

RAILWAYS ACT 1993

2023 PERIODIC REVIEW

REVIEW NOTICE: PUBLIC SERVICE OPERATOR PASSENGER TRACK ACCESS AGREEMENTS

TO:

- (1) the persons whose names are set out in Part 1 of Annex 1 to this Review Notice (the “**Train Operators**”);
- (2) the persons whose names are set out in Part 2 of Annex 1 to this Review Notice;
- (3) Network Rail Infrastructure Limited (“**Network Rail**”); and
- (4) the Secretary of State for Transport, the Scottish Ministers and the Treasury,

together the “**Addressees**”.

1 General

- 1.1 This review notice (the “**Review Notice**”) is given in accordance with paragraph 4 of Schedule 4A to the Railways Act 1993 (the “**Act**”).
- 1.2 The Office of Rail and Road (“**ORR**”) has undertaken a review of:
 - (a) the amounts payable by Network Rail and each of the Train Operators to each other under each of the track access agreements listed in Part 1 of Annex 1 to this Review Notice (the “**Track Access Agreements**”); and
 - (b) the times at which, and the manner in which, those amounts are payable,(the “**Review**”).
- 1.3 ORR’s conclusions on the Review, and its reasons for those conclusions, are:
 - (a) set out in a series of documents referenced in the document entitled “**PR23 final determination: Consolidated list of decisions – England & Wales and Scotland**” and published by ORR on 31 October 2023; and

(b) hereby incorporated into this Review Notice.

1.4 By publishing this Review Notice and serving it on each of the Addressees, ORR is initiating the implementation of the Review.

2 Proposed Relevant Changes

2.1 For or in connection with giving effect to ORR's conclusions on the Review, ORR proposes to direct the parties to each of the Track Access Agreements to amend their Track Access Agreement on the terms specified in Annexes 2 and 3 to this Review Notice (the "**proposed relevant changes**").

2.2 ORR proposes that, subject to paragraph 3, the proposed relevant changes will come into operation on and from 1 April 2024.

3 Regulated Amendments

3.1 Subject to paragraph 3.2 below, if, before the proposed relevant changes come into operation in relation to any Track Access Agreement, such Track Access Agreement is amended in a manner which is:

(a) approved by ORR under section 22 of the Act; or

(b) directed by ORR under section 22A or section 22C of the Act,

(each a "**regulated amendment**"), then:

(i) the proposed relevant changes shall come into operation in relation to that Track Access Agreement subject to the regulated amendments; and

(ii) if there is any conflict between the proposed relevant changes and the regulated amendments, the regulated amendments shall take precedence.

3.2 The following amendments will not be considered regulated amendments for the purpose of this Review Notice:

(a) amendments made to any provision within Schedule 7, other than Appendix 7C, of a Track Access Agreement under the Passenger Access (Short Term Timetable

and Miscellaneous Changes) General Approval 2023 which came into force on 15 May 2023; and

- (b) amendments made to any provision within Schedule 8 of a Track Access Agreement under the Passenger Access (Short Term Timetable and Miscellaneous Changes) General Approval 2023 which came into force on 15 May 2023.

4 Objections

4.1 Subject to paragraph 4.2, any person specified in paragraph 4(4)(a) or (b) of Schedule 4A to the Act may make objections with respect to:

- (a) any of the proposed relevant changes; or
- (b) the date on which it is proposed that any such proposed relevant changes shall come into operation.

4.2 Any objection made under paragraph 4.1 must be:

- (a) made in writing;
- (b) received by ORR on or before 9 February 2024; and
- (c) addressed to ORR as follows:

Will Godfrey
Office of Rail and Road
25 Cabot Square
London
E14 4QZ

5 Definitions and Interpretation

5.1 In this Review Notice, unless the context otherwise requires:

- (a) references to “**this Review Notice**” include the Annexes to this Review Notice;

- (b) references to the singular include the plural and *vice versa*;
- (c) words and phrases defined in:
 - (i) the Act;
 - (ii) the Network Code (formerly known as the Railtrack Track Access Conditions 1995 (as amended)); or
 - (iii) each Track Access Agreement,shall have the same meanings in this Review Notice; and
- (d) any general rules of interpretation contained in:
 - (i) Condition A1 of the Network Code; or
 - (ii) each Track Access Agreement,shall also apply to this Review Notice.



Will Godfrey
Director of economics, finance and markets
FOR AND ON BEHALF OF
THE OFFICE OF RAIL AND ROAD
Dated 20 December 2023

ANNEX 1

TRAIN OPERATORS AND TRACK ACCESS AGREEMENTS

PART 1 (TRAIN OPERATORS)

Train Operator (collectively, the “Train Operators” and each a “Train Operator”)	Train Operator Company Number	Original Date of Track Access Agreement
Abellio East Anglia Limited	07861414	10 December 2004
Abellio East Midlands Limited	09860485	1 September 2020
Arriva Rail London Limited	04165861	9 November 2007
Caledonian Sleeper Limited	SC328825	2 March 2018
The Chiltern Railway Company Limited	03007939	7 October 2022
First Greater Western Limited	05113733	4 March 2016
First MTR South Western Trains Limited	07900320	9 April 2019
First Trenitalia West Coast Rail Limited	10349442	1 December 2022
Govia Thameslink Railway Limited	07934306	2 March 2016
London North Eastern Railway Limited	04659712	3 March 2017
Merseyrail Electrics 2002 Limited	04356933	1 April 2019
MTR Corporation (Crossrail) Limited	08754715	21 November 2018
Northern Trains Limited	03076444	3 March 2016
ScotRail Trains Limited	SC328826	3 March 2016
SE Trains Limited	03266762	6 December 2007
TransPennine Trains Limited	12544930	3 March 2016
Transport for Wales Rail Ltd	12619906	6 August 2020
Trenitalia c2c Limited	07897267	3 March 2017
West Midlands Trains Limited	09860466	15 May 2019
XC Trains Limited	04402048	8 August 2017

ANNEX 1

PART 2 (OTHER ADDRESSEES)

Merseyside Passenger Transport Executive (Merseytravel)

Rail for London

Transport for Wales

Welsh Government

ANNEX 2

STANDARD AMENDMENTS

Explanatory Note:

*In order to give effect to ORR's conclusions on the Review, this Annex 2 sets out the standard form proposed relevant changes to be made to Schedules 4, 7 and 8 and the clauses of each Track Access Agreement (the "**standard amendments**").*

In some Track Access Agreements, some of the provisions which are to be amended are not in standard form. Where this is the case, these are also identified in this Annex 2, which sets out how the standard amendments will need to be modified. In certain instances, bespoke modifications are set out in Part 1 of Annex 3 to this Review Notice.

In certain instances, the publication of certain proposed relevant changes would or might, in the opinion of the ORR, seriously and prejudicially affect the interests of each Train Operator and/or Network Rail for the purpose of section 71(2) of the Act; they are therefore not being published. Where this is the case, such proposed relevant changes will be attached to Part 2 of Annex 3 to this Review Notice and will be sent only to the parties to the relevant Track Access Agreement, the Secretary of State for Transport, the Scottish Ministers and the Treasury, and where appropriate any relevant addressees listed in Part 2 of Annex 1 to this Review Notice.

The following amendments shall be made to the Track Access Agreements, subject to any modifications set out in Annex 3:

1 Consequential and other amendments to the clauses of each Track Access Agreement

1.1 In Clause 1 (Interpretation) of the Track Access Agreement between Network Rail and MTR Corporation (Crossrail) Limited (the “**Crossrail TAA**”) **only** delete the definitions of:

(a) “Current Control Period”; and

(b) “Proposed Review Notice”.

1.2 Delete sub-clause 16.1.2 (Delivery of invoices) of **each** Track Access Agreement, and replace it with the following:

“16.1.2 *Delivery of invoices*

All invoices issued under Schedule 7, or statements of amounts payable under Schedule 4, Schedule 5 or Schedule 8, or under the Network Code, or under the Traction Electricity Rules, shall be delivered by hand at, or sent by prepaid first class post, or by email to the address for service for the recipient specified in Schedule 1 and shall be deemed to have been received by the addressee in accordance with clause 18.4.3.”.

1.3 Delete sub-clause 16.1.3 (Content of invoices and other statements of amounts) of **each** Track Access Agreement, and replace it with the following:

“16.1.3 *Content of invoices and other statements of amounts payable*

Each invoice and statement of amounts payable shall contain such detail as to the constituent elements of the amounts stated to be payable as shall be necessary or expedient so as to enable the person to whom it is given to understand and check it and, where required by either party, include a purchase order number.”.

1.4 In clause 18.4 (Notices) of **each** Track Access Agreement, delete sub-clause 18.4.1(b) and replace it with the following:

“(b) shall be duly given if signed by or on behalf of a person duly authorised to do so by the party giving the notice and delivered by hand at, or by sending it by prepaid first class post, recorded delivery, or by email to, the relevant address or email address as set out in Schedule 1.”

1.5 With the **exception** of the following Track Access Agreements:

- (i) the Track Access Agreement between Network Rail and Abellio East Anglia Limited (the “**East Anglia TAA**”);
- (ii) the Track Access Agreement between Network Rail and Arriva Rail London Limited (the “**Arriva Rail London TAA**”)
- (iii) the Track Access Agreement between Network Rail and Caledonian Sleeper Limited (the “**Caledonian TAA**”);
- (iv) the Track Access Agreement between Network Rail and First Greater Western Limited (the “**Greater Western TAA**”)
- (v) the Track Access Agreement between Network Rail and London North Eastern Railway Limited (the “**LNER TAA**”);
- (vi) the Track Access Agreement between Network Rail and Northern Trains Limited (the “**Northern TAA**”);
- (vii) the Track Access Agreement between Network Rail and ScotRail Trains Limited (the “**Scotrail TAA**”);
- (viii) the Track Access Agreement between Network Rail and SE Trains Limited (the “**SE Trains TAA**”);
- (ix) the Track Access Agreement between Network Rail and TransPennine Trains Limited (the “**TransPennine TAA**”)
- (x) the Track Access Agreement between Network Rail and Trenitalia c2c Limited (the “**Trenitalia c2c TAA**”),

in sub-clause 18.4.3 (Deemed receipt) of **each** Track Access Agreement delete sub-clauses 18.4.3(c) and 18.4.3(d) and replace with the following:

“(c) if sent by Email (subject to confirmation of receipt of delivery) before 17:00 hours on a Working Day, on the day of transmission and, in any other case, at 09:00 hours on the next following Working Day.”

1.6 In sub-clause 18.4.3 (Deemed receipt) of the **following** Track Access Agreements:

- (i) the **East Anglia TAA**;
- (ii) the **Arriva Rail London TAA**;
- (iii) the **Greater Western TAA**;
- (iv) the **Scotrail TAA**;
- (v) the **SE Trains TAA**,

delete sub-clause 18.4.3(c) and replace it with the following:

“(c) if sent by Email (subject to confirmation of receipt of delivery) before 17:00 hours on a Working Day, on the day of transmission and, in any other case, at 09:00 hours on the next following Working Day.”.

