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OFFICE of the
RAIL REGULATOR

Network Rail Infrastructure Limited
40 Melton Street
London
NW1 2EE

14 May 2003

For the attention of Iain Brown, Company Secretary

**CONTENTS OF NETWORK RAIL'S 2003 BUSINESS PLAN
NOTICE UNDER SECTION 55(6) OF THE RAILWAYS ACT 1993**

1. I refer to Paul Plummer's letter to Tim Martin of 4 March 2003. I write to confirm that I am satisfied, in terms of section 55(1) of the Railways Act 1993, that Network Rail Infrastructure Limited ("Network Rail") is in breach of paragraph 5(g) of Condition 7 of its network licence in consequence of the omission from Network Rail's 2003 business plan of expenditure projections for the period 2006/07 to 2012/13.
2. However, for the reasons given below, I have decided not to make a provisional order or a final order under section 55 of the Railways Act 1993 in respect of this breach.
3. My reasons are as follows:
 - (a) I am satisfied that in terms of section 55(5B)(a) of the Railways Act 1993, Network Rail has agreed to take, and is taking, all such steps as it appears to me for the time being to be appropriate for it to take for the purpose of securing or facilitating compliance with paragraph 5(g) of Condition 7 of its network licence. In particular, it has provided me with its assurance that it is taking all appropriate steps to update and publish its projections at a later date. Network Rail has stated that this will be by the end of July 2003, but I require this to be by no later than 30 June 2003 and (as noted below) my decision is conditional on the projections being published by no later than 30 June 2003.
 - (b) I am satisfied that in terms of section 55(5B)(b) of the Railways Act 1993, the contravention will not adversely affect the interests of users of railway services or lead to any increase in public expenditure. In particular, on 31 March 2003 Network Rail provided me with its latest expenditure projections and has assured me that I shall be able to challenge these projections as part of my interim review of track access charges.
4. This letter is a notice under section 55(6) of the Railways Act.
5. My decision is subject to the assurances at paragraphs 3(a) and 3(b) above being honoured by Network Rail, and subject to the condition that Network Rail must publish its expenditure projections for the period 2006/07 to 2012/13 by no later than 30 June 2003.

TOM WINSOR
Rail Regulator

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INVESTOR IN PEOPLE



6. I emphasise that this decision does not set a precedent and is without prejudice to any action I may be minded to take in respect of the contents of future business plans.

7. In accordance with section 55(6)(b) of the Railways Act 1993, this notice will be placed on my public register and published on the ORR website.

A handwritten signature in black ink, appearing to read "Tom Winsor", is written over a horizontal line.

TOM WINSOR