for the scope and timing of the delivery plan.

1. Overview

- 1.1 For CP7, the North West & Central region has its own settlement as part of Network Rail's determination. North West & Central will report separately on what it is delivering and will have its own budget to fund its activities. The purpose of this document is to set out the funding that will be allocated and the outputs the region will be required to deliver in CP7.
- 1.2 Network Rail's North West & Central region runs from London Euston and Marylebone in the south to Gretna near the Scotland and England border. It represents 22% of Network Rail's railway infrastructure. It provides key intercity links for Birmingham, Manchester and Liverpool, as well as supporting commuter and rural connections. The region contains three routes, North West, Central and West Coast Mainline South.
- 1.3 The West Coast Main Line is one of the busiest freight routes in Europe, carrying 40% of all UK rail freight traffic.



2. Our decisions for the North West & Central region

- 2.1 We set out at the start of our periodic review (PR23) in our [June 2021 launch letter](#) that our focus during the process would remain on four objectives of safety; performance; asset sustainability and efficiency.
- 2.2 Our CP7 decisions for the North West & Central region for each of the above areas and other important areas such as environmental sustainability and accessibility are set out below. Within each section we summarise key decisions. More detailed information is available in our supporting documents.
- 2.3 Within this document we set baseline trajectories for each of the success measures listed in Table 2.1 below. In Table 2.9 at the end of this chapter, we set out CP7 trajectories for each measure. We will use these measures to publicly hold North West & Central to account in CP7. These baseline trajectories quantify the performance levels that we expect North West & Central to deliver, in line with the England & Wales high level output specification (HLOS) and available funding.
- 2.4 Where relevant, we also set out other measures that we will use in our monitoring of North West & Central’s overall performance throughout CP7.

Table 2.1 Success measures – CP7 outcomes framework

Outcome area	Success measures
Train performance: passenger	On Time Cancellations
Train performance: freight	Freight Cancellations
Freight growth	Freight net tonne kilometres moved
Asset sustainability	Composite Sustainability Index (CSI)
Environmental sustainability	Carbon emissions scope 1 and 2 Biodiversity Units
Efficiency and financial performance	Financial Performance Measure (FPM) (opex/capex split) Efficiency (£)

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2.5 North West & Central's projected expenditure on operations, support, maintenance and renewals in CP7 is £10.1 billion (including National Functions). This is 5% more compared to CP6 in 2023-24 prices when adjusted for inflation. As such, it is the only Network Rail region with higher projected expenditure for CP7 (inflation adjusted). See Table 2.10 at the end of this chapter for an income and expenditure table for North West & Central over the control period.

Safety

- 2.6 North West & Central's business plan for CP7 maintains current levels of safety risk control. Some aspects of its plan could deliver improvements in management of safety and health risks.
- 2.7 The region's draft determination response has made clear that its 'value of service' approach is not designed to allow trade-offs where risk controls deteriorate on lower value routes so long as overall aggregated risk measures are positive. The region has committed that its value of service planning approach will deliver a safe railway.
- 2.8 There will be a modest reduction in asset condition over the control period with implications for how the region sustains effective controls of safety and health risks. As a result, Network Rail has developed a model to analyse the factors relevant to the safe delivery of its business plan. We are satisfied that this approach addresses the concerns we expressed in our draft determination and has the potential to identify the best means to safely manage risks so far as is reasonably practicable. However, this approach is not yet mature and there remain cost-driven pressures and uncertainties with the potential to compromise outcomes. We are seeking greater maturity and certainty from Network Rail in its delivery plan.
- 2.9 The region submitted plans stating that the 'Modernising Maintenance' programme will be fully enabled by the start of CP7. This will remain an important dependency in CP7 as the delivery of increased maintenance activities relies on changes introduced by modernising maintenance.
- 2.10 In our draft determination we asked the region for more details on how it would deliver its commitments on workforce and track worker safety, including workforce fatigue management. We have received further evidence from the region. We will work with the region on how it addresses these areas in its CP7 delivery plan.
- 2.11 We noted in our draft determination that the region had reduced earthworks and drainage renewals expenditure compared to CP6. We asked the region to explain

how its approach to drainage renewals will manage the risks of earthworks and tunnel portals failing through lack of renewal. The region outlined that its plans include additional resource to manage drainage alongside data surveys so as to provide a coordinated, risk-based approach. We will closely scrutinise the region’s progress in earthworks and drainage management.