1.7 In the **Arriva Rail London TAA** **only**, delete Clause 20 (Interim Treatment of 2013 Periodic Review).

2 Schedule 4 to each Track Access Agreement

2.1 Before paragraph 1 (Definitions) of Part 3 of Schedule 4 to **each** Track Access Agreement, insert new paragraph A1 as follows:

“A1. Change in Effect of Schedule 4

A1.1 The Train Operator may serve a notice, in the form set out in Appendix 4A, informing Network Rail that this Schedule 4 shall have no effect, save for this paragraph A1 and paragraph 1.1 of Part 3 (and any further paragraphs of Part 3

necessary to give effect to paragraph 1.1 of Part 3) (an “**Opt-out Notice**”). This Opt-out Notice may only be served in the event of:

- (a) the commencement of services pursuant to the award of a franchise agreement following re-tendering of the Services;
- (b) the commencement of services pursuant to a direct award of the Services by a franchising authority;
- (c) the commencement of services following a change in identity of an operator of a franchise agreement that is not as a result of paragraph A1.1(a) and which results in a significant change in the Services;
- (d) the commencement of services following a change of franchising authority;
or
- (e) ORR publishing a notice pursuant to paragraph 17.1A of Schedule 8 and ORR notifying the Train Operator that such notice will result in a significant change in accordance with paragraph 2.7(e) of ‘PR23 final determination: Policy position – Schedules 4 and 8 incentives regimes’,

each being a “**Trigger Event**”.

A1.2 The Train Operator must serve an Opt-out Notice given pursuant to paragraph A1.1 on Network Rail no later than two months after the date of the relevant Trigger Event. Promptly following the service of the notice the parties shall endeavour to agree the required amendment. As soon as reasonably practicable after the parties have agreed the required amendment pursuant to the Opt-out Notice, they shall use all reasonable endeavours to ensure that ORR is furnished with such amendment and sufficient information and evidence as it shall require to determine whether or not to approve the amendment. Any amendment pursuant to the Opt-out Notice shall apply only where ORR approval is granted under section 22 of the Act and with retrospective effect from the date of the Trigger Event.

A1.3 Where an Opt-out Notice has been served and taken effect, the Train Operator may serve a subsequent notice, in the form set out in Appendix 4B, informing Network Rail that the whole of this Schedule 4 shall have effect

(an “**Opt-in Notice**”). This Opt-in Notice may only be served on the occurrence of a further Trigger Event.

- A1.4 The Train Operator must serve an Opt-in Notice given pursuant to paragraph A1.3 on Network Rail no later than two months after the date of the relevant Trigger Event. Promptly following the service of the notice the parties shall endeavour to agree the required amendment. As soon as reasonably practicable after the parties have agreed the required amendment pursuant to the Opt-in Notice, they shall use all reasonable endeavours to ensure that ORR is furnished with such amendment and sufficient information and evidence as it shall require to determine whether or not to approve the amendment. Any amendment pursuant to the Opt-in Notice shall apply only where ORR approval is granted under section 22 of the Act and with retrospective effect from the date of the Trigger Event.”
- 2.2 With the **exception** of the **East Anglia TAA**, in paragraph 1 (Definitions) of Part 3 of Schedule 4 to **each** Track Access Agreement delete the definition of “Initial Indexation Factor”.
- 2.3 With the **exception** of the following Track Access Agreements:
- (i) the Track Access Agreement between Network Rail and Transport for Wales Rail Limited (the “**TfW TAA**”);
 - (ii) the **Greater Western TAA**,
- in paragraph 1 (Definitions) of Part 3 of Schedule 4 to **each** Track Access Agreement delete the definition of “Recovery Allowance”.
- 2.4 In paragraph 1 (Definitions) of Part 3 of Schedule 4 to **each** Track Access Agreement amend the definitions of “SPD Cost Threshold No.1” and “SPD Cost Threshold No.2” as set out in Appendix 1 to Part 1 of Annex 3 to this Review Notice.
- 2.5 In sub-paragraph 2.8(a) (RoU Claim Notice) of Part 3 of Schedule 4 to the **following** Track Access Agreements:
- (i) the **East Anglia TAA**;
 - (ii) the **Arriva Rail London TAA**;

- (iii) the **Caledonian TAA**;
- (iv) the **Greater Western TAA**;
- (v) the Track Access Agreement between Network Rail and Govia Thameslink Railway Limited (the "**Thameslink TAA**")
- (vi) the **LNER TAA**;
- (vii) the **Crossrail TAA**;
- (viii) the **Northern TAA**;
- (ix) the **Scotrail TAA**;
- (x) the **SE Trains TAA**;
- (xi) the **TransPennine TAA**;
- (xii) the **Trenitalia c2c TAA**;
- (xiii) the Track Access Agreement between Network Rail and XC Trains Limited (the "**XC Trains TAA**"),

delete the words "Clause 2.6(b) or Clause 2.7(b)" and replace them with the words "paragraph 2.6(b) or paragraph 2.7(b)".

- 2.6 With the **exception** of the **TfW TAA** delete sub-paragraph 2.11 (Early notice of RoU Losses) of Part 3 of Schedule 4 to **each** Track Access Agreement and replace it with the following:

"2.11 Early notice of RoU Losses

- (a) The parties may at any time engage in discussions on any matter likely to result in payments in respect of any RoU Losses and shall use reasonable endeavours to agree whether such RoU Losses calculated in accordance with paragraphs 6, 7 or 8 are likely to arise and/or what mitigating actions should be contemplated to reduce or avoid such RoU Losses. The party initiating such discussions shall provide to the other reasonable evidence

in writing of why it thinks such RoU Losses will arise or mitigating actions should be contemplated.

- (b) Following any agreement or determination that such RoU Losses are likely to arise in connection with one or more future Restrictions of Use or that mitigating actions should be contemplated, the parties shall where reasonably practicable engage in discussions on any options for mitigating costs, revenue loss and/or disruption. This may include any advance compensation for such Restriction(s) of Use to the extent such advance compensation would or would reasonably be expected to facilitate the mitigation of the contemplated disruption.
- (c) Nothing in this contract shall prevent Network Rail and the Train Operator agreeing any options for mitigating costs and disruption in respect of any Restriction(s) of Use.
- (d) Unless otherwise agreed, the timescales for claiming RoU Losses shall still apply.”

2.7 In sub-paragraph 2.11 (Early notice of RoU Losses) of Part 3 of Schedule 4 to the **TfW TAA** only delete sub-paragraph 2.11 and replace it with the following:

“2.11 Early notice of RoU Losses

- (a) The parties may at any time engage in discussions on any matter likely to result in payments in respect of RoU Losses and shall use reasonable endeavours to agree whether such RoU Losses calculated in accordance with paragraphs 6, 7 or 8 are likely to arise and/or what mitigating actions should be contemplated to reduce or avoid such RoU Losses. The party initiating such discussions shall provide to the other reasonable evidence in writing of why it thinks such RoU Losses will arise or mitigating actions should be contemplated.
- (b) Following any agreement or determination that such RoU Losses are likely to arise in connection with one or more future Combined Network Restrictions of Use or that mitigating actions should be contemplated, the parties shall where reasonably practicable engage in discussions on any

options for mitigating costs, revenue loss and/or disruption. This may include any advance compensation for such Combined Network Restriction(s) of Use to the extent such advance compensation would or would reasonably be expected to facilitate the mitigation of the contemplated disruption.

- (c) Nothing in this contract shall prevent Network Rail and the Train Operator agreeing any options for mitigating costs and disruption in respect of any Combined Network Restriction(s) of Use.
- (d) Unless otherwise agreed, the timescales for claiming RoU Losses shall still apply.”

2.8 Amend sub-paragraph 4.2(b) (Cost Compensation Formula) of Part 3 of Schedule 4 to **each** Track Access Agreement as set out in Appendix 2 to Part 1 of Annex 3 to this Review Notice.

2.9 Delete paragraph 10 (Dispute resolution) of Part 3 of Schedule 4 to **each** Track Access Agreement, and replace it with the following:

“10 Dispute resolution

10.1 If the Train Operator and Network Rail fail to reach agreement as required under paragraph 2.6(c), 2.7(c), 2.10(g), 2.11, 6, 7, or 8, or fail to reach agreement on the amount of costs notified under paragraph 2.9(c):

- (a) within 6 months, or such other period as the parties may agree, of the issue of the relevant notice (as set out in paragraph 2.6(b), 2.7(b), 2.9(c), 2.10(d), 6.1(a) or 7.1(a) or once discussions or negotiations have commenced (as required under 2.11 and 8.1(a)) (as applicable), the parties shall meet to discuss outstanding aspects of the claim, which may include but is not limited to the provision of information or points in dispute;
- (b) if no later than 28 days after the date of the meeting referred to in paragraph 10.1(a) the claim is not resolved or withdrawn:
 - (i) the parties shall agree a timetable for a subsequent meeting; or

(ii) either party may refer the matter for resolution in accordance with the ADRR.

10.2 Notwithstanding paragraph 10.1, either party may refer the matter for resolution in accordance with the ADRR at any time following the issue of the relevant notice(s) in accordance with paragraph 2.6(b), 2.7(b), 2.9(c), 2.10(d), 6.1(a) or 7.1(a) and/or once the discussions or negotiations have commenced in accordance with paragraph 2.11 or 8.1(a).”

2.10 In sub-paragraph 13.2 (Disputes) of Part 3 of Schedule 4 to **each** Track Access Agreement, delete the words “10 days” and replace them with the words “15 days”.

2.11 With the **exception** of the **TfW TAA** delete paragraph 14 (Indexation) of Part 3 of Schedule 4 to **each** Track Access Agreement, and replace it with the following:

“14. **Indexation**

14.1 The indexation formula applicable to this paragraph 14 is:

$$RI_t = \left(1 + \frac{CPI_{t-1} - CPI_{2022}}{CPI_{2022}}\right)$$

where:

RI_t is the relevant indexation value in the Relevant Year t;

CPI_{t-1} means the CPI published or determined with respect to the month of November in Relevant Year t-1; and

CPI_{2022} means the CPI published or determined with respect to the month of November 2022.

14.2 Each of the values for EBMPR (defined and specified in paragraph 4.2), TMPR (defined in paragraph 4.2 and specified in Annex C to this Part 3 of Schedule 4) and Defined Service Group Revenues (specified in Annex D to this Part 3 of Schedule 4) shall be adjusted in respect of Periods in Relevant Year t by multiplying them by the relevant indexation value, as set out in paragraph 14.1.

14.3 Each of the SPD Cost Threshold No.1 and SPD Cost Threshold No.2, as set out in paragraph 1.1 of this Schedule 4, shall be adjusted in respect of Periods in Relevant Year t by multiplying them by the relevant indexation value, as set out in paragraph 14.1.”.

2.12 Delete paragraph 14 (Indexation) of Part 3 of Schedule 4 to the **TfW TAA only** and replace it with the following:

“14 Indexation

14.1 The indexation formula applicable to this paragraph 14 is:

$$RI_t = \left(1 + \frac{CPI_{t-1} - CPI_{2022}}{CPI_{2022}}\right)$$

where:

RI_t is the relevant indexation value in the Relevant Year t;

CPI_{t-1} means the CPI published or determined with respect to the month of November in Relevant Year t-1; and

CPI_{2022} means the CPI published or determined with respect to the month of November 2022.

14.2 Each of the values for EBMPR (defined and specified in paragraph 4.2), TMPR (defined in paragraph 4.2 and specified in Annex C and Annex C1 to this Part 3 of Schedule 4) and Defined Service Group Revenues (specified in Annex D and Annex D1 to this Part 3 of Schedule 4) shall be adjusted in respect of Periods in Relevant Year t by multiplying them by the relevant indexation value, as set out in paragraph 14.1.

14.3 Each of the SPD Cost Threshold No.1 and SPD Cost Threshold No.2, as set out in paragraph 1.1 of this Schedule 4, shall be adjusted in respect of Periods in Relevant Year t by multiplying them by the relevant indexation value, as set out in paragraph 14.1.”.

