



# **Open access infrastructure cost charge implementation**

**Conclusions document**

**21 March 2019**

# Contents



<b>Executive Summary</b> .....	<b>4</b>
<b>1. Introduction</b> .....	<b>6</b>
Overview and linkages: related work .....	6
Purpose and scope of this document .....	7
Structure of this conclusions document .....	8
<b>2. Background</b> .....	<b>9</b>
Our determination on open access operator infrastructure cost charges in CP6.....	9
<b>3. Change to the ‘not primarily abstractive’ test</b> .....	<b>12</b>
Introduction.....	12
Policy development .....	12
Stakeholder responses .....	13
Consideration of stakeholder responses.....	13
<b>4. Substantial modification for existing open access operators</b> .....	<b>14</b>
Policy Development.....	14
Overview of the December 2018 proposals.....	14
Stakeholder responses .....	15
Consideration of stakeholder responses.....	16
Our determination .....	16
<b>5. Definition of the interurban market segment</b> .....	<b>17</b>
Policy Development.....	17
Stakeholder responses .....	18
Consideration of stakeholder responses.....	20
Our conclusions.....	21
<b>6. Other considerations</b> .....	<b>24</b>
Billing .....	24
Process to supplement the Open Access ICC Rates List.....	25
Determinants of passenger demand.....	25
<b>Appendix A: ‘Substantial modification’ examples</b> .....	<b>27</b>
<b>Appendix B: Stations by passenger traffic, Great Britain</b> .....	<b>30</b>
<b>Appendix C: Great Britain stations by passenger traffic, showing the area within 40 miles</b> .....	<b>32</b>



## Executive Summary

Access charges are important as they affect the decisions that infrastructure managers, operators and funders make about use of the rail network. They play an important role in improving outcomes for passengers, freight customers and taxpayers.

In the 2018 periodic review (PR18) final determination, we confirmed that we would levy charges in control period 6 (CP6, which will run from 1 April 2019 to 31 March 2024) to recover some of Network Rail's fixed network costs from some open access operators (OAOs). These charges represent mark-ups over directly incurred costs, and we refer to them as infrastructure cost charges (ICCs). OAOs do not currently pay ICCs.

Levying ICCs on open access services potentially makes open access entry less attractive as it increases the cost that operators bear when operating a service. However, ORR will take the forecast additional income that the ICCs could generate for Network Rail into account when assessing open access applications, which could increase the likelihood that an open access proposal for access rights is granted.

We set out our proposals on the three remaining implementation issues for levying the ICC on OAOs in our December 2018 consultation<sup>1</sup>. This conclusions document discusses the main points raised by stakeholders in response to that consultation and outlines our final decisions. The key decisions made within this document are outlined below.

### Not primarily abstractive test

We will take account of the ICC within the 'not primarily abstractive' (NPA) test by subtracting the ICC from revenue abstracted according to this equation:

$$\text{NPA ratio} = \frac{\text{revenue generated}}{\text{revenue abstracted} - \text{ICC}}$$

Our access policy will retain the NPA ratio of 0.3 as it currently features in our overall analysis of access applications.

### Substantial modification

The following amendments to a service will each be a substantial modification:

- increasing the number of services;

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<sup>1</sup> *Consultation: Open access infrastructure cost charge implementation*, Office of Rail and Road, December 2018. This may be accessed [here](#).

- increasing the number of calls at stations where the operator currently has the right to stop; or
- calling at new stations (where the operator does not currently have the right to stop).

## Interurban definition

A service (or part of a service) is within the interurban market segment if it meets the following criteria:

- at least one of the stations served has average annual entries/exits above 15 million passengers per year<sup>2</sup>, or the station served is within two miles of a station meeting that demand threshold;
- at least one other station served has average annual entries/exits above 10 million passengers per year<sup>2</sup> or it is within two miles of a station meeting that demand threshold; and
- two of the stations served meeting the demand thresholds (above) are at least 40 miles apart<sup>3</sup>.

## Discretion

ORR will not exercise discretion in relation to individual decisions about whether a service or part of a service is in the interurban market segment.

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<sup>2</sup> Based on five-year average of station entries/exits between 2013-14 and 2017-18. ORR calculation. *Estimate of station usage*, Steer Group, December 2018. This may be accessed [here](#).

<sup>3</sup> ORR calculation. *Estimate of station usage*, Steer Group, December 2018. This may be accessed [here](#).