2.12 We expect North West & Central to provide forecasts for all three health and safety supporting measures, shown in Table 2.2 below, in the CP7 delivery plan. We also expect the region to report this for each year of CP7.

Table 2.2 Health and safety outcomes

Tier	Measure
1: Success measures	<ul style="list-style-type: none"> None, as there are clear obligations under health and safety legislation
2: Supporting measures	<ul style="list-style-type: none"> Fatalities and Weighted Injuries (FWI) for workforce, passengers and the public Train Accident Risk Reduction (TARR) Personal Accountability for Safety (PAFS)

Passenger train performance

2.13 The business planning and budgeting cycles for Network Rail and the publicly contracted train operators in England & Wales are currently different which makes setting whole industry expectations beyond the current financial year challenging. It means we do not have committed medium-term plans for the contribution of these passenger train operators to performance and so do not have the evidence required to assume a stretching contribution from them in our train performance trajectories for CP7. A joined-up approach to longer-term business planning is vital to ensure that the network and those running services over it deliver for passengers.

2.14 Whole industry performance is also affected by factors such as changes in passenger demand following the pandemic. Therefore, for this control period, our final determination commits to reset passenger train performance trajectories for England & Wales in advance of year 3 of CP7. This two-year window provides an opportunity for Network Rail to work with operators and funders, to improve the industry processes for aligning longer term performance expectations.

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- 2.15 This mid-control period reset will only apply to passenger train performance measures and trajectories and not to freight train performance or other outcome measures from our final determination.
- 2.16 Train operating companies who responded to our consultation on the draft determination were supportive of ORR setting more challenging performance trajectories than those proposed by Network Rail in its strategic business plan (SBP).
- 2.17 North West & Central has revised its On Time forecast in its draft determination response. Its forecast is more ambitious than what it proposed in its strategic business plan (SBP), being above the top of its range, and close to the trajectory we set out in the draft determination. We note that the region expects a dip in On Time performance from its CP6 exit forecast into the first two years of CP7 as a result of cumulative network busyness driven by increased forecast passenger demand and planned timetable uplifts. We have robustly assessed the region's forecast. We are setting the On Time trajectory using the region's forecast for years 1 and 2 of CP7 (62.9%). We have set an indicative On Time trajectory for improvement for North West & Central of 63.1% in year 3, 63.2% in year 4 and 63.3% in year 5 of CP7.
- 2.18 We have carried out a robust assessment of the region's revised passenger cancellations forecast. We consider that the region's draft determination response forecast for years 1 and 2 of CP7 are a credible balance of being ambitious and realistic, as required by the HLOS. We are setting trajectories that align with the region's proposals for years 1 and 2 of CP7 and which provide a clear baseline against which we can measure its performance. The passenger cancellations trajectory for North West & Central is set at 3.7% for year 1 and 3.5% for year 2 of CP7. We have set an indicative passenger cancellations trajectory of 3.3% for year 3, 3.2% for year 4 and 3.0% for year 5 of CP7. More detailed information is available in our [PR23 final determination: supporting document on outcomes](#).

Table 2.3 Passenger train performance outcomes

Tier	Measure
1: Success measures	<ul style="list-style-type: none"> On Time trajectory is set at 62.9% for years 1 and 2, 63.1% for year 3, 63.2% for year 4 and 63.3% for year 5 of CP7 (years 3 to 5 are an indicative trajectory) Passenger cancellations trajectory is set at 3.7% for year 1, 3.5% for year 2, 3.3% for year 3, 3.2% for year 4 and 3.0% for year 5 of CP7 (years 3 to 5 are an indicative trajectory)

Tier	Measure
2: Supporting measures	<ul style="list-style-type: none"> • Delay minutes per 1,000 miles train travel (track/train split) • Time to 15 • Average Passenger Lateness (APL)

Freight train performance

2.19 We have based the freight cancellations trajectory on an average historical performance and have adjusted Network Rail’s draft determination response forecast to remove recent poor performance from its calculations.