2.13 With the **exception** of the **TfW TAA**, after paragraph 14 of Part 3 of Schedule 4 to **each** Track Access Agreement, insert new paragraph 15 as follows:

“15. Circumstances in which ORR may amend Schedule 4

15.1 Where there has been a change in Appendix 1 to Schedule 8 arising as a result of a notice issued under paragraph 17.1A of Schedule 8 that ORR considers requires an amendment to any of the following:

- (a) the definition of “SPD Revenue Threshold 1” and “SPD Revenue Threshold 2” in Part 3 of Schedule 4;
- (b) Annex A to Part 3 of Schedule 4;
- (c) Annex D to Part 3 of Schedule 4;
- (d) Part 5 of Schedule 4;
- (e) any other part of Schedule 4 as a consequence of any amendments required under (a) – (d) above,

it may amend the relevant part of Schedule 4.

15.2 Where paragraph 15.1 applies, ORR may issue a notice to the parties setting out the amendments to be made and the date from which they shall take effect.”

2.14 After paragraph 14 of Part 3 of Schedule 4 to the **TfW TAA only**, insert new paragraph 15 as follows:

“15. Circumstances in which ORR may amend Schedule 4

15.1 Where there has been a change in Appendix 1 and/or Appendix 1A to Schedule 8 arising as a result of a notice issued under paragraph 17.1A of Schedule 8 that ORR considers requires an amendment to any of the following:

- (a) the definition of “SPD Revenue Threshold 1” and “SPD Revenue Threshold 2” in Part 3 of Schedule 4;
- (b) Annex A to Part 3 of Schedule 4;

- (c) Annex D and/or D1 to Part 3 of Schedule 4;
- (d) Part 5 of Schedule 4;
- (e) any other part of Schedule 4 as a consequence of any amendments required under (a) – (d) above,

it may amend the relevant part of Schedule 4.

15.2 Where paragraph 15.1 applies, ORR may issue a notice to the parties setting out the amendments to be made and the date from which they shall take effect.”

2.15 Delete Annex A (Notification Factors) to Part 3 of Schedule 4 to **each** Track Access Agreement, and replace it with the new Annex A specific to that Track Access Agreement, as set out in Appendix 1 of this Annex 2.

2.16 Delete Annex C (Payment Rate per train mile) to Part 3 of Schedule 4 to **each** Track Access Agreement, and replace it with the new Annex C to Part 3 of Schedule 4 specific to that Track Access Agreement, as set out in Appendix 1 to Part 2 of Annex 3 to this Review Notice.

2.17 In the **TfW TAA only**, delete Annex C1 (Payment Rate per train mile) to Part 3 of Schedule 4 and replace it with the new Annex C1 to Part 3 of Schedule 4 specific to the **TfW TAA** which states as follows:

“ORR shall notify the parties of the terms of the new Annex C1 to Part 3 of Schedule 4 in due course.”.

2.18 Delete Annex D (Defined Service Group Revenue) to Part 3 of Schedule 4 to **each** Track Access Agreement, and replace it with the new Annex D to Part 3 of Schedule 4 specific to that Track Access Agreement, as set out in Appendix 2 to Part 2 of Annex 3 to this Review Notice.

2.19 In the **TfW TAA only**, delete Annex D1 (Payment Rate per train mile) to Part 3 of Schedule 4 and replace it with the new Annex D1 to Part 3 of Schedule 4 specific to the **TfW TAA** which states as follows:

“ORR shall notify the parties of the terms of the new Annex D1 to Part 3 of Schedule 4 in due course.”.

- 2.20 Delete Part 5 (Access Charge Supplement for Restrictions of Use) of Schedule 4 to **each** Track Access Agreement and replace it with the following new Part 5, and complete the empty square brackets shown in the list of years and payment sums in paragraph 1 of this new Part 5 with the payment sums specific to that Train Operator’s Track Access Agreement as set out in Appendix 3 to Part 1 of Annex 3 to this Review Notice:

“Part 5

(Access Charge Supplement for Restrictions of Use)

1. The Train Operator shall pay or procure the payment to Network Rail of an Access Charge Supplement for Restrictions of Use (ACSRU) in respect of each Period equal to 1/13 of the amount specified below (as indexed in accordance with paragraph 2) in respect of the Relevant Year commencing 1 April in which the first day of the relevant Period falls:

Year	£
2024-2025	[]
2025-2026	[]
2026-2027	[]
2027-2028	[]
2028-2029	[]

Each such payment shall be made within 35 days after the end of the relevant Period.

2. Each such amount specified in paragraph 1 shall be adjusted in respect of payments made relating to Periods in the Relevant Year t in accordance with the following formula:

$$ACSRU_{pt} = ACSRU_t \bullet \left(1 + \frac{(CPI_{t-1} - CPI_{2022})}{CPI_{2022}} \right)$$

where:

$ACSRU_{pt}$ is the actual amount, expressed in pounds sterling and rounded to zero decimal places, payable in the Relevant Year t;

$ACSRU_t$ is the relevant amount specified in paragraph 1 of this Part 5 for the Relevant Year t (before indexation);

CPI_{t-1} has the meaning set out in paragraph 14.1 of Part 3 of this Schedule 4; and

CPI_{2022} means the CPI published or determined with respect to the month of November 2022.”

2.21 In **each** of the Track Access Agreements:

(a) after Part 5 to Schedule 4 insert Appendix 4A as follows:

“Appendix 4A

Opt-out Notice

[Name of train operator representative]

[Position]

Telephone: [xxx]

E-mail: [xxx]

[Date]

[Enter name of person specified in paragraph 1 of Schedule 1 to the contract]

Network Rail Infrastructure Limited

[Enter address specified in paragraph 1 of Schedule 1 to the contract]

Dear [Enter name of person specified in paragraph 1 of Schedule 1 to the contract]

Opt-out from the Schedule 4 Restrictions of Use provisions

This is an Opt-out Notice in respect of Schedule 4 of the track access contract between Network Rail Infrastructure Limited and [Enter train operator name here], dated [insert date of track access contract] (“the contract”).

[Enter train operator name here] hereby exercises its right to opt out of the provisions of Schedule 4, pursuant to paragraph A1.1 of Part 3 to Schedule 4 to the contract.

This notice does not apply to paragraphs A1 and 1.1 of Part 3 of Schedule 4, and any further paragraphs of Part 3 necessary to give effect to paragraph 1.1 of Part 3.

{I have sent a copy of this notice to [any other person at Network Rail entitled to a copy as set out in paragraph 1 of Schedule 1 to the contract].}

Yours faithfully

[Name of train operator representative]”.

(b) after Appendix 4A of Schedule 4 insert Appendix 4B as follows:

“Appendix 4B

Opt-in Notice

[Name of train operator representative]

[Position]

Telephone: [xxx]

E-mail: [xxx]

[Date]

[Enter name of person specified in paragraph 1 of Schedule 1 to the contract]

Network Rail Infrastructure Limited

[Enter address specified in paragraph 1 of Schedule 1 to the contract]

Dear [Enter name of person specified in paragraph 1 of Schedule 1 to the contract]

Opt-in to the Schedule 4 Restrictions of Use provisions

This is an Opt-in Notice in respect of Schedule 4 of the track access contract between Network Rail Infrastructure Limited and [Enter train operator name here], dated [insert date of track access contract] (“the contract”).

[Enter train operator name here] hereby exercises its right to opt in to all of the Schedule 4 provisions, pursuant to paragraph A1.3 of Part 3 to Schedule 4 to the contract.

{I have sent a copy of this notice to [any other person at Network Rail entitled to a copy as set out in paragraph 1 of Schedule 1 to the contract].}

Yours faithfully

[Name of train operator representative]”.

3 Schedule 7 to each Track Access Agreement

3.1 In paragraph 1 (Definitions) of Part 1 of Schedule 7 to **each** Track Access Agreement:

- (a) delete the definition of “Baseline timetabled traffic miles_t”;
- (b) delete the definition of “Fixed Track Charge Wash-Up”;
- (c) in the definition of “Grant Agreement” delete the reference to the date “2019” and replace it with the date “2024”;
- (d) delete the definition of “Initial Indexation Factor”;

- (e) delete the definition of “New Modelled Train” and replace it with the following:

“**New Modelled Train**” means a type of train for which E_{tmo} is to be calculated for the purposes of paragraph 4.1.1 of Part 2 but in relation to which no train category i, and no modelled consumption rate, is shown in the Passenger Traction Electricity Modelled Consumption Rates for CP7 table in the Traction Electricity Modelled Consumption Rates List;”;

- (f) delete the definition of “PFM Rate”;
- (g) delete the definition of “PFM Rates List”;
- (h) delete the definition of “Schedule of Baseline Timetabled Traffic”;
- (i) in the definition of “Schedule of Fixed Charges” delete the date “20 December 2018” and replace it with the date “20 December 2023”;
- (j) delete the definition of “Timetabled train miles”;
- (k) in the definition of “Track Usage Price List” delete the date “20 December 2018” and replace it with the date “20 December 2023”;
- (l) delete the definition of “Traction Electricity Modelled Consumption Rates List” and replace it with the following definition:

“**Traction Electricity Modelled Consumption Rates List**” means the document entitled “Traction Electricity Modelled Consumption Rates List” published by Network Rail on or about 20 December 2023 and specifying freight and passenger traction electricity modelled consumption rates which, for the purposes of this contract, shall be deemed to incorporate:

- (a) any supplements to that document consented to or determined pursuant to paragraph 9.3A of Part 2 of Schedule 7 of this contract;
- (b) any supplements to the document entitled “Traction Electricity Modelled Consumption Rates List” published by Network Rail on or about 20 December 2018 which ORR consents to or determines after 20 December 2023;”;

- (m) in the definition of “Traction Electricity Modelled Default Rate” delete the reference to “CP6” and replace it with a reference to “CP7”;
- (n) delete the definition of “Traction Electricity Modelled Default Rate Period” and replace it with the following:

“**Traction Electricity Modelled Default Rate Period**” means the period from the date on which the New Modelled Train is first used on the Network by the Train Operator until the date on which the train in question has been added to Appendix 7D of this Schedule;”;
- (o) delete the definition of “Traction Electricity Modelled Default Rate Reconciliation Period”;
- (p) delete the definition of “train category i” and replace it with the following:

“**train category i**” means the train category i as identified in the relevant section of the Traction Electricity Modelled Consumption Rates List where there is a modelled consumption rate for a particular passenger vehicle type operating on a particular Train Service Code, the relevant category set out in the table entitled “Passenger Traction Electricity Modelled Consumption Rates for CP7”;;”;
- (q) in the definition of “VUC Default Period” delete the date “1 April 2019” and replace it with the date “1 April 2024”.

3.2 In paragraph 1 (Definitions) of Part 1 of Schedule 7 to the **Northern TAA** only:

- (a) delete the definition of “Current Control Period”;
- (b) delete the definition of “Proposed Review Notice” and replace it with the following:

““**Proposed Review Notice**” means the most recently proposed Review Notice given by ORR, in accordance with Schedule 4A of the Act;”

3.3 In paragraph 1 (Definitions) of Part 1 of Schedule 7 to the Track Access Agreement between Network Rail and The Chiltern Railway Company Limited (the “**Chiltern TAA**”) only delete the definition of “Route-Level Efficiency Benefit Share”.