# 1. Introduction

- 1.1. In our October 2018 conclusions document<sup>4</sup> and the decisions document released alongside the final determination<sup>5</sup>, we concluded on most of the issues regarding levying infrastructure cost charges (ICCs) (mark-ups over directly incurred costs) on some open access services. These services previously did not pay fixed charges.
- 1.2. In December 2018, we published a consultation document covering some outstanding implementation issues regarding how ICCs would be levied on open access services. The consultation closed on the 14 January 2019. We received 13 responses<sup>6</sup> from the following stakeholders: Network Rail; Department for Transport (DfT); Rail Delivery Group (RDG); Transport Scotland; Transport for London; Heritage Railway; Arriva UK Trains; First Group; Grand Union; London North Eastern Railway (LNER); Virgin Trains/Stagecoach Rail/East Midlands Trains (Stagecoach Group); Angel Trains (confidential response); and one private citizen.
- 1.3. This document sets out our conclusions.

## Overview and linkages: related work

- 1.4. When we published our consultation in December 2018, we also published two other related documents relevant to OAOs. These were:
  - draft guidance for the Economic Equilibrium Test (EE Test); and
  - a scoping document for our monitoring framework for OAOs.
- 1.5. Updates on each of these policy areas are outlined below.

## Economic Equilibrium Test

- 1.6. The EE Test is a requirement of an EU Implementing Regulation which came into force on 1 January 2019. The Implementing Regulation provides that, at the request of a relevant party, the regulatory body (ORR for Great Britain) is responsible for assessing whether a new rail passenger service would compromise the economic

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<sup>4</sup> *2018 periodic review final determination: Supplementary document – Charges and incentives: Infrastructure cost charges conclusions*, Office of Rail and Road, October 2018. This may be accessed [here](#).

<sup>5</sup> *2018 periodic review final determination: Supplementary document – Overview of charges and incentives decisions*, Office of Rail and Road, October 2018. This may be accessed [here](#).

<sup>6</sup> *Responses to PR18 consultation on open access ICC implementation*, Office of Rail and Road, March 2019. This may be accessed [here](#).

equilibrium of a public service contract (PSC) (i.e. a franchise), taking into account net customer benefits and other factors associated with the proposed new service.

- 1.7. We consulted on draft guidance between December 2018 and January 2019. We will shortly be publishing our final guidance on the EE Test<sup>7</sup>. The guidance sets out the circumstances under which the EE Test can be requested, the criteria for assessing the impact on the economic equilibrium of an affected PSC, and how we plan to carry out the test in practice.
- 1.8. We recognise that there is a significant degree of overlap between the EE Test and the 'not primarily abstractive' (NPA) test, particularly in respect of consideration of customer and wider benefits. Therefore, we have tried to keep our policy and procedure for the EE Test as close as possible to the NPA Test.

## Monitoring framework for open access

- 1.9. Recognising the potential benefits that greater open access can deliver through generating competition in the market, we committed in our 2018-19 business plan to 'develop a framework to monitor the impact of, and response to, open access competition'. We launched this work in December 2018 and published a document setting out the scope, objectives and the key deliverables<sup>8</sup>.
- 1.10. Developing a monitoring framework for open access should help evidence the impact of open access competition on market outcomes over time, and expose the challenges that OAOs face in entering and succeeding in the market. We also expect our monitoring framework to act as an indicator of how well the market is functioning from a competition and regulatory compliance perspective. This will inform how we apply our powers.
- 1.11. We will shortly be publishing an update on this work<sup>9</sup>, outlining the metrics that we plan to monitor on an ongoing basis. We will also set out our approach to monitoring, including our proposed programme of ongoing stakeholder engagement.

## Purpose and scope of this document

- 1.12. This document discusses the main points raised by stakeholders in response to our December 2018 consultation and sets out our conclusions on the following areas:

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<sup>7</sup> Document forthcoming: *Guidance on the Economic Equilibrium Test*, Office of Rail and Road, March 2019. This may be accessed [here](#).

<sup>8</sup> *Monitoring framework for open access operators*, Office of Rail and Road, December 2018. This may be accessed [here](#).

<sup>9</sup> Document forthcoming: *Open access monitoring: ORR's plans to monitor the impact of, and response to, open access*, Office of Rail and Road, 2019. This may be accessed [here](#).

- changes to our access policy relating to the NPA test;
- the definition of what characterises a substantial modification to a service; and
- the definition of the interurban market segment.

