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Dear Stakeholder

ORR's economic enforcement policy and penalties statement for Northern Ireland

On 10 November 2017, we published new guidance for The Railways Infrastructure (Access, Management and Licensing of Railway Undertakings) Regulations (Northern Ireland) 2016 (the NI Regulations). At that time, we stated that we would develop a standalone economic enforcement policy for Northern Ireland.

The NI Regulations give ORR a new power to impose a penalty where a party has failed to comply with a decision, direction or notice issued under the NI Regulations. The NI Regulations require ORR to publish a statement of policy with respect to the imposition of penalties and the determination of their amount.

In August 2017, we consulted on an enforcement policy for both Great Britain (GB) and Northern Ireland. Feedback from Northern Irish stakeholders confirmed that they found certain areas of this joint policy unclear and they had found it difficult to identify which areas of the policy applied to them. We therefore decided to produce a separate enforcement policy for the NI Regulations, as our approach to enforcement must be clear to all stakeholders.

Following further consultation with Northern Irish stakeholders, we have now finalised the enforcement policy for Northern Ireland and it is now available on our website.

In our decision letter for our GB enforcement we clarified that for the purposes of calculating a penalty, only turnover derived from railway business activities¹ during a business year (after deduction of trade discounts, value added tax and other taxes directly related to turnover) would be taken into consideration. We want to take this opportunity to confirm that we consider that these principles would also apply to our enforcement policy for Northern Ireland.

¹ Railway business activities includes the provision of railway services and the ownership or operation of a railway asset together along with any business carried on incidental to that business.

Conclusion

Once again, I would like to thank stakeholders for their responses and for further engagement in drafting the enforcement policy for Northern Ireland. The enforcement policy has now been finalised and is available on our website².

Yours faithfully

Graham Richards

² http://www.orr.gov.uk/_data/assets/pdf_file/0004/26275/economic-enforcement-policy-and-penalties-statement-for-northern-ireland.pdf