3.4 In Part 1 of Schedule 7 to the **following** Track Access Agreements:

- (i) the Track Access Agreement between Network Rail and Abelio East Midlands Limited (the “**East Midlands TAA**”);
- (ii) the **Crossrail TAA**;
- (iii) the **Scotrail TAA**;
- (iv) the **TfW TAA**,

in paragraph 1 (Definitions) delete the definition of “RPI”.

3.5 In Part 1 of Schedule 7 to the **following** Track Access Agreements:

- (i) the **East Anglia TAA**;
- (ii) the **Arriva Rail London TAA**;
- (iii) the **Caledonian TAA**;
- (iv) the **Greater Western TAA**;
- (v) the Track Access Agreement between Network Rail and First MTR South Western Trains Limited (the “**South Western TAA**”);
- (vi) the **Thameslink TAA**;
- (vii) the **LNER TAA**;
- (viii) the **Crossrail TAA**;
- (ix) the **Northern TAA**;
- (x) the **Scotrail TAA**;
- (xi) the **SE Trains TAA**;
- (xii) the **TransPennine TAA**;
- (xiii) the **Trenitalia c2c TAA**;

(xiv) the **XC Trains TAA**,

in paragraph 1 (Definitions) of Part 1:

(a) delete the definition of “Capacity Charge”;

(b) delete the definition of “Route-Level Efficiency Benefit Share”;

(c) delete the words “the Capacity Charge,” from the definition of “Variable Charges”.

3.6 With the **exception** of the following Track Access Agreements:

(i) the **Caledonian TAA**; and

(ii) the **Scotrail TAA**,

in Part 1 of Schedule 7 to **each** Track Access Agreement:

(a) delete the definition of “Table E2B” and replace it with the following (to be inserted in alphabetical order):

“**Table 1**” means the row entitled “England and Wales” of Table 1: CP7 Network Grant, cash prices in the letter from ORR to Network Rail dated 2 November 2023, as may be varied by ORR on or before 31 March 2024 after consulting with Network Rail and the Secretary of State;”

(b) delete the definition of “Grant Mechanism” and replace it with the following:

“**Grant Mechanism**” means the provisions agreed on or before 31 January 2024 between Network Rail and the Secretary of State (and approved by ORR for the purposes of Part 3A on or before 28 February 2024) setting out how the annual amounts of network grant contained in Table 1 may vary or if no such provisions are agreed and approved, such provisions as ORR may determine on or before 31 March 2024 after consulting Network Rail and the Secretary of State;”.

3.7 In paragraph 1 (Definitions) of Part 1 of Schedule 7 to the **following** Track Access Agreements:

(i) the **Caledonian TAA**;

- (ii) the **Scotrail TAA**,
- (a) delete the definition of “Table E2C” and replace it with the following (to be inserted in alphabetical order):

“**Table 1**” means the row entitled “Scotland” of Table 1: CP7 Network Grant, cash prices in the letter from ORR to Network Rail dated 2 November 2023, as may be varied by ORR on or before 31 March 2024 after consulting with Network Rail and the Scottish Ministers;”

- (b) delete the definition of “Grant Mechanism” and replace it with the following:

“**Grant Mechanism**” means the provisions agreed on or before 31 January 2024 between Network Rail and Scottish Ministers (and approved by ORR for the purposes of Part 3A on or before 28 February 2024) setting out how the annual amounts of network grant contained in Table 1 may vary or if no such provisions are agreed and approved, such provisions as ORR may determine on or before 31 March 2024 after consulting Network Rail and the Scottish Ministers;”.

3.8 In paragraph 1 (Principal formula) of Part 2 of Schedule 7 to **each** Track Access Agreement:

- (a) delete the formula and replace it with the following:

$$T_t = F_t + V_t + D_t + E_t + EAV_t - W_t$$

- (b) delete the definition of “F_t” and replace it with the following:

“F_t means an amount in respect of the Fixed Track Charge in Relevant Year t, expressed in pounds sterling and rounded to two decimal places, which shall be the total of the amounts set out in the row relating to the Train Operator and the column relating to that year in the Schedule of Fixed Charges, multiplied by the Fixed Track Charge Indexation calculated in accordance with paragraph 2.2;”;

- (c) delete the definition of “FW_t”.

3.9 In paragraph 1 (Principal formula), Part 2 of Schedule 7 of the **following** Track Access Agreements:

- (i) the **East Anglia TAA**;
- (ii) the **Arriva Rail London TAA**;
- (iii) the **Caledonian TAA**;
- (iv) the **Greater Western TAA**;
- (v) the **South Western TAA**;
- (vi) the **Thameslink TAA**;
- (vii) the **LNER TAA**;
- (viii) the **Crossrail TAA**;
- (ix) the **Northern TAA**;
- (x) the **Scotrail TAA**;
- (xi) the **SE Trains TAA**;
- (xii) the **TransPennine TAA**;
- (xiii) the **Trenitalia c2c TAA**;
- (xiv) the **XC Trains TAA**,

delete the definition of “K_t”.

3.10 In paragraph 2 (Fixed Track Charge Indexation) of Part 2 of Schedule 7 to **each** Track Access Agreement:

- (a) delete sub-paragraph 2.1 and replace it with “Not used”;
- (b) delete sub-paragraph 2.2 and replace it with the following:

“The Fixed Track Charge Indexation in respect of any Relevant Year t commencing on or after 1 April 2024 shall be derived from the following formula:

$$FTCI_t = \left(1 + \frac{(CPI_{t-1} - CPI_{2022})}{CPI_{2022}} \right)$$

where:

$FTCI_t$ means the Fixed Track Charge Indexation in Relevant Year t;

CPI_{t-1} means the CPI published or determined with respect to the month of November in Relevant Year t-1; and

CPI_{2022} means the CPI published or determined with respect to the month of November 2022.”;

(c) delete sub-paragraph 2A (Fixed Track Charge Wash-Up).

3.11 In sub-paragraph 3.1 (Variable Usage Charge) of Part 2 of Schedule 7 to **each** Track Access Agreement delete the definition of V_{it} and replace it with the following:

“ V_{it} means an amount for vehicle type i for Relevant Year t, expressed in pence per Vehicle Mile and rounded to two decimal places, which is derived from the following formula:

$$V_{it} = V_{it-1} \bullet \left(1 + \frac{(CPI_{t-1} - CPI_{t-2})}{CPI_{t-2}} \right)$$

where:

CPI_{t-1} has the meaning set out in paragraph 2.2 above; and

CPI_{t-2} means the CPI published or determined with respect to the month of November in Relevant Year t-2,

but so that in relation to the Relevant Year commencing on 1 April 2024, V_{it-1} shall have, in respect of vehicle type i, the corresponding variable usage charge rate per Vehicle Mile for that vehicle type i set out in the Track Usage Price List;”.

3.12 In sub-paragraph 3.3 (VUC Default Charge) of Part 2 of Schedule 7 to **each** Track Access Agreement delete the definition of D_{nt} and replace it with the following:

“ D_{nt} means the VUC Default Rate for that New Specified Equipment for Relevant Year t, expressed in pence per Vehicle Mile and rounded to two decimal places, which is derived from the following formula:

$$D_{nt} = D_{nt-1} \bullet \left(1 + \frac{(CPI_{t-1} - CPI_{t-2})}{CPI_{t-2}} \right)$$

where:

CPI_{t-1} has the meaning set out in paragraph 2.2 above; and

CPI_{t-2} has the meaning set out in paragraph 3.1 above,

but so that in relation to the Relevant Year commencing on 1 April 2024, D_{nt-1} shall have, in respect of New Specified Equipment, the corresponding VUC Default Rate for that New Specified Equipment;”

3.13 In sub-paragraph 4.1.2 of Part 2 of Schedule 7 to **each** Track Access Agreement:

- (a) delete the words “(including using PFM Rates)” from the title of the sub-paragraph;
- (b) in the definition of C_i at paragraph (a) delete the words “or, if a PFM Rate applies in accordance with the Traction Electricity Rules, the PFM Rates List”.

3.14 In Part 2 of Schedule 7 to the **following** Track Access Agreements:

- (i) the **East Anglia TAA**;
- (ii) the **Arriva Rail London TAA**;
- (iii) the **Caledonian TAA**;
- (iv) the **Greater Western TAA**;
- (v) the **South Western TAA**;
- (vi) the **Thameslink TAA**;
- (vii) the **LNER TAA**;
- (viii) the **Crossrail TAA**;
- (ix) the **Northern TAA**;
- (x) the **Scotrail TAA**;
- (xi) the **SE Trains TAA**;

(xii) the **TransPennine TAA**;

(xiii) the **Trenitalia c2c TAA**;

(xiv) the **XC Trains TAA**,

delete paragraph 6 (Capacity Charge) and replace it with “Not used”.

3.15 In sub-paragraph 7.7 of Part 2 of Schedule 7 to **each** Track Access Agreement delete the date “31 March 2019” and replace it with the date “31 March 2024”.

3.16 In paragraph 8 (Electrification Asset Usage Charge) of Part 2 of Schedule 7 to **each** Track Access Agreement delete the words “but so that in relation to the Relevant Year commencing on 1 April 2019, EV_{tk} shall have, in respect of each electrified Vehicle Mile on route type k, the value per electrified Vehicle Mile for the Electrification Asset Usage Charge set out in the Track Usage Price List, multiplied by the Initial Indexation Factor; and in relation to the next following Relevant Year EV_{t-1k} shall have the same value; and” and replace them with the following words:

“but so that in relation to the Relevant Year commencing on 1 April 2024, EV_{t-1k} shall have, in respect of each electrified Vehicle Mile on route type k, the value per electrified Vehicle Mile for the Electrification Asset Usage Charge set out in the Track Usage Price List; and”.

3.17 In paragraph 9 (Bilateral supplements to the Traction Electricity Modelled Consumption Rates List and Track Usage Price List) of Part 2 of Schedule 7 to **each** Track Access Agreement:

(a) delete the words “Traction Electricity Modelled Consumption Rates List and” from the header of paragraph 9;

(b) delete from sub-paragraph 9.3 the words “Traction Electricity Modelled Consumption Rates List or”;

(c) after sub-paragraph 9.3 insert new paragraph 9.3A as follows:

“9.3A For the purposes of finalising any supplement to the document entitled “Traction Electricity Modelled Consumption Rates List” published by Network Rail on or about 20 December 2018 which has been proposed by

either the Train Operator or Network Rail before 1 April 2024, paragraphs 9.3 to 9.13 of Part 2 of Schedule 7, any relevant definitions in paragraph 1 of Part 1 of Schedule 7, and any further paragraphs of Schedule 7 necessary to give effect to paragraph 1 of Part 1 of Schedule 7 of the version of this contract that was in force up until 31 March 2024 shall continue to apply.”;

- (d) delete sub-paragraph 9.4 and replace it with the following:

“9.4 Either the Train Operator or Network Rail shall be entitled to propose that the Track Usage Price List be supplemented as necessary to include a new vehicle type and corresponding rate.”;

- (e) delete from sub-paragraph 9.5 the words “to the list in question”;

- (f) delete sub-paragraph 9.11 and replace it with the following:

“9.11 Not used.”;

- (g) delete sub-paragraph 9.12 and replace it with the following:

“The supplement shall have retrospective effect from the first day of the VUC Default Period.”;

- (h) delete sub-paragraph 9.13 and replace it with the following:

“9.13 Following ORR’s consent or determination under paragraph 9.10 Network Rail shall:

- (a) apply the supplement from the date in accordance with paragraph 9.12 above; and

- (b) within 28 days of the date of ORR’s consent or determination:

- (i) issue any adjusting invoice or credit note to the Train Operator, which will reflect the difference between the amount paid by the Train Operator for the VUC Default Charge during the VUC Default Period and the amount that

it would have paid during the VUC Default Period in respect of the Variable Usage Charge had the supplement been in place at the time the Train Operator first used the relevant railway vehicle on the Network; and

(ii) publish on its website details of the supplement alongside the details of any other such supplements to which ORR has consented or determined pursuant to this or any other track access contract to which Network Rail is a party.”;

(i) delete from sub-paragraph 9.14 the words “Traction Electricity Modelled Consumption Rates List or”.