## Structure of this conclusions document

1.13. This conclusions document is structured as follows:

- chapter 2 provides background to our ICC policy for OAOs and outlines the decisions that have been taken in the context of PR18, including those new decisions that are communicated in this document;
- chapter 3 sets out our decision on changes to the NPA test in light of the introduction of the ICC on some interurban open access services;
- chapter 4 sets out our decision on the definition of substantial modification to an existing open access service;
- chapter 5 sets out our decision on the definition of the interurban market segment; and
- chapter 6 sets out our decisions about three additional issues we have considered: how the ICC will be billed; the process to supplement the Open Access ICC Rates List; and using time-of-day for passenger market segmentation.



## 2. Background

- 2.1. Access charges are important as they affect the decisions that infrastructure managers, operators and funders make about use of the rail network. They play an important role in improving outcomes for passengers, freight customers and taxpayers.
- 2.2. In the PR18 final determination, we confirmed that we would levy charges in control period 6 (CP6, which will run from 1 April 2019 to 31 March 2024) to recover some of Network Rail's fixed network costs from some OAOs. These charges represent mark-ups over directly incurred costs, and we refer to them as ICCs. OAOs do not currently pay ICCs.
- 2.3. Levying ICCs on open access services potentially makes open access entry less attractive as it increases the cost that operators must bear when operating a service. However, ORR would take the additional income that the ICCs would generate for Network Rail into account when assessing open access applications, which would increase the likelihood that an open access proposal for access rights is granted.
- 2.4. We already concluded on most issues regarding levying ICCs on OAOs in CP6 in our October 2018 conclusions document<sup>10</sup> and we set out our proposals on the three remaining implementation issues for levying the ICC on OAOs in our December 2018 consultation<sup>11</sup>.
- 2.5. This conclusions document discusses the main points raised by stakeholders in response to that consultation and outlines our final decisions. The key decisions from both documents are outlined below.

### Our determination on open access operator infrastructure cost charges in CP6

- 2.6. The relevant issues we already concluded on in our October 2018 document are set out below.
- 2.7. **We determined that there will be two market segments for open access services in CP6: 'interurban' and 'other'. ICCs will be levied on those services (or parts of those services) operating in the interurban market segment.**

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<sup>10</sup> 2018 periodic review final determination: Supplementary document – Charges and incentives: Infrastructure cost charges conclusions, Office of Rail and Road, October 2018. This may be accessed [here](#).

<sup>11</sup> Consultation: Open access infrastructure cost charge implementation, Office of Rail and Road, December 2018. This may be accessed [here](#).

- 2.8. **We concluded that ICCs will be levied on OAOs as a rate per train mile.**
- 2.9. **We clarified that an open access service can partly fall within the interurban market segment.** In such cases, only the train miles of the individual service in the interurban market segment would be subject to the ICC.
- 2.10. **We set the ICC for open access services (or parts of services) that are categorised as part of the interurban market segment in CP6 at £4 per train mile (2017-18 prices).**
- 2.11. **We concluded that existing OAOs that are operating in the interurban market segment will have relief from increases in charges prompted by the introduction of the ICCs for the whole of CP6. This relief would not apply where an existing OAO substantially modifies its service.**
- 2.12. **We determined that ICCs for interurban new entrant OAO services will be phased in as shown in Table 2.1.** See the October 2018 ICC conclusions document for the definition of what constitutes a new entrant OAO<sup>12</sup>.

**Table 2.1 Transitional arrangements for new entrants operating in an interurban market segment**

Year of operation of new entrant	Year 1	Year 2	Year 3	Year 4	Year 5
% of ICC levied	0%	0%	25%	50%	100%

*Note: The total ICC (before phasing) will depend on the proportion of the service that operates in the interurban market segment as outlined in the October 2018 ICC conclusions document. Years 1 to 5 of the phasing-in period refer to the first 5 years of a new entrant's services, not the years of the control period.*

## Decisions on implementation details

- 2.13. Within this document, we conclude on the issues set out below.
- 2.14. **We will take the ICC into account within the NPA test by subtracting the ICC from revenue abstracted** according to this equation:

$$\text{NPA ratio} = \frac{\text{revenue generated}}{\text{revenue abstracted} - \text{ICC}}$$

<sup>12</sup> Annex B, p 52-53, *2018 periodic review final determination: Supplementary document – Charges and incentives: Infrastructure cost charges conclusions*, Office of Rail and Road, October 2018. This may be accessed [here](#).