Table 2.4 Freight train performance outcomes

Tier	Measure
1: Success measures	<ul style="list-style-type: none"> • Freight cancellations (flat) trajectory is set at 1.0% for each year of CP7
2: Supporting measures	<ul style="list-style-type: none"> • Freight Cancellations and Lateness (FCaL) • Arrivals to Fifteen (A2F)

Freight growth

2.20 Freight growth is an important outcome area given the context of changing industry demand as well as securing environmental and economic benefits. Reflecting this, the HLOS for England and Wales set out a requirement for a freight growth target in CP7.

2.21 We have reviewed the evidence and methodologies relied on by Network Rail to set its freight growth forecasts and we are satisfied that they provide a robust basis for us to set freight growth targets.

2.22 Freight operators who responded to our consultation on the draft determination welcomed that ORR was setting a freight growth trajectory. While GB Railfreight welcomed the region’s freight growth target of 8.6%, it was concerned about the robustness of the region’s power supply and unclear how regional decarbonisation plans to support more electrically hauled freight services in CP7.

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- 2.23 There are a range of factors which will influence future rail freight growth, some outside of Network Rail's control. But there are steps that each region can and should be taking, beyond the commitment to invest in heavy axle weight capability (see below).
- 2.24 In CP7 we will hold North West & Central to account for the delivery of its contribution to delivering freight growth. To do this, we require it to set out how it will deliver against its freight growth targets and report on these commitments throughout the control period. Having clear actions to deliver will provide assurance to stakeholders and funders that Network Rail is working closely with the freight industry to identify and deliver on opportunities for growth, including electrically hauled freight services. We are also requiring the System Operator to produce an overarching CP7 freight growth plan as part of its delivery plan. Please see the [PR23 final determination: settlement document for the System Operator](#) for more details.
- 2.25 In support of freight growth, the region has protected its circa £25 million of funding to improve heavy axle weight capability in its highest priority areas. We will monitor this expenditure throughout the control period and have set an explicit supporting measure to do this.

Table 2.5 Freight growth outcomes

Tier	Measure
1: Success measures	<ul style="list-style-type: none">Freight net tonne kilometres moved, growth trajectory of 8.6% for the end of CP7
2: Supporting measures	<ul style="list-style-type: none">Freight growth plans – key enabling activitiesStrategic projects delivery – Heavy Axle Weight (HAW) project

Performance innovation

- 2.26 The final determination includes a national performance improvement and innovation fund (PIIF) for England & Wales regions, similar to that included in CP6. There will be £40 million available in this fund. Throughout CP7 we expect North West & Central to make best use of this fund, identifying opportunities to improve passenger and freight performance.