3.18 Delete sub-paragraph 10.1(a)(iii) of Part 2 of Schedule 7 of the **following** Track Access Agreements:

(i) the **East Anglia TAA**;

(ii) the **Arriva Rail London TAA**;

(iii) the **Caledonian TAA**;

(iv) the **Greater Western TAA**;

(v) the **South Western TAA**;

(vi) the **Thameslink TAA**;

(vii) the **LNER TAA**;

(viii) the **Crossrail TAA**;

(ix) the **Northern TAA**;

(x) the **Scotrail TAA**;

(xi) the **SE Trains TAA**;

(xii) the **TransPennine TAA**;

(xiii) the **Trenitalia c2c TAA**;

(xiv) the **XC Trains TAA**,

and replace it with the following:

“(iii) Not used;”

3.19 With the **exception** of the **TfW TAA**, in sub-paragraph 10.1 (Payment of Track Charges and other sums due under the contract) of Part 2 of Schedule 7 to **each** Track Access Agreement delete sub-paragraph 10.1(a)(vi) and replace it with the following:

“(vi) not used; and”.

3.20 In 10.1 (Payment of Track Charges and other sums due under the contract) of Part 2 of Schedule 7 of the **TfW TAA only**, delete sub-paragraph 10.1(a) and replace it with the following:

“(a) Save where the contract provides otherwise, the Train Operator shall pay or procure the payment to Network Rail of:

(i) the Variable Usage Charge;

(ii) the Traction Electricity Charge;

(iii) not used;

(iv) the Electrification Asset Usage Charge;

(v) the VUC Default Charge;

(vi) not used; and

(vii) any other sums which have fallen due in accordance with any provision of this contract,

attributable to any Period as invoiced by Network Rail on or after expiry of each such Period within 21 days of the invoice date or 28 days after the end of the Period, whichever is later.”.

3.21 In Schedule 7 of the **following** Track Access Agreements:

- (i) the **East Anglia TAA**;
- (ii) the **Arriva Rail London TAA**;
- (iii) the **Caledonian TAA**;
- (iv) the **Greater Western TAA**;
- (v) the **South Western TAA**;
- (vi) the **Thameslink TAA**;
- (vii) the **LNER TAA**;
- (viii) the **Crossrail TAA**;
- (ix) the **Northern TAA**;
- (x) the **Scotrail TAA**;
- (xi) the **SE Trains TAA**;
- (xii) the **TransPennine TAA**;
- (xiii) the **Trenitalia c2c TAA**;
- (xiv) the **XC Trains TAA**,

delete Part 3 and replace it with the following:

“Part 3 Not Used”.

3.22 With the **exception** of the following Track Access Agreements:

- (i) the **Caledonian TAA**;
- (ii) the **Scotrail TAA**,

delete paragraph 1.1 (Grant Amounts, Basic Amounts and Payment Dates) of Part 3A of Schedule 7 to **each** Track Access Agreement and replace it with the following:

“1.1 Grant Amounts, Basic Amounts and Payment Dates

For the purposes of this Part 3A:

- (a) the Basic Amount, in respect of any Payment Date, is the amount which is notified by Network Rail to the Secretary of State in respect of that Payment Date, excluding any amounts notified by Network Rail which: (i) are not needed by Network Rail in respect of that Payment Date, or (ii) would cause the total of the Basic Amounts so notified for the Relevant Year in which the Payment Date falls to exceed the value of the Grant Amount for that Relevant Year;
- (b) the Grant Amount, in respect of any Relevant Year, is the network grant amount set out in Table 1 as the annual amount to be paid in that Relevant Year by the Secretary of State to Network Rail by way of grant under section 6 of the Railways Act 2005, as adjusted from time to time in accordance with the Grant Mechanism; and
- (c) the Payment Dates are the dates set out in the Grant Agreement for the payment of grant by the Secretary of State in each of the Relevant Years commencing on 1 April 2024, 1 April 2025, 1 April 2026, 1 April 2027, 1 April 2028 or, if no such dates are set out, the first Wednesday of each railway period in each such Relevant Year.”

3.23 In the **following** Track Access Agreements:

- (i) the **Caledonian TAA**;
- (ii) the **Scotrail TAA**,

delete sub-paragraph 1.1(c) (Grant Amounts, Basic Amounts and Payment Dates) of Part 3A of Schedule 7 to each Track Access Agreement and replace it with the following:

“1.1 Grant Amounts, Basic Amounts and Payment Dates

For the purposes of this Part 3A:

- (a) the Basic Amount, in respect of any Payment Date, is the amount which is notified by Network Rail to the Scottish Ministers in respect of that Payment Date, excluding any amounts notified by Network Rail which: (i) are not needed by Network Rail in respect of that Payment Date, or (ii) would cause the total of the Basic Amounts so notified for the Relevant Year in which the Payment Date falls to exceed the value of the Grant Amount for that Relevant Year;
- (b) the Grant Amount, in respect of any Relevant Year, is the network grant amount set out in Table 1 as the annual amount to be paid in that Relevant Year by the Scottish Ministers to Network Rail by way of grant under section 8 of the Railways Act 2005, as adjusted from time to time in accordance with the Grant Mechanism; and
- (c) the Payment Dates are the dates set out in the Grant Agreement for the payment of grant by the Scottish Ministers in each of the Relevant Years commencing on 1 April 2024, 1 April 2025, 1 April 2026, 1 April 2027, 1 April 2028 or, if no such dates are set out, the first Wednesday of each railway period in each such Relevant Year.”.

3.24 In sub-paragraph 3.1 (Payment obligation) of Part 3A of Schedule 7 to **each** Track Access Agreement delete the words “three months” from sub-paragraphs 3.1(b)(ii) and 3.1(b)(iii) and replace them with the words “one month”.

3.25 In sub-paragraph 3.2 (Calculation) of Part 3A of Schedule 7 of the **following** Track Access Agreements:

- (i) the **East Midlands TAA**;
- (ii) the **Chiltern TAA**;
- (iii) the Track Access Agreement between Network Rail and First Trenitalia West Coast Rail Limited (the “**West Coast Rail TAA**”);

- (iv) the Track Access Agreement between Network Rail and Merseyrail Electrics 2002 Limited (the “**Merseyrail TAA**”);
- (v) the **TfW TAA**;
- (vi) the Track Access Agreement between Network Rail and West Midlands Trains Limited (the “**West Midlands TAA**”),

delete the definition of “P” and replace with the following:

“P means:

- (a) if the English & Welsh Grant Dilution is of the kind described in paragraph 2.1(a) or paragraph 2.1(b), the amount of any part payment of the Basic Amount or, as the case may be, the Balance of the Grant Amount which Network Rail certifies to the Train Operator, within seven days after the English & Welsh Grant Dilution Date, that it has received from the Secretary of State; and
- (b) if the English & Welsh Grant Dilution is of the kind described in paragraph 2.1(c), zero;”.

3.26 In Schedule 7 of the **following** Track Access Agreements:

- (i) the **East Midlands TAA**;
- (ii) the **Greater Western TAA**,

delete the entirety of Part 5 (Additional Charges) and replace with:

"Part 5

(Not used)"

3.27 In Part 6 of Schedule 7 of the **following** Track Access Agreements:

- (i) the **East Anglia TAA**;
- (ii) the **Arriva Rail London TAA**;

- (iii) the **Caledonian TAA**;
- (iv) the **Greater Western TAA**;
- (v) the **South Western TAA**;
- (vi) the **Thameslink TAA**;
- (vii) the **LNER TAA**;
- (viii) the **Crossrail TAA**;
- (ix) the **Northern TAA**;
- (x) the **Scotrail TAA**;
- (xi) the **SE Trains TAA**;
- (xii) the **TransPennine TAA**;
- (xiii) the **Trenitalia c2c TAA**;
- (xiv) the **XC Trains TAA**,

delete sub-paragraph (j) and replace it with the following:

“(j) not used;”.

3.28 In Part 6 (Supplemental Provisions) of Schedule 7 to **each** Track Access Agreement:

- (a) at the end of sub-paragraph (k) delete “; and” and replace it with “.”;
- (b) delete sub-paragraph (l).

3.29 In paragraph 1 (General) of Part 7 of Schedule 7 to **each** Track Access Agreement delete the date “1 April 2024” from sub-paragraphs (a) and (b) and replace it with the date “1 April 2029”.

3.30 In the title to paragraph 2 of Part 7 of Schedule 7 to **each** Track Access Agreement delete the date “1 April 2024” and replace it with the date “1 April 2029”.

3.31 In Part 7 of Schedule 7 of the **following** Track Access Agreements:

- (i) the **Scotrail TAA**;
- (ii) the **Caledonian TAA**,
- (a) in sub-paragraph 2.1.1(b)(ii), the definition of “assumed expenditure”, delete the words “Scottish Network identified in respect of the Scottish Network in ‘Table 3: the Scotland revenue requirement’ of the “2018 periodic review final determination, Summary of conclusions and route settlement document for Scotland””, and replace them with “Table A.1: Network Rail Scotland’s Proposed CP7 Income and Expenditure of the PR23 final determination: summary of conclusions and settlement for Scotland”.
- (b) in sub-paragraph 3(a) delete the two references to the date “31 March 2024” and replace them with the date “31 March 2029”.

4 Schedule 8 to each Track Access Agreement

4.1 In paragraph 1.1 (Definitions) of Schedule 8 to **each** Track Access Agreement delete the definition of “Initial Indexation Factor”.

4.2 In paragraph 9 (Network Rail Performance Sums) of Schedule 8 of the **following** Track Access Agreements:

- (i) the **East Midlands TAA**;
- (ii) the **Chiltern TAA**;
- (iii) the **South Western TAA**;
- (iv) the **West Coast Rail TAA**;
- (v) the **Merseyrail TAA**;
- (vi) the **TfW TAA**,
- (vii) the **West Midlands TAA**,

at sub-paragraph 9.1:

- (a) delete the formula " $NRWAML = \sum \frac{(MNL R \bullet MPW)}{SP}$ " and replace it with the following formula:

$$"NRWAML = \sum \frac{(MLNR \bullet MPW)}{SP} "$$

- (b) delete the " $\frac{(MNL R \bullet MPW)}{SP}$ " from the definition of "SP" and replace it with the following:

$$\frac{(MLNR \bullet MPW)}{SP} .$$

- 4.3 Delete sub-paragraph 9.1(iii) of Schedule 8 to **each** Track Access Agreement and replace it with the following:

- "(iii) the CV indexation figure in Relevant Year t shall be derived from the following formula:

$$CV_t = \left(1 + \frac{(CPI_{t-1} - CPI_{2022})}{CPI_{2022}} \right)$$

where:

CV_t means the CV indexation in Relevant Year t;

CPI_{t-1} means the CPI published or determined with respect to the month of November in Relevant Year t-1; and

CPI_{2022} means the CPI published or determined with respect to the month of November 2022."