2.15. **Our access policy will retain the NPA ratio of 0.3 as it currently features in our overall analysis of access applications.**

2.16. **The following amendments to an OAO's service are each a substantial modification:**

- **increasing the number of services;**
- **increasing the number of calls at stations where the operator currently has the right to stop; or**
- **calling at new stations (where the operator does not currently have the right to stop).**

2.17. **A service (or part of a service) is within the interurban market segment<sup>13</sup> if it meets the following criteria:**

- at least one of the stations served has average annual entries/exits above 15 million passengers per year<sup>14</sup>, or the station served is within two miles of a station meeting that demand threshold;
- at least one other station served has average annual entries/exits above 10 million passengers per year<sup>14</sup> or it is within two miles of a station meeting that demand threshold; and
- two of the stations served meeting the demand thresholds (above) are at least 40 miles apart<sup>15</sup>.

2.18. **ORR will not exercise discretion in relation to individual decisions about whether a service or part of a service is in the interurban market segment.**

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<sup>13</sup> A service will only be charged for the train miles within the interurban market segment.

<sup>14</sup> Based on five-year average of station entries/exits between 2013-14 and 2017-18. ORR calculation. *Estimate of station usage*, Steer Group, December 2018. This may be accessed [here](#).

<sup>15</sup> ORR calculation. *Estimate of station usage*, Steer Group, December 2018. This may be accessed [here](#).

## 3. Change to the ‘not primarily abstractive’ test

### Introduction

3.1. The NPA test informs our assessment of the balance between the potential benefits to passengers of greater open access competition against the potential costs to governments through lower franchise revenues.

### Policy development

3.2. In our June and October 2018 PR18 ICC documents<sup>16</sup>, we set out a high-level proposal for potential changes to the NPA test in order to take account of the ICC. The stakeholder responses to these proposals fed into our December 2018 consultation.

3.3. In our December 2018 consultation document<sup>17</sup> we set out the following options for amending the NPA test:

- Option 0: Status quo – no change to the NPA test:

$$\frac{\text{revenue generated}}{\text{revenue abstracted}} > 0.3$$

- Option 1: Add the ICC payment to revenue generated in the NPA test:

$$\frac{\text{revenue generated} + \text{ICC}}{\text{revenue abstracted}} > 0.3$$

- Option 2: Subtract the ICC payment from revenue abstracted in the NPA test:

$$\frac{\text{revenue generated}}{\text{revenue abstracted} - \text{ICC}} > 0.3$$

3.4. At the time, we stated that our preferred approach was to add the ICC to revenue generated in the NPA ratio calculation (Option 1). We preferred this approach because it would promote greater open access competition, while recognising that

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<sup>16</sup> 2018 periodic review final determination: Supplementary document – Charges and incentives: Infrastructure cost charges conclusions, Office of Rail and Road, October 2018. This may be accessed [here](#).  
2018 periodic review final determination: Supplementary document – Charges and incentives: Consultation on infrastructure cost charges, Office of Rail and Road, June 2018. This may be accessed [here](#).

<sup>17</sup> Consultation: Open access infrastructure cost charge implementation, Office of Rail and Road, December 2018. This may be accessed [here](#).

the NPA test remains only one part of ORR's criteria when deciding on open access applications. This was also in line with our June 2018 proposal.

- 3.5. However, we noted that Option 2 arguably had a clearer rationale than Option 1. This is because ICCs represent payments to government, funded by the fare-box revenue generated by a new service. Therefore, it may be more consistent to subtract the ICC from revenue abstracted, which represents the long-term loss to taxpayers.

## Stakeholder responses

- 3.6. Respondents were largely unsupportive of adopting Option 1. First Group, Stagecoach Group, DfT, and LNER agreed that the ICC was not additional revenue and therefore should not be added to revenue generation.
- 3.7. Network Rail, Arriva and Grand Union suggested that more fundamental changes to the NPA test were necessary. However, as Arriva and Grand Union considered this is unlikely to occur in the short term, they supported Option 1. Arriva stated that it thought the NPA ratio threshold is set at too high a level and that Option 1 was preferred to offset this.

## Consideration of stakeholder responses

- 3.8. Following stakeholder responses, we revisited our proposed options for taking into consideration the ICC charge in the NPA test.
- 3.9. Balancing stakeholder feedback, our analytical reasoning, and the overall ICC policy, we will not move forward with Option 1. Rather we will adopt Option 2: subtracting the ICC from revenue abstracted.

