Gareth Clancy Head of Access and Licensing Email



By email

7 May 2025

Dear colleague

New/amended rights (under the competing/complex process) from December 2025

- 1. Throughout the process for Network Rail providing its position on allocating capacity for the network for 2024/2025 we have recognised the challenges that delays create for operators planning services. This letter recognises that some operators are considering changes to their applications to meet passenger, business and/or funder needs. It also clarifies ORR's view of the actions needed by industry (Network Rail and operators) for robust, fair and timely access decisions.
- 2. Our position on changes to applications remains consistent with our previous communications and set out in our <u>1 November 2024 letter</u>. It is important that operators and Network Rail take action to apply for the rights needed from December 2025. These actions should support a fair transparent process (in line with ORR duties) and importantly should provide the highest likelihood of having the rights in place from December 2025.
- 3. Network Rail is now providing representations on applications submitted in 2024, including any amendments made in line with our 1 November letter. Further material changes to submitted applications which impact or interact on other operators would require Network Rail and industry providing their respective views on those changes for ORR to approve or direct. Our understanding is this would likely delay Network Rail's assessments and representations on submitted applications. Consequently, ORR's review and directions of the rights in submitted applications would likely be affected.

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Reductions

Reductions can be managed through the statutory consultation and ORR directions.

- 4. Where an operator identifies it requires a <u>reduction</u> in the access rights originally requested (for example a reduction in quantum or calling patterns), we do not require an amendment to that application. This is for two reasons:
 - a. Network Rail should identify in its representations differences between access rights requested and bids for the December 2025 timetable.
 - b. If Network Rail has not identified a difference which an operator is aware of, the operator should notify ORR as part of its response to Network Rail's representations.

Quantum increases/material changes

- 5. Where an operator identifies it requires an <u>increase</u> (or material change) in rights, a consultation is needed to ensure transparency and the opportunity for other operators to consider the impact. For a transparent, robust evidence base for rights decisions, Network Rail must provide its position, and industry must have an opportunity to comment on Network Rail's position. We understand Network Rail's plan does not include final representations on all potentially required rights where operators do not have formal rights applications.
- 6. If an operator chooses to amend its original application this introduces a risk of delay to all the rights in that amended application because ORR may not have received sufficient evidence to direct (from Network Rail and/or industry). As ORR directions are based on the whole application, operators should consider whether the delay risk of including changes (new requests) in an existing application is significant to operations.
- 7. Operators should consider the delay risk from an amended application against the alternative of submitting a separate application for the new rights. This provides the opportunity to determine the original application as soon as possible and also provides the opportunity for either a long term or short-term access decision on the new application in relation to the December 2025 timetable.
- 8. Where operators submit a separate application, this provides Network Rail the opportunity to consider whether it can support that separate application on a long term or short-term basis (subject to its representations on other interacting applications). As more directions are taken by ORR, we expect Network Rail to identify opportunities to support applications.



9. It remains possible that Network Rail and operators will need to consider short term rights for increases in rights without the expectation of continuity. This risk was highlighted in the 1 November 2024 and the <u>7 March 2025</u> letters.

Next steps for ORR and industry

- 10. Network Rail should identify differences between applications and what was bid for in the timetable and ensure this is clear in its final representations. This applies to both increases and reductions.
- 11. Operators and Network Rail should work together to identify the way forward which works best for the particular circumstances they face. This should provide certainty for passengers and freight customers by mitigating risks to the timetable.
- 12. ORR will continue to review the best way to progress applications in a timely and robust manner for upcoming timetables. We will continue to communicate through the regular briefings and in writing to industry parties. We are committed to keeping applicants and stakeholders updated on the progress of this programme of work and ensuring transparency through publication of regular information on our website. This letter will be published on the ORR website.

Yours sincerely



Gareth Clancy