

Stephanie Tobyn
Director, Economics, Markets and Strategy



9 June 2022

Her Majesty's Treasury
1 Horse Guards Road
London
SW1A 2HQ

Dear Sir/Madam,

Review Initiation Notice pursuant to Schedule 4A of the Railways Act 1993

Today we are giving formal notice of our intention to undertake an access charges review. Accordingly, please find enclosed by way of service two notices issued under Paragraph 1C of Schedule 4A to the Railways Act 1993.

This access charge review, which we refer to as the 2023 periodic review (or PR23), will determine what Network Rail is expected to deliver with respect to its infrastructure operations and the level of funding that it is provided with for the five year period from 1 April 2024 (known as control period 7 (or CP7)). This will feed through into the service that passengers and freight customers receive and, together with taxpayers, ultimately pay for. It will also affect the access charges that Network Rail's passenger, freight and charter train operator customers will pay to use its track and stations in CP7.

As well as giving formal notice of our intention to carry out an access charges review, the notices set out the dates by which the Secretary of State and Scottish Ministers must each provide their High-Level Output Specification (HLOS) and Statement of Funds Available (SoFA). The two notices provide for different deadlines for the Secretary of State (28 October 2022) and Scottish Ministers (30 November 2022) to submit their HLOSs and SoFAs.

The HLOS and SoFA, respectively, set out what government wants to be achieved by railway activities during the next control period and the public financial resources that they expect to make available to support this. Both HLOS and SoFA documents will inform Network Rail's Strategic Business Plan (due to be published in February 2023) and, ultimately, the determination that we will issue for Network Rail for CP7, due in October 2023.

Further information on PR23 is available on our website (www.orr.gov.uk/pr23). To subscribe for email updates on PR23, please get in touch using the PR23 inbox address, PR23@orr.gov.uk.

Yours sincerely

A handwritten signature in black ink that reads 'Stephanie Tobyn'.

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