## 4. Substantial modification for existing open access operators

### Policy Development

4.1. In the October 2018 conclusions document on ICCs<sup>18</sup>, we determined that we would provide relief to existing OAOs from increases in charges following the introduction of the charge for the whole of CP6. However, we confirmed that if an existing OAO<sup>19</sup> proposes a substantial modification to its services, and that service (or part of that service) falls within the interurban market segment, it would be subject to the ICC.

### Overview of the December 2018 proposals

4.2. In our December 2018 consultation<sup>20</sup>, we proposed to align the definition of a substantial modification to that in the EE Test guidance<sup>21</sup>. We proposed this approach for consistency when we assess open access applications.

4.3. In our consultation, we proposed that the following amendments to an open access service should be considered a substantial modification:

- increasing the number of services;
- increasing the number of calls at stations where the operator currently has the right to stop; or
- calling at new stations (where the operator does not currently have the right to stop).

4.4. Considering our policy to support the current level of competition provided by existing services, we proposed that the ICC would only be levied on those individual services (or parts of those services) that were substantially modified – the ICC would not be levied on all of an existing OAO's services<sup>22</sup>.

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<sup>18</sup> 2018 periodic review final determination: Supplementary document – Charges and incentives: Infrastructure cost charges conclusions, Office of Rail and Road, October 2018. This may be accessed [here](#).

<sup>19</sup> We defined existing OAOs as operators of services who had access agreements approved before we set out our intention to review the charges levied on OAOs as part of PR18. We formally set out this intention in our letter responding to the Competition and Market Authority Report on on-rail competition published on 26 November 2015 and our consultation on network charges published on 10 December 2015.

<sup>20</sup> Consultation: Open access infrastructure cost charge implementation, Office of Rail and Road, December 2018. This may be accessed [here](#).

<sup>21</sup> Guidance on the Economic Equilibrium Test, Office of Rail and Road, March 2019. This may be accessed [here](#).

<sup>22</sup> See Appendix A for some examples of how this would work in practice.

## Stakeholder responses

- 4.5. Many stakeholders stated that our proposed definition was too broad and that it therefore captured too many minor changes to services. Several stakeholders highlighted that this would be a disincentive for existing OAOs to make minor changes that may be beneficial for the overall network.
- 4.6. Arriva, First Group, RDG and Network Rail suggested that there should be a threshold in the substantial modification definition. Arriva and First Group suggested an alternative definition for a substantial modification, whereby an existing service is substantially modified in the following cases:
- increasing the number of services by more than one service per day in each direction. Arriva suggested a further requirement that the additional service does not make the average interval between the first and last train less than two hours;
  - increasing the number of calls at stations (where the operator currently has the right to stop) by more than one in each direction per day; or
  - calling at new stations (where the operator does not currently have the right to stop). Arriva suggested an additional requirement that the station needed to have been open for longer than one year at the time of application.
- 4.7. Both of these operators suggested that if any additional service arrives or departs in the relevant peak period at a London terminal station, it should be considered a substantial modification.
- 4.8. DfT and Transport Scotland were broadly supportive of the ‘substantial modification’ definition. However, DfT proposed that ORR consider other modifications that might form part of an access decision, such as the financial consequences of a change or modification to services (such as following a change in journey times), or a change in the timing of a service (such as off-peak to peak). LNER suggested that we should consider improvements to journey times a substantial modification.
- 4.9. Some stakeholders highlighted that operators occasionally change the timing of their services’ station calls for the benefit of performance or capacity of the wider network, such as when there are timetable changes. They stated that existing services should not fall into the scope of the ICC should this occur. For clarification, if there are no changes to the number of station calls by services, then it does not fall within the substantial modification definition we proposed.

## Consideration of stakeholder responses

- 4.10. We agree that levying the ICC on changes to existing services (that fall within the interurban market segment) may be a disincentive for an existing OAO to make minor beneficial changes to its services.
- 4.11. However, we are concerned that introducing a threshold into the substantial modification definition may encourage operators to make multiple minor applications in order to avoid the charge. We consider that this would result in inefficiencies for operators, Network Rail and ORR. We also consider that including the additional requirements that have been proposed by respondents, would over-complicate the definition.
- 4.12. We do not consider that changes to journey times should be a 'substantial modification' as this could discourage better use of capacity should a service improve its journey time.

