

Company Secretary
Network Rail Infrastructure Limited
Waterloo General Office
London
SE1 8SW

22 May 2025

Network licence Condition 18 (*Interests in railway vehicles*): Wessex Alliance

1. On 21 May 2025, Network Rail Infrastructure Limited (“Network Rail”) wrote to us requesting consent, under condition 18.1 of its network licence, to its proposed involvement in rolling stock arrangements under a new Wessex Alliance, which would commence 25 May 2025.
2. Network Rail first entered into a Wessex Alliance in 2012, as noted in its letter of 21 May 2025 (attached). The Alliance was subsequently extended and renewed, with ORR providing consent to the current arrangements on 4 August 2017. Those extant arrangements, between Network Rail and First MTR South Western Trains Limited (“First MTR”), will cease on 25 May 2025. On that date, Network Rail will enter into a replacement Wessex Alliance with South Western Railway Limited (“SWR”) (previously DfT OLR5 Limited) – a DfT Operator Limited company. SWR is to succeed First MTR, as the Government begins to introduce nationalised passenger train services.
3. Network Rail has confirmed that the new alliance with SWR is to be relatively short-term and fundamentally the same as the preceding alliance with First MTR. This would be an interim arrangement until Network Rail enters into a new alliance with SWR, currently anticipated later in 2025.
4. On the basis of the information provided by Network Rail, and for the purposes of Condition 18.1 of its network licence, we consent to Network Rail entering into a replacement Wessex Alliance on 25 May 2025. Network Rail is required to send to us a copy of the Wessex Alliance Agreement once it is effected.
5. In reaching our decision we have given particular weight to our duty to exercise our functions in a manner which we consider best calculated to “protect the interests of users of railway services”.
6. This consent is valid from 25 May 2025 until 31 December 2025, or such longer period as we may specify in a notice given to Network Rail. We may modify or

revoke this consent in a notice given to the licence holder if it appears to ORR to be requisite or expedient to do so, having regard to the duties imposed on us by section 4 of the Railways Act 1993.

22/05/2025

X 

Les Waters

Head of Licensing

Signed by:

Duly authorised by the Office of Rail and Road



Les Waters
Head of Licensing
Office and Rail and Road
25 Cabot Square
London

(Sent by email)

Network Rail Infrastructure Limited
The Quadrant
Elder Gate
Milton Keynes

Email:
[redacted]

21 May 2025

Dear Les,

Network Licence, Condition 18 (Interest in railway vehicles): Wessex Alliance

1. The contract for First MTR to operate South Western Railways ends on 25 May 2025.
Network Rail Infrastructure Limited (Network Rail) wishes to enter into a new alliance agreement with South Western Railways, a company that after 25 May will be managed by DfT Operator Limited (DfTO). The alliance will be on the same terms as the previous alliance agreement.
2. I write to request consent under Licence Condition 18.1 to allow us to have involvement in rolling stock arrangements under the Wessex Alliance. I'm aware of the short timescale and would be most appreciative if this request could be expedited.

Background

3. On 27 March 2012, Network Rail asked ORR to consent, under condition 5.1 of its Network Licence (now condition 18.1), to our proposed involvement in rolling stock arrangements under the Wessex Alliance - the alliance between Network Rail and Stagecoach South Western Trains (SSWT) in relation to the Wessex Route.

4. On 28 March 2012, ORR gave consent to Network Rail's request. The duration of this consent was *'until 31 March 2014, or such longer period as we may specify in a notice given to Network Rail'*.
5. On 25 September 2013, ORR extended this consent *'until the termination of the South Western franchise agreement between SSWT and the Department for Transport, or such longer period as we may specify in a notice given to Network Rail'*.
6. On 3 August 2017, Network Rail asked ORR to consent to a new alliance with First MTR, which was awarded the franchise in relation to the Wessex Route starting 20 August 2017, which was fundamentally the same as the old alliance with SSWT.
7. On 4 August 2017, ORR gave consent to Network Rail's request. The duration of this consent was *'until the termination of the South Western franchise agreement between First MTR and the Department for Transport, or such longer period as we may specify in a notice given to Network Rail.'*
8. The current First MTR contract to operate the services expires on Sunday 25 May. After this date, services will be managed by DfTO.

Proposal

9. We request ORR consent under Licence Condition 18.1 to our proposed involvement in rolling stock arrangements under the Wessex Alliance - the alliance between Network Rail and South Western Railways (managed by DfTO) in relation to the Wessex Route.
10. The Alliance will be fundamentally the same as the current alliance with First MTR, including not creating a legal entity. The only change to the alliance agreement is the change of name. There are therefore no new regulatory considerations.
11. It is our intention to enter into a new Alliance with South Western Railways (managed by DfTO) later in 2025. We therefore request this consent to be valid until 31 December 2025.

Yours sincerely,

Michael Chu

Head of Regulatory Compliance & Reporting

On behalf of Network Rail Infrastructure Limited