- 4.4 In paragraph 12 (Payment procedures) Schedule 8 of the **following** Track Access Agreements:

- (i) the **East Anglia TAA**;
- (ii) the **East Midlands TAA**;

- (iii) the **Chiltern TAA**;
- (iv) the **Greater Western TAA**;
- (v) the **South Western TAA**;
- (vi) the **West Coast Rail TAA**;
- (vii) the **Thameslink TAA**;
- (viii) the **LNER TAA**;
- (ix) the **Northern TAA**;
- (x) the **SE Trains TAA**;
- (xi) the **TransPennine TAA**;
- (xii) the **Trenitalia c2c TAA**;
- (xiii) the **West Midlands TAA**;
- (xiv) the **XC Trains TAA**,

insert after sub-paragraph 12.2 (Payments in the event of dispute) the following:

“12.3 *Application of paragraph 12.4*

Paragraph 12.4 shall apply if:

- (a) the provisions in the Railways (Access, Management and Licensing of Railway Undertakings) Regulations 2016 relating to performance schemes are amended; and
- (b) ORR issues a notice to the parties confirming that paragraph 12.4 shall take effect.

12.4 **Restrictions on payments**

Save in relation to paragraph 12.2, no payments under paragraph 12.1(a) and/or paragraph 18 shall be made from the date, which may be retrospective, specified in the notice issued by ORR under paragraph 12.3(b).

12.5 **Reinstatement of payments**

Where paragraph 12.4 applies, ORR may issue a subsequent notice to the parties reinstating the payments under paragraph 12.1(a) and/or paragraph 18 from the date specified in the subsequent notice.”

- 4.5 With the **exception** of the **TfW TAA**, delete paragraph 13 (Payment Rates) of Schedule 8 from **each** Track Access Agreement and replace it with the following:

“13. Payment rates

- 13.1 Each payment rate in columns C and E of Appendix 1, expressed in pounds sterling and rounded to two decimal places, shall be adjusted in respect of Periods in the Relevant Year t as follows:

- (a) if, pursuant to paragraph 17.1 or 17.1A, amendments to columns C and/or E of Appendix 1 took effect in Relevant Year t, each value specified in Appendix 1 (as so amended) expressed in pounds sterling and rounded to two decimal places, shall be multiplied by the below indexation figure for the Relevant Year:

$$RI_t = \left(1 + \frac{(CPI_{t-1} - CPI_{2022})}{CPI_{2022}}\right)$$

where:

RI_t means the indexation figure in the Relevant Year t;

CPI_{t-1} has the same meaning as set out in paragraph 9.1 above of this Schedule 8; and

CPI_{2022} has the same meaning as set out in paragraph 9.1 above of this Schedule 8.

(b) in any other Relevant Year, in accordance with the following formula:

$$R_t = R_{t-1} \bullet \left(1 + \frac{(CPI_{t-1} - CPI_{t-2})}{CPI_{t-2}} \right)$$

where:

R_t is the relevant rate in the Relevant Year t;

R_{t-1} is the relevant rate in the Relevant Year t-1;

CPI_{t-1} has the same meaning as set out in paragraph 9.1 above of this Schedule 8; and

CPI_{t-2} means the CPI published or determined with respect to the month of November in Relevant Year t-2,

but so that in relation to the Relevant Year commencing on 1 April 2024, R_{t-1} shall have the relevant value specified in the relevant column (either C or E) of Appendix 1.”

4.6 In the **TfW TAA only** delete paragraph 13 (Payment Rates) of Schedule 8 and replace it with the following:

“13. Payment rates

13.1 Each payment rate in columns C and E of Appendix 1 and columns C and E of Appendix 1A, expressed in pounds sterling and rounded to two decimal places, shall be adjusted in respect of Periods in the Relevant Year t as follows:

(a) if, pursuant to paragraph 17.1 or 17.1A, amendments to columns C and/or E of Appendix 1 and columns C and/or E of Appendix 1A took effect in Relevant Year t, each value specified in Appendix 1 (as so amended) expressed in pounds sterling and rounded to two decimal places, shall be multiplied by the below indexation figure for the Relevant Year:

$$RI_t = \left(1 + \frac{(CPI_{t-1} - CPI_{2022})}{CPI_{2022}} \right)$$

where:

R_t means the R_t indexation in Relevant Year t;

CPI_{t-1} has the same meaning as set out in paragraph 9.1 above of this Schedule 8; and

CPI_{2022} has the same meaning as set out in paragraph 9.1 above of this Schedule 8.

(b) in any other Relevant Year, in accordance with the following formula:

$$R_t = R_{t-1} \bullet \left(1 + \frac{(CPI_{t-1} - CPI_{t-2})}{CPI_{t-2}} \right)$$

where:

R_t is the relevant rate in the Relevant Year t;

R_{t-1} is the relevant rate in the Relevant Year t-1;

CPI_{t-1} has the same meaning as set out in paragraph 9.1 above of this Schedule 8; and

CPI_{t-2} means the CPI published or determined with respect to the month of November in Relevant Year t-2,

but so that in relation to the Relevant Year commencing on 1 April 2024, R_{t-1} shall have the relevant value specified in the relevant column (either C or E) of Appendix 1 and Appendix 1A.”

4.7 “In paragraph 15 (Notices) of Schedule 8 to **each** Track Access Agreement:

(a) in sub-paragraph 15.1 delete the words “or fax”;

(b) delete sub-paragraph 15.2(c) and replace it with the following:

“(c) not used; and”.

4.8 With the **exception** of the **TfW TAA** in paragraph 17 (Amendments to Appendix 1) of Schedule 8 to **each** Track Access Agreement:

- (a) insert after sub-paragraph 17.1 new sub-paragraph 17.1A as follows:

“17.1A *Circumstances in which ORR may amend Appendix 1*

- (a) ORR may amend Appendix 1 of Schedule 8 during CP7 to give effect to any recalibration carried out in accordance with the approach outlined in paragraphs 3.22-3.26 of “PR23 final determination: Policy position – Schedules 4 and 8 incentives regimes”. In such event, ORR shall issue a notice to the parties setting out the amendments to be made to Appendix 1 and that they shall take effect on the date specified by ORR in its notice (save that such date shall not be earlier than 1 April 2026).
- (b) Notwithstanding paragraph 17.1A(a) above, ORR may amend Appendix 1 of Schedule 8 where it considers that there has been a material change in circumstances. In such event, ORR shall issue a notice to the parties setting out the amendments to be made to Appendix 1 and the date, which shall not be retrospective, from which they shall take effect.”
- (b) in sub-paragraph 17.2
- (i) delete the title “*Procedure for amendments to Appendix 1*” and replace it with the following:
- “17.2 *Procedure for amendments to Appendix 1 under paragraph 17.1*”;**
- (ii) in sub-paragraph (a) after the words “The party who wishes to amend Appendix 1” insert the words “in accordance with paragraph 17.1”.
- (c) in sub-paragraph 17.3, before each of the two references to “paragraph 17.2” insert the words “paragraph 17.1A or”.

4.9 In paragraph 17 (Amendments to Appendix 1 or Appendix 1A) of Schedule 8 to the **TfW TAA only**:

- (a) insert after sub-paragraph 17.1 new sub-paragraph 17.1A as follows:

“17.1A Circumstances in which ORR may amend Appendix 1 or Appendix 1A

- (a) ORR may amend Appendix 1 or Appendix 1A of Schedule 8 during CP7 to give effect to any recalibration carried out in accordance with the approach outlined in paragraphs 3.22-3.26 of “PR23 Final determination: Policy position – Schedules 4 and 8 incentives regimes”. In such event, ORR shall issue a notice to the parties setting out the amendments to be made to Appendix 1 or Appendix 1A and that they shall take effect on the date specified by ORR in its notice (save that such date shall not be earlier than 1 April 2026).
- (b) Notwithstanding paragraph 17.1A(a) above, ORR may amend Appendix 1 or Appendix 1A of Schedule 8 where it considers that there has been a material change in circumstances. In such event, ORR shall issue a notice to the parties setting out the amendments to be made to Appendix 1 or Appendix 1A and the date, which shall not be retrospective, from which they shall take effect.

(b) in sub-paragraph 17.2

- (i) delete the title “*Procedure for amendments to Appendix 1*” and replace it with the following:

“17.2 *Procedure for amendments to Appendix 1 or Appendix 1A under paragraph 17.1*”;

- (ii) in sub-paragraph (a) insert the words “in accordance with paragraph 17.1” after the words “The party who wishes to amend Appendix 1 or Appendix 1A”.

(c) in sub-paragraph 17.3, before the two references to “paragraph 17.2” insert the words “paragraph 17.1A or”.

4.10 In sub-paragraph 18.4 (Restrictions on claims by Train Operator) of Schedule 8 of the **following** Track Access Agreements:

- (i) the **East Anglia TAA**;
- (ii) the **East Midlands TAA**;
- (iii) the **Chiltern TAA**;
- (iv) the **Greater Western TAA**;
- (v) the **South Western TAA**;
- (vi) the **West Coast Rail TAA**;
- (vii) the **Thameslink TAA**;
- (viii) the **LNER TAA**;
- (ix) the **Northern TAA**;
- (x) the **SE Trains TAA**;
- (xi) the **TransPennine TAA**;
- (xii) the **Trenitalia c2c TAA**;
- (xiii) the **West Midlands TAA**;
- (xiv) the **XC Trains TAA**,

delete sub-paragraph (b) and replace with the following:

- “(b) in relation to any Calculation Term or part of it that precedes the Transition Date as referred to in clause 19; or
- (c) for any Period of any Relevant Losses incurred after the date, which may be retrospective, specified in the notice issued by ORR under paragraph 12.3(b).”

4.11 Delete sub-paragraph 19.2 (Application of SPP Indexation) of Schedule 8 to **each** Track Access Agreement and replace it with the following:

“19.2 ***Application of SPP Indexation***

The SPP indexation figure in Relevant Year t shall be derived from the following formula:

$$SPPI_t = \left(1 + \frac{(CPI_{t-1} - CPI_{2022})}{CPI_{2022}}\right)$$

where:

SPPI_t means the SPP indexation in Relevant Year t;

CPI_{t-1} has the meaning as set out in paragraph 9.1 above of this Schedule 8; and

CPI₂₀₂₂ has the meaning as set out in paragraph 9.1 above of this Schedule 8.

- 4.12 Delete Appendix 1 to Schedule 8 of **each** Track Access Agreement, and replace it with the new Appendix 1 to Schedule 8 specific to that Track Access Agreement which is attached separately in Appendix 3 to Part 2 of Annex 3 to this Review Notice.
- 4.13 In the **TfW TAA only**, insert Appendix 1A to Schedule 8 which states as follows:

“Appendix 1A

ORR shall notify the parties of the terms of the new Appendix 1A to Schedule 8 in due course.”.

- 4.14 Delete Appendix 3 (SPP Threshold) of Schedule 8 to **each** Track Access Agreement, and replace it with the new Appendix 3 to Schedule 8 specific to that Track Access Agreement which is attached separately in Appendix 4 to Part 2 of Annex 3 to this Review Notice.