## Our determination

- 4.13. We consider that our proposed substantial modification definition is easy to understand for operators and we have aligned the definition with the EE Test definition for simplicity. Therefore, we confirm that increasing the number of services; increasing the number of calls at stations where the operator currently has the right to stop; and/or calling at new stations (where the operator does not currently have the right to stop) is a substantial modification to an open access service.
- 4.14. See Appendix A for worked examples of how we would assess all three of the modifications outlined above.



## 5. Definition of the interurban market segment

### Policy Development

- 5.1. Based on the relevant legislative requirements<sup>23</sup> and supported by analysis we commissioned from CEPA and Systra<sup>24</sup>, we concluded in our October 2018 document<sup>25</sup> that we would define two market segments: ‘interurban’ and ‘other’.
- 5.2. We concluded that ICCs would apply to new open access services (or part of services) that fall within the interurban market segment in CP6. We also confirmed that an individual existing service (or part of a service) that has been substantially modified and falls within the interurban market segment will also be charged the ICC.

### Station usage and straight-line distance thresholds

- 5.3. In our December 2018 consultation document<sup>26</sup> we proposed to define the interurban market segment based on:
- station demand<sup>27</sup>, which serves as a proxy for the size of the underlying market; and
  - straight-line distance between stations<sup>28</sup>, which serves as a proxy for journey purpose. It also helps distinguish between different geographical markets.
- 5.4. In the consultation, we proposed that a service (or part of a service) falls within the interurban market segment if it meets the following three criteria:
- (1) at least one station served has annual entries/exits above a specified threshold S1;
  - (2) at least one other station served has annual entries/exits above a specified threshold S2 (where  $S2 \leq S1$ ); and

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<sup>23</sup> Paragraph 2 of Schedule 3 of the Railways (Access, Management and Licensing of Railway Undertakings) Regulations 2016 to implement EU Directive 2012/34/EU.

<sup>24</sup> *PR18 Structure of charges review – Market can bear analysis: Passenger services*, Cambridge Economic Policy Associates & Systra, September 2017. This may be accessed [here](#).

<sup>25</sup> *2018 periodic review final determination: Supplementary document – Charges and incentives: Infrastructure cost charges conclusions*, Office of Rail and Road, October 2018. This may be accessed [here](#).

<sup>26</sup> *Consultation: Open access infrastructure cost charge implementation*, Office of Rail and Road, December 2018. This may be accessed [here](#).

<sup>27</sup> Five-year average of station entries/exits between 2013-14 and 2017-18. ORR calculation. *Estimate of station usage*, Steer Group, December 2018. This may be accessed [here](#).

<sup>28</sup> ORR calculation. *Estimate of station usage*, Steer Group, December 2018. This may be accessed [here](#).

- (3) two of the stations served meeting the S1 and S2 demand thresholds (1) and (2), are at least D miles apart.

5.5. We proposed four options for possible values of S1 and S2 (Table 5.1). We also proposed three options for values for D: 40 miles; 50 miles; and 60 miles.

**Table 5.1 Proposed options for passenger number thresholds**

	S1	S2
Option 1	≥ 15m passengers per year	≥ 15m passengers per year
Option 2	≥ 15m passengers per year	≥ 10m passengers per year
Option 3	≥ 10m passengers per year	≥ 10m passengers per year
Option 4	≥ 10m passengers per year	≥ 5m passengers per year

## Neighbouring stations

5.6. We proposed that all stations within two miles of stations that meet the S1 and S2 thresholds would also be included in criteria (1) and (2).

## Discretion

5.7. In our consultation, we set out the trade-off between a more targeted discretionary approach, and a simpler and more objective market definition (such as our proposal based on the three criteria set out above).

5.8. We expressed our preference for a more objective approach on the basis that it would give a potential applicant certainty on whether its proposed service (or part of its service) would fall into the interurban market segment. However, we also recognised some of the potential benefits of occasionally applying discretion for services on the margin of the interurban market segment definition.

## Stakeholder responses

### Station usage and straight-line distance thresholds

5.9. Network Rail, Transport Scotland and Stagecoach Group supported using simple, objective criteria and agreed with station usage and straight-line distance as appropriate variables. Grand Union agreed that the approach was straightforward and easy to understand.

5.10. However, Arriva, First Group and LNER did not think station usage appropriately approximated the interurban travel market. First Group and LNER suggested

sales/revenue data between station pairs may better reflect this market. Arriva also disagreed that straight-line distance was a good proxy for journey purpose. It suggested that ticket type would be more appropriate.

- 5.11. Most train operating companies that responded to the consultation preferred higher station usage thresholds (generally