

Richard Goodman Director General for Rail Reform & Strategy Department for Transport By email only

3 July 2025

Dear Richard

## Open access

Declan has asked me to reply to your letter of 20 June.

In that letter, as well as reiterating a number of points previously made by DfT in guidance and representations, you asked that ORR "immediately takes steps to fully understand and consider the cumulative scale and impacts of abstraction when it assesses Open Access applications" and "that this consideration of cumulative impacts be enacted immediately and factored into all future decision-making". We recognise the importance that the Department places on this issue.

ORR is currently at an advanced stage of considering numerous interacting applications from DfT operators, freight operators, open access operators and others for access to the West and East Coast Main Lines. Many of these applications support the major timetable change planned for December 2025, which Ministers are anxious to see introduced.

Our current approach to assessing open access applications includes robust consideration of the impact of open access on the funds available to the Secretary of State. As well as identifying accurately the abstractive impact of each individual application, we also:

- ensure competing or cumulative applications are presented to the Board alongside each other so that the collective forecast revenue effects are obvious;
- commission and make available to the Board research into the historic generation and abstraction impacts of open access; and



 include in all our decision papers a summary of the generation and abstraction impacts of all the Board's open access decisions over the previous 10 years (as forecast at the time those decisions were made). Across that period, abstractive impacts have been given significant weight by the Board when deciding to reject three of the nine applications we have determined (a fourth was rejected for operational feasibility reasons).

As you will be aware from our recently published decision letter, it was not necessary for the Board to consider the Secretary of State's funds when deciding recent open access applications for access to the WCML, which turned on capacity and performance factors.

However, our view is that developing, carrying out, consulting on and applying the new analysis proposed in your 20 June letter before finalising any further open access decisions risks delaying all our current planned access decisions affecting all passenger and freight operators on the East Coast. Such a delay would require extensive work at pace by industry to put in place temporary access rights instead to ensure the planned December 2025 timetable can be operated, creating a significant administrative burden and introducing avoidable risk to the timetable's implementation.

To avoid this, we intend to proceed with our decision-making on five open access applications from Grand Central, Hull Trains (two applications) and Lumo (two applications) on the East Coast Main Line without adjusting our established approach to assessing the impact on funds available to Secretary of State.

In doing so, ORR will continue carefully to consider the impact of open access decisions on the funds available to the Secretary of State. I would be happy to develop options for further strengthening or clarifying that approach, in consultation with DfT and other stakeholders, to support our consideration of applications to introduce new open access services during 2026 and subsequently.

We therefore intend to proceed with decision making on the East Coast Main Line in line with our published policy unless you write by Monday 7 July to ask us to delay the process. I have placed a copy of this letter on ORR's website, and will publish any reply alongside it.

Yours sincerely

John Larkinson