APPENDIX 1 OF ANNEX 2

Annex A (Notification Factors) to Part 3 of Schedule 4 to each Track Access Agreement

1. the East Anglia TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
Southend & Southminster	EB02	Off-Peak	0.66	0.66	0.94
Southend & Southminster	EB02	Peak	0.66	0.66	0.94
Great Eastern Outers	EB03	Off-Peak	0.64	0.64	0.94
Great Eastern Outers	EB03	Peak	0.65	0.65	0.94
Anglia Inter City	EB04	Off-Peak	0.57	0.57	0.94
Anglia Inter City	EB04	Peak	0.58	0.58	0.94
Anglia Locals	EB05	All Trains	0.52	0.52	0.94
West Anglia Outers	EB06	Off-Peak	0.53	0.53	0.93
West Anglia Outers	EB06	Peak	0.54	0.54	0.93
West Anglia Inners	EB07	Off-Peak	0.66	0.66	0.94
West Anglia Inners	EB07	Peak	0.66	0.66	0.94

2. the East Midlands TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
East Midlands Local	EM01	All Trains	0.53	0.53	0.94
East Midlands Regional	EM02	All Trains	0.52	0.52	0.94
Liverpool - Norwich	EM03	All Trains	0.51	0.51	0.94
East Midlands Inter City	EM04	All Trains	0.55	0.55	0.94
East Midlands Inter Urban	EM05	All Trains	0.58	0.58	0.94

3. the Arriva Rail London TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
Orbitals	EK01	Off-Peak	0.67	0.67	0.95
Orbitals	EK01	Peak	0.67	0.67	0.95
London - Watford (D.C Lines)	EK02	Off-Peak	0.66	0.66	0.94
London - Watford (D.C Lines)	EK02	Peak	0.67	0.67	0.94
East London Lines	EK03	Off-Peak	0.67	0.67	0.95
East London Lines	EK03	Peak	0.67	0.67	0.95
ARL West Anglia	EK04	Off-Peak	0.67	0.67	0.95
ARL West Anglia	EK04	Peak	0.67	0.67	0.95
Romford – Upminster	EK05	All Trains	0.66	0.66	0.94

4. the Caledonian TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
Sleepers	ES01	All Trains	0.55	0.55	0.94

5. the Chiltern TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
Met	HO01	Off-Peak	0.65	0.65	0.94
Met	HO01	Peak	0.65	0.65	0.94
Birmingham	HO02	Off-Peak	0.59	0.59	0.94
Birmingham	HO02	Peak	0.60	0.60	0.94
Joint	HO03	Off-Peak	0.63	0.63	0.94
Joint	HO03	Peak	0.64	0.64	0.94
Oxford	HO04	Off-Peak	0.66	0.66	0.94
Oxford	HO04	Peak	0.66	0.66	0.94

6. the Greater Western TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
London - Bristol	EF01	All Trains	0.56	0.56	0.94
London - South Wales	EF02	All Trains	0.55	0.55	0.94
London - Cotswolds	EF03	All Trains	0.59	0.59	0.94
London - West Of England	EF04	All Trains	0.55	0.55	0.94
Outer Thames Valley - London	EF05	Off-Peak	0.64	0.64	0.94
Outer Thames Valley - London	EF05	Peak	0.65	0.65	0.94
Reading & Oxford Suburban	EF07	All Trains	0.56	0.56	0.93
Thames Valley Branches	EF08	All Trains	0.60	0.60	0.94
North Downs	EF09	All Trains	0.52	0.52	0.93
Bristol Suburban	EF10	All Trains	0.53	0.53	0.94
Devon	EF11	All Trains	0.53	0.53	0.94
Plymouth & Cornwall	EF12	All Trains	0.53	0.53	0.94
South Wales - South Coast	EF13	All Trains	0.53	0.53	0.94

7. the South Western TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
Main Suburban	HY01	Off-Peak	0.67	0.67	0.94
Main Suburban	HY01	Peak	0.67	0.67	0.94
South Hampshire Locals	HY02	All Trains	0.56	0.56	0.93
Waterloo - West England	HY03	Off-Peak	0.59	0.59	0.94
Waterloo - West England	HY03	Peak	0.61	0.61	0.94
Waterloo - Farnham / Alton	HY04	Off-Peak	0.66	0.66	0.94
Waterloo - Farnham / Alton	HY04	Peak	0.66	0.66	0.94
Windsor Inners	HY05	Off-Peak	0.67	0.67	0.94
Windsor Inners	HY05	Peak	0.67	0.67	0.94
Windsor Outers	HY06	Off-Peak	0.64	0.64	0.94
Windsor Outers	HY06	Peak	0.65	0.65	0.94
Waterloo - Portsmouth	HY07	Off-Peak	0.65	0.65	0.94
Waterloo - Portsmouth	HY07	Peak	0.65	0.65	0.94
Waterloo - Weymouth	HY08	Off-Peak	0.63	0.63	0.94
Waterloo - Weymouth	HY08	Peak	0.64	0.64	0.94

8. the West Coast Rail TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
London Euston - Birmingham/Wolverhampton	HF01	All Trains	0.53	0.53	0.94
London Euston - North Wales	HF02	All Trains	0.54	0.54	0.94
London Euston - Manchester	HF03	All Trains	0.54	0.54	0.94
London Euston - Liverpool	HF04	All Trains	0.54	0.54	0.94
London Euston - Carlisle/Scotland	HF06	All Trains	0.54	0.54	0.94
London - Scotland via West Midlands	HF08	All Trains	0.52	0.52	0.94

9. the Thameslink TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
Thameslink North Outer (MML)	ET01	Off Peak	0.65	0.65	0.94
Thameslink North Outer (MML)	ET01	Peak	0.65	0.65	0.94
Thameslink Sussex Outer	ET02	Off Peak	0.58	0.58	0.93
Thameslink Sussex Outer	ET02	Peak	0.58	0.58	0.93
Thameslink South Metro	ET03	Off Peak	0.67	0.67	0.95
Thameslink South Metro	ET03	Peak	0.67	0.67	0.95
Great Northern Metro	ET04	Off Peak	0.66	0.66	0.94
Great Northern Metro	ET04	Peak	0.66	0.66	0.94
Great Northern Outer	ET05	Off Peak	0.64	0.64	0.94
Great Northern Outer	ET05	Peak	0.64	0.64	0.94
Southern Coastway	ET07	All Trains	0.55	0.55	0.93
Southern Outer	ET08	Off Peak	0.59	0.59	0.94
Southern Outer	ET08	Peak	0.59	0.59	0.94
Southern Metro	ET09	Off Peak	0.67	0.67	0.94
Southern Metro	ET09	Peak	0.67	0.67	0.94
Southern West London Line	ET10	Off Peak	0.64	0.64	0.94
Southern West London Line	ET10	Peak	0.64	0.64	0.94
Gatwick Express	ET11	Off Peak	0.52	0.52	0.93
Gatwick Express	ET11	Peak	0.52	0.52	0.93
Thameslink North Metro (MML)	ET12	Off Peak	0.66	0.66	0.94
Thameslink North Metro (MML)	ET12	Peak	0.66	0.66	0.94
Thameslink Kent Outer	ET13	Off Peak	0.65	0.65	0.94
Thameslink Kent Outer	ET13	Peak	0.65	0.65	0.94

10. the LNER TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
Anglo - Scottish	HB01	All Trains	0.54	0.54	0.94
West Yorkshire	HB02	All Trains	0.55	0.55	0.94
West Yorkshire (Kings X - Bradford / Hull)	HB04	All Trains	0.57	0.57	0.94
Anglo - Scot (Aberdeen / Inverness)	HB05	All Trains	0.54	0.54	0.94

11. the Merseyrail TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
Northern Lines	HE01	All Trains	0.55	0.55	0.93
Wirral Lines	HE02	All Trains	0.55	0.55	0.93

12. the Crossrail TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
Crossrail East	EX01	Off-Peak	0.65	0.65	0.94
Crossrail East	EX01	Peak	0.65	0.65	0.94

13. the Northern TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
Tyne, Tees & Wear	ED01	All Trains	0.53	0.53	0.94
Lancashire & Cumbria	ED02	All Trains	0.53	0.53	0.94
West & North Yorkshire Inter Urban	ED04	All Trains	0.53	0.53	0.94
West & North Yorkshire Local	ED05	All Trains	0.54	0.54	0.93
South & East Yorkshire Inter Urban	ED06	All Trains	0.53	0.53	0.94
South & East Yorkshire Local	ED07	All Trains	0.53	0.53	0.94
North Manchester	ED08	Off-Peak	0.53	0.53	0.94
North Manchester	ED08	Peak	0.53	0.53	0.94
Merseyrail City Lines	ED09	All Trains	0.53	0.53	0.93
South Manchester	ED10	Off-Peak	0.52	0.52	0.93
South Manchester	ED10	Peak	0.52	0.52	0.93
Lancashire & Cumbria Inter Urban	ED11	All Trains	0.52	0.52	0.94

14. the Scotrail TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
Express	HA01	All Trains	0.52	0.52	0.95
East Coast Suburban	HA02	All Trains	0.54	0.54	0.94
South West Rural	HA03	All Trains	0.52	0.52	0.94
Highland Rural	HA04	All Trains	0.52	0.52	0.95
Ayrshire & Inverclyde	HA05	All Trains	0.53	0.53	0.94
Glasgow Suburban South	HA06	All Trains	0.54	0.54	0.94
Glasgow Suburban North	HA07	All Trains	0.53	0.53	0.94
North Electrics & Argyle Line	HA08	All Trains	0.54	0.54	0.93

15. the SE Trains TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
Kent Mainline (Off Peak)	HU01	All Trains	0.65	0.65	0.94
Kent Metro (Off Peak)	HU02	All Trains	0.67	0.67	0.95
Kent Rural	HU03	All Trains	0.57	0.57	0.93
Kent Mainline (Peak)	HU04	All Trains	0.65	0.65	0.94
Kent Metro (Peak)	HU05	All Trains	0.67	0.67	0.95
Kent High Speed (Peak)	HU06	All Trains	0.65	0.65	0.94
Kent High Speed (Off Peak)	HU07	All Trains	0.65	0.65	0.94

16. the TransPennine TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
North Trans Pennine	EA01	All Trains	0.51	0.51	0.94
South Trans Pennine	EA02	All Trains	0.50	0.50	0.94
Preston - Scotland	EA07	All Trains	0.50	0.50	0.94

17. the TfW TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
South, West & Central Wales	HL02	All Trains	0.53	0.53	0.94
Wales to England	HL03	All Trains	0.54	0.54	0.94
Cambrian	HL04	All Trains	0.51	0.51	0.94
Cardiff Valleys	HL05	Off-Peak	0.54	0.54	0.93
Cardiff Valleys	HL05	Peak	0.55	0.55	0.93
Marches	HL06	All Trains	0.51	0.51	0.94
North Wales Rural	HL07	All Trains	0.53	0.53	0.94
Inter Urban North Wales	HL08	All Trains	0.51	0.51	0.94

18. the Trenitalia c2c TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
London-Southend/Shoeburyness	HT01	Off-Peak	0.65	0.65	0.94
London-Southend/Shoeburyness	HT01	Peak	0.65	0.65	0.94

19. the West Midlands TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
West Midlands - Snow Hill	EJ01	Off-Peak	0.54	0.54	0.93
West Midlands - Snow Hill	EJ01	Peak	0.54	0.54	0.93
Trent Valley	EJ02	All Trains	0.53	0.53	0.94
West Midlands - New Street (Local)	EJ03	Off-Peak	0.53	0.53	0.94
West Midlands - New Street (Local)	EJ03	Peak	0.54	0.54	0.93
West Midlands Inter Urban	EJ04	All Trains	0.53	0.53	0.94
WCML : London - Northampton	EJ05	Off-Peak	0.62	0.62	0.94
WCML : London - Northampton	EJ05	Peak	0.62	0.62	0.94
WCML : Branches	EJ06	All Trains	0.55	0.55	0.93

20. the XC Trains TAA

	A	B	C	D	E
Service Group Description	Service Group Code	Type	By D-26	By TW-22	After TW-22
CrossCountry Inner City	EH01	All Trains	0.52	0.52	0.94
CrossCountry Local & Provincial	EH02	All Trains	0.51	0.51	0.94

ANNEX 3

BESPOKE AMENDMENTS

PART 1 (MODIFICATIONS TO STANDARD AMENDMENTS)

Explanatory Note:

This Annex 3 sets out the modifications which need to be made to the standard amendments set out in Annex 2 to this Review Notice, required in order to give effect to ORR's conclusions on the Review in the Track Access Agreements listed below.