Asset sustainability

- 2.27 The region is planning to spend £4.9 billion on renewals in CP7 (including any National Function spend). This is 8% more compared to CP6 expenditure on renewals. Maintenance expenditure is set to increase to £2.4 billion, which represents a 7% increase from CP6.
- 2.28 Unlike other regions, in our draft determination we did not recommend additional expenditure on core renewals for North West & Central as it is the only region with an increased expenditure in CP7 above CP6 levels. Delivery of effective volumes will form a key part of our CP7 monitoring activity.
- 2.29 North West & Central's SBP commits to delivering renewals on the West Coast Main Line North (WCML(N), between Crewe and Carlisle). This large programme of renewals is required on the WCML(N) between CP7 and CP10. Some of these assets are life expired and require renewal in CP7 (including on stations, track, electrification and plant, level crossings, power supply and many conventional signals which will be replaced with the European Train Control System (ETCS)), but the region proposes to accelerate the full programme of renewals into CP7 and CP8. The region plans to complete all disruptive works before the introduction of high-speed trains on the WCML(N) at the end of CP8. Network Rail's SBP included circa £1.2 billion for this project.
- 2.30 In the draft determination for WCML(N) we expected circa £300 million of funding to slip into CP8 due to deliverability challenges, therefore reducing the CP7 spend. Network Rail agreed with our concerns regarding deliverability and it has proactively reprogrammed £100 million into CP8 (£62 million for ETCS, £17 million for electrification and plant and £21 million for buildings). The remainder of the funding is proposed to be treated as a "soft ringfence" which may slip and therefore release funding for core renewals in England & Wales. Network Rail states that Crewe renewals are "in flight" and will not be subject to the same deliverability challenges as WCML(N).
- 2.31 We agree that the reprofiling of £100 million provides a more realistic plan for Network Rail and the supply chain and we support the "soft ringfencing" principle. However, we would only apply the "soft ringfencing" to the "disputed" portion of spend. Our concerns remain about the deliverability of Crewe renewals based on data for similar renewals in CP6. Therefore, we propose that £270 million of "soft ringfence" is included for Crewe and another £50 million for the remainder of WCML(N). This represents an opportunity for a further £320 million to become available for other priorities if this programme slips, over and above the £100

million which Network Rail has proactively reprogrammed into CP8. This is based on our analysis that large parts of the programmes will slip by approximately 12 months to 18 months into the beginning of CP8.

2.32 North West & Central has updated its Composite Sustainability Index (CSI) forecast in its draft determination response to reflect model recalibrations, updated definitions and CP7 submission volume changes compared to those in its SBP. It forecasts that CSI will reduce by less than in its SBP (-3.5 percentage points), with a -3.2 percentage points change by the end of CP7 compared to CP6 exit. We assured ourselves of the methodologies relied on by Network Rail for its CSI forecast and agree with its proposed forecast.

Table 2.6 Asset sustainability outcomes

Tier	Measure
1: Success measures	<ul style="list-style-type: none"> • Composite Sustainability Index (CSI) trajectory of -3.2 percentage points change in CP7
2: Supporting measures	<ul style="list-style-type: none"> • Composite Reliability Index (CRI) • Effective volumes • Service Affecting Failures (SAFs) • Delivery against high priority areas: <ul style="list-style-type: none"> ○ Lineside vegetation – compliance ○ Structures examinations – site examination and reporting compliance ○ Earthworks examinations – non-compliance ○ Buildings examinations – detailed and visual examinations ○ Drainage examinations – compliance ○ Maintenance – plan vs. actual volume hours ○ Resilience and adaptation – key WRCCA activities • Asset data quality – timebound obligations to meet asset data standards

Environmental sustainability

- 2.33 We expect North West & Central to deliver environmental sustainability outcomes in CP7 which include contributing to meeting legislative requirements and government priorities. These include decarbonising the railway and its value chain, improving air quality, biodiversity on its estate, and reducing consumption of resources. We expect this increased emphasis on environmental sustainability in CP7 to be supported by wider environmental performance measures, and robust monitoring and reporting.
- 2.34 Confirmation of the environmental sustainability success and supporting measures we will use to monitor and hold Network Rail to account in CP7 is presented in Table 2.7 below. We agree with the success measure forecasts proposed by the region for carbon emissions scope 1 & 2 and biodiversity.

Table 2.7 Environmental sustainability outcomes

Tier	Measure
1: Success measures	<ul style="list-style-type: none"> The region’s carbon emissions scope 1 & 2 trajectories are set at -21 percentage points by the end of CP7 The region’s biodiversity trajectory is set at 4 percentage points improvement by the end of CP7
2: Supporting measures	<ul style="list-style-type: none"> Whole life (infrastructure) carbon emissions Air quality at stations

