

Les Waters
Head of Licensing



Kevin McGinley
Development Director
Network Rail Group Property
Waterloo General Offices
London SE1 8SW

17 November 2023

Dear Kevin,

**ORR audit of land disposals under the general consent of Condition 17:
transactions 1 June 2022 to 31 May 2023**

1. I am writing to conclude our findings of this year's audit, as given above. We have reviewed a selected sample of 13 transactions, looking in each case to check that the decision to use the general consent facility was appropriate, was based on clear and well-explained evidence, and followed a consistent process.
2. I am pleased to say that we have not found any major issues. We did ask for some further information on three cases to obtain additional clarity and we were satisfied with the answers given. These were for the cases at: Bromsgrove (query on the last use of the land); Darlington Elmtree Street (the size of land and its proximity to the railway); and East Dulwich station (query on railway noise following a significant loss of trees post-disposal). We also noted that the East Dulwich authorisation took place without the Strategic Planning team being consulted. However, this oversight was not repeated in the other cases we reviewed.
3. We note that the records provided this year show, overall, a continuing improvement in quality and consistency; a good change over the last couple of years.
4. Regarding Network Rail's Register of Interests, on 12 May 2023, Steve Peggs (then Network Rail's Group Development Director), confirmed that Network Rail had implemented a spreadsheet-based system in each Region that will record all vital information when another party registers an interest in a Network Rail-owned site for a rail-related development. The information will be accessible by, but also restricted to, those staff that need to access it. We were also told of an electronic system being developed by Eastern Region aiming to improve on the spreadsheet-based system, but this is not expected to be ready until the early part of 2024-25. Please keep us informed of its progress.
5. In closing, I should add that following the closure of last year's audit we have discussed with Network Rail the role of the Strategic Planning teams, how they have been devolved to the Regions, and how the relevant regional Strategic Planning team will be involved in land disposal assurance in future. As a result, we now understand why there had been inconsistency around the term "System Operator" in



Network Rail's land disposal authorisations last year. I wrote to Michael Chu, Head of Regulatory Compliance and Reporting, to confirm our understanding on 25 July 2023.

6. I am copying this letter to Michael Chu and also to Sandra Palmer, with thanks for her assistance.

7. A copy of this letter will be placed on our website.

Yours sincerely,

A handwritten signature in blue ink that reads 'Les Waters'.

Les Waters