In relation to each Track Access Agreement which appears in Part 1 of this Annex 3, ORR proposes that the amendments set out in Annex 2 to this Review Notice will be made to that Track Access Agreement, modified to the extent specified in the paragraph or paragraphs of Part 1 of this Annex 3 relating to that Track Access Agreement.

APPENDIX 1 TO PART 1 OF ANNEX 3

SPD Cost Thresholds No.1 and No.2

1. In the **following** Track Access Agreements:

- (i) the **East Anglia TAA**;
- (ii) the **East Midlands TAA**;
- (iii) the **Greater Western TAA**;
- (iv) the **South Western TAA**;
- (v) the **West Coast Rail TAA**;
- (vi) the **Thameslink TAA**;
- (vii) the **LNER TAA**;
- (viii) the **Crossrail TAA**;
- (ix) the **Northern TAA**;
- (x) the **Scotrail TAA**;
- (xi) the **SE Trains TAA**;
- (xii) the **TransPennine TAA**;
- (xiii) the **TfW TAA**;
- (xiv) the **West Midlands TAA**;
- (xv) the **XC Trains TAA**,

delete the definitions of “SPD Cost Threshold No.1” and “SPD Cost Threshold No.2” in paragraph 1.1 (Definitions) of Part 3 to Schedule 4, and replace them with the following:

- (a) “**SPD Cost Threshold No.1**” means £847,996;” and
- (b) “**SPD Cost Threshold No.2**” means £1,695,990”.

2. In the **following** Track Access Agreements:

- (i) the **Arriva Rail London TAA**;
- (ii) the **Caledonian TAA**;
- (iii) the **Chiltern TAA**;
- (iv) the **Merseyrail TAA**;
- (v) the **Trenitalia c2c TAA**,

delete the definitions of “SPD Cost Threshold No.1” and “SPD Cost Threshold No.2” in paragraph 1.1 (Definitions) of Part 3 to Schedule 4, and replace them with the following:

- (a) “**SPD Cost Threshold No.1**” means £423,998;” and
- (b) “**SPD Cost Threshold No.2**” means £847,996;”.

APPENDIX 2 TO PART 1 OF ANNEX 3

Paragraph 4.2 (Cost calculation formula) of Part 3 to Schedule 4

1. In the **following** Track Access Agreements:

- (i) the **East Midlands TAA**;
- (ii) the **Caledonian TAA**;
- (iii) the **West Coast Rail TAA**;
- (vi) the **LNER TAA**;
- (v) the **Merseyrail TAA**;
- (vi) the **Northern TAA**;
- (vii) the **Scotrail TAA**;
- (viii) the **TransPennine TAA**;
- (ix) the **TfW TAA**;
- (x) the **XC Trains TAA**,

delete the definition of EBMPR in sub-paragraph 4.2(b) (Cost Compensation Formula) of Part 3 of Schedule 4, and replace it with the following:

“EBMPR is the payment rate per EBM, which is £13.30.”

2. In the **following** Track Access Agreements:

- (i) the **Arriva Rail London TAA**;
- (ii) the **Chiltern TAA**;
- (iii) the **South Western TAA**;
- (iv) the **Thameslink TAA**,
- (v) the **Crossrail TAA**;
- (vi) the **SE Trains TAA**;
- (vii) the **Trenitalia c2c TAA**,

delete the definition of EBMPR in sub-paragraph 4.2(b) (Cost Compensation Formula) of Part 3 of Schedule 4, and replace it with the following:

“EBMPR is the payment rate per EBM, which is £19.66.”

3. In the **East Anglia TAA only**, delete the definition of EBMPR in sub-paragraph 4.2(b) (Cost Compensation Formula) of Part 3 of Schedule 4, and replace it with the following:

“EBMPR is the payment rate per EBM, which is:

- (i) in respect of any LSE Service Group, £19.66; and
- (ii) in respect of every other Service Group that is not an LSE Service Group, £13.30,

where “LSE Service Group” means any of the following Service Groups: Service Group EB02 (Off-Peak), Service Group EB02 (Peak), Service Group EB03 (Off-Peak), Service Group EB03 (Peak), Service Group EB04 (Off-Peak), Service Group EB04 (Peak), Service Group EB06 (Off-Peak), Service Group EB06 (Peak), Service Group EB07 (Off-Peak) and Service Group EB07 (Peak).”

4. In the **Greater Western TAA only**, delete the definition of EBMPR in sub-paragraph 4.2(b) (Cost Compensation Formula) of Part 3 of Schedule 4, and replace it with the following:

“EBMPR is the payment rate per EBM, which is:

- (i) in respect of any LSE Service Group, £19.66; and
- (ii) in respect of every other Service Group that is not an LSE Service Group, £13.30,

where “LSE Service Group” means any of the following Service Groups: Service Group EF05 (Off-Peak), Service Group EF05 (Peak), Service Group EF07, Service Group EF08 and Service Group EF09.”

5. In the **West Midlands TAA only**, delete the definition of EBMPR in sub-paragraph 4.2(b) (Cost Compensation Formula) of Part 3 of Schedule 4, and replace it with the following:

“EBMPR is the payment rate per EBM, which is:

- (i) in respect of any LSE Service Group, £19.66; and
- (ii) in respect of every other Service Group that is not an LSE Service Group, £13.30,

where “LSE Service Group” means any of the following Service Groups: Service Group EJ05 (Off-Peak), Service Group EJ05 (Peak) and Service Group EJ06.”

APPENDIX 3 TO PART 1 OF ANNEX 3

Part 5 (Access Charge Supplement for Restrictions of Use) of Schedule 4

In Part 5 (Access Charge Supplement for Restriction of Use) of Schedule 4 to **each** Track Access Agreement, complete the empty square brackets shown in the list of years and payment sums in paragraph 1 of that Part 5 set out in paragraph 2.20 of Annex 2 to this Review Notice with the payment sums set out below specific to that Train Operator's Track Access Agreement:

1. the **East Anglia TAA**:

Year	£
2024-25	23,209,093
2025-26	23,702,521
2026-27	23,136,209
2027-28	19,998,992
2028-29	17,445,943

2. the **East Midlands TAA**:

Year	£
2024-25	18,531,813
2025-26	15,067,902
2026-27	13,849,614
2027-28	12,493,696
2028-29	10,981,748

3. the **Arriva Rail London TAA:**

Year	£
2024-25	12,645,215
2025-26	12,965,720
2026-27	12,515,174
2027-28	10,954,069
2028-29	9,486,591

4. the **Caledonian TAA:**

Year	£
2024-25	391,574
2025-26	363,107
2026-27	366,574
2027-28	338,989
2028-29	314,979

5. the **Chiltern TAA:**

Year	£
2024-25	2,821,351
2025-26	2,714,827
2026-27	2,613,651
2027-28	1,943,640
2028-29	1,925,640

6. the **Greater Western TAA:**

Year	£
2024-25	28,617,512
2025-26	30,176,651
2026-27	29,784,507
2027-28	26,880,104
2028-29	22,730,702

7. the **South Western TAA:**

Year	£
2024-25	24,519,068
2025-26	25,932,564
2026-27	23,493,198
2027-28	25,358,166
2028-29	19,260,045

8. the **West Coast Rail TAA:**

Year	£
2024-25	40,937,442
2025-26	37,448,445
2026-27	54,777,830
2027-28	49,278,465
2028-29	44,712,680

9. the **Thameslink TAA**:

Year	£
2024-25	36,979,704
2025-26	38,751,465
2026-27	35,207,198
2027-28	30,742,746
2028-29	28,245,694

10. the **LNER TAA**:

Year	£
2024-25	22,873,006
2025-26	23,294,451
2026-27	23,006,573
2027-28	21,856,452
2028-29	18,607,425

11. the **Merseyrail TAA**:

Year	£
2024-25	1,931,155
2025-26	1,608,908
2026-27	1,785,968
2027-28	1,530,096
2028-29	1,596,619

12. the **Crossrail TAA**:

Year	£
2024-25	2,356,313
2025-26	2,410,471
2026-27	2,358,961
2027-28	2,040,716
2028-29	1,781,832

13. the **Northern TAA**:

Year	£
2024-25	10,506,781
2025-26	9,153,393
2026-27	11,592,467
2027-28	10,090,950
2028-29	9,965,612

14. the **Scotrail TAA**:

Year	£
2024-25	5,431,528
2025-26	5,202,740
2026-27	5,058,764
2027-28	4,677,612
2028-29	4,883,290

15. the **SE Trains TAA:**

Year	£
2024-25	14,692,012
2025-26	17,431,989
2026-27	14,638,039
2027-28	13,553,948
2028-29	10,378,702

16. the **TransPennine TAA:**

Year	£
2024-25	10,904,887
2025-26	9,661,696
2026-27	13,494,753
2027-28	11,816,451
2028-29	11,587,676

17. the **TfW TAA:**

Year	£
2024-25	5,762,905
2025-26	6,045,432
2026-27	5,990,026
2027-28	5,371,373
2028-29	4,261,474

18. the **Trenitalia c2c TAA:**

Year	£
2024-25	3,760,582
2025-26	3,840,402
2026-27	3,748,789
2027-28	3,239,503
2028-29	2,826,168

19. the **West Midlands TAA:**

Year	£
2024-25	6,070,345
2025-26	5,705,877
2026-27	5,702,562
2027-28	5,145,375
2028-29	4,436,926

20. the **XC Trains TAA**:

Year	£
2024-25	16,248,947
2025-26	16,053,764
2026-27	15,666,319
2027-28	13,598,770
2028-29	12,160,448

ANNEX 3

PART 2 (CONFIDENTIAL INFORMATION)

Explanatory Note:

As explained above, the confidential information is attached to this Review Notice in the following pages. Copies will be sent only to the parties to the relevant Track Access Agreement, the Secretary of State for Transport, the Scottish Ministers and the Treasury and, if appropriate, any relevant parties listed in Part 2 of Annex 1 to this Review Notice. The publication of that information would or might, in the opinion of ORR, seriously and prejudicially affect the interest of each Train Operator and/or Network Rail for the purpose of section 71(2) of the Act, and it is therefore not being published.

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APPENDIX 1 TO PART 2 OF ANNEX 3

Annex C (Payment Rate per train mile) to Part 3 of Schedule 4 to each Track Access Agreement

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APPENDIX 2 TO PART 2 OF ANNEX 3

Annex D (Defined Service Group Revenue) to Part 3 of Schedule 4 to each Track Access Agreement

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APPENDIX 3 TO PART 2 OF ANNEX 3

Appendix 1 of Schedule 8 to each Track Access Agreement

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APPENDIX 4 TO PART 2 OF ANNEX 3

Appendix 3 (SPP Threshold) of Schedule 8 to each Track Access Agreement