Accessibility

- 2.35 The rail network should be open to everyone, irrespective of disability. North West & Central has an important role to play in delivering improvements within its region to the accessibility of the network and providing assistance for people with reduced mobility or disabilities in using the railway.
- 2.36 While we will not have any success or supporting measures for accessibility in PR23, we will work with Network Rail to secure appropriate reporting of supporting information and will continue to hold it to account for its performance against the requirements of the Accessible Travel Policy licence condition.
- 2.37 In our draft determination we highlighted that while the region has identified renewals to address accessibility requirements, we are concerned that the

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proposed renewal plan would not be able to address all lifts and escalators that are beyond design life. Aging lifts and escalators could lead to failures or outages of these assets resulting in accessibility and performance impacts. We stated that the region should keep renewals in this area under review during CP7 to maximise accessibility outcomes.

2.38 The region has responded that it will keep accessibility related renewals under review and will pursue funding opportunities outside of PR23. It will seek to make use of DfT station accessibility data to help identify and prioritise locations for these accessibility improvements.

2.39 In its draft determination response, the region has deferred accessibility interventions at 13 stations to CP8 as part of its reduction of expenditure on the West Coast Mainline (North) renewals portfolio. It will seek other funding opportunities for these interventions.

Efficiency and financial performance

2.40 Like other regions, North West & Central has set itself an efficiency target for the end of CP7 of 10% in operating expenditure (operations, support and maintenance) and 15% in capital (renewals) expenditure in CP7. Please refer to our [PR23 final determination: supporting document on sustainable and efficient costs](#) for further details.

2.41 We have set the efficiency requirements at the same level as Network Rail proposed in its SBP for the risk-adjusted plan. The region must deliver £902 million of efficiencies, including the region's share of efficiencies in the network wide cost allocation by the end of CP7.

2.42 Based on discussions with Network Rail, and our challenge at draft determination we accept its revised headwinds forecast for CP7, i.e. unplanned cost increases due to external factors.

2.43 The Financial Performance Measure (or FPM) will compare North West & Central's income and expenditure to its CP7 delivery plan. The efficiency improvements that North West & Central is expected to achieve will be embedded in the financial assumptions in its CP7 delivery plan. FPM adjusts for the amount of work done and excludes income and expenditure that is not controllable by the region.

2.44 North West & Central has included an FPM forecast of zero for every year of CP7, this is consistent with other regions. This means its net financial performance

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would be aligned to the assumptions in its delivery plan for income and controllable costs and after making adjustments for delivery. We agree this is the appropriate baseline to measure FPM against during CP7 and are setting this as the FPM baseline trajectory.

Table 2.8 Efficiency and financial performance outcomes

Tier	Measure
1: Success measures	<ul style="list-style-type: none"> • Efficiency (£) trajectory of £902 million • Financial Performance Measure (FPM) (opex/capex split)
2: Supporting measures	<ul style="list-style-type: none"> • Fishbone analysis of cost drivers • Leading indicators of efficient delivery <ul style="list-style-type: none"> ○ Booking of disruptive access ○ Workbank planning ○ Efficiency plan quality

Financial risk

2.45 As our SBP review focussed on North West & Central’s risk-adjusted plan, we have already accounted for the spend associated with this plan within our draft determination. We also made allowance for the impact of inflation up until May 2023. However, inflation continued to increase above expected levels since our draft determination.

2.46 As described in our [PR23 final determination: supporting document on sustainable and efficient costs](#), we have provided Network Rail with a suite of options to fund core renewals and increase the risk fund allocation which would allow it to enter CP7 with a risk fund of £1.5 billion in England & Wales. allocation which would allow it to enter CP7 with a risk fund of £1.5 billion in England & Wales.

2.47 Network Rail should consider these options and confirm the allocations of risk funding for each region in its delivery plan. Network Rail has provided an indicative £431 million of risk funding to North West & Central based on a share of the England & Wales risk fund pro-rated for the region’s operations, support, maintenance and renewals costs.

Operations and support costs

- 2.48 One of Network Rail's strategic cost options to rebalance the overall CP7 plan is to reduce support and operations costs.
- 2.49 Based on our assessment and a recent benchmarking report we have identified that up to £150 million may be able to be saved in these areas across the England & Wales regions and National Functions.
- 2.50 The bulk of any reduction is likely to be found in support areas, and result from strategic choices made about elements of regional devolution. We provide more information on this in our sustainable and efficient costs document.

Table 2.9 ORR success measure baseline trajectories for the North West & Central region

	CP6 exit forecast	2024-25 (year 1)	2025-26 (year 2)	2026-27 (year 3)	2027-28 (year 4)	2028-29 (year 5)
Passenger On Time*	63.1%	62.9 %	62.9%	63.1%	63.2%	63.3%
Passenger Cancellations*	3.9%	3.7%	3.5%	3.3%	3.2%	3.0%
Freight Cancellations	1.3%	1.0%	1.0%	1.0%	1.0%	1.0%
Composite Sustainability Index (CSI)	n/a	Measured only at CP7 exit. CP7 Difference in CSI from CP6 exit to CP7 exit.				-3.2pp
Financial Performance Measure (FPM)	n/a	£0	£0	£0	£0	£0
Efficiency (£ million, 2023-24 prices)	n/a	72	136	206	237	251
Cumulative Efficiency (£ million, 2023-24 prices)	706	72	208	414	651	902
Biodiversity Units	n/a	0.0%	1.0%	2.0%	3.0%	4.0%
Carbon emissions scope 1 and 2	n/a	-4.2%	-8.4%	-12.6%	-16.8%	-21.0%
Freight growth (Freight net tonne kilometres moved)	n/a	1.7%	3.4%	5.1%	6.8%	8.6%

* Years 3 to 5 On Time and Passenger Cancellations trajectories are indicative and subject to a reset in advance of year 3.

Table 2.10 Network Rail's proposed CP7 income and expenditure in North West & Central

£ million (2023-24 prices)	CP6		CP7						
	2023-24	CP6 total	2024-25	2025-26	2026-27	2027-28	2028-29	CP7 total	% vs CP6
Operations	171	868	184	183	181	179	179	907	4%
Support	268	1,601	257	264	270	268	268	1,327	-17%
Maintenance	440	2,274	479	485	493	489	491	2,438	7%
Renewals	952	4,490	1,056	941	1,028	935	904	4,865	8%
Industry costs, rates	80	391	84	84	94	94	94	450	15%
Electricity for Traction (EC4T)	251	682	243	221	217	222	227	1,130	66%
<i>Adjustment to OSMR expenditure*</i>	<i>n/a</i>	<i>n/a</i>	<i>-31</i>	<i>-48</i>	<i>-65</i>	<i>-73</i>	<i>-82</i>	<i>-300</i>	<i>n/a</i>
Risk provision*	0	0	48	70	93	104	116	431	n/a
Gross revenue requirement	2,162	10,305	2,320	2,200	2,310	2,219	2,198	11,248	9%
Other income	-190	-802	-186	-149	-149	-151	-151	-786	-2%
Net revenue requirement	1,972	9,503	2,134	2,051	2,161	2,069	2,047	10,462	10%
Fixed Track Access	-225	-1,248	-305	-309	-310	-310	-310	-1,544	24%
Variable Charges	-174	-850	-196	-198	-200	-202	-203	-998	17%
Electricity for Traction (EC4T)	-250	-678	-243	-221	-217	-222	-227	-1,130	67%
Schedule 4 and 8	119	442	87	75	78	71	67	377	-15%
Schedule 4 access charge supplement	-77	-459	-82	-70	-72	-65	-62	-351	-24%
Network grant	-1,364	-6,705	-1,395	-1,329	-1,439	-1,341	-1,312	-6,816	2%
Total regulated income	-1,972	-9,499	-2,134	-2,051	-2,161	-2,069	-2,047	-10,462	10%
Gross revenue requirement less EC4T	1,911	9,623	2,077	1,980	2,093	1,997	1,971	10,118	5%

*Note that Network Rail has proposed adjustments to its OSMR plans to enable an increase in the England & Wales risk provision. This is to help offset higher input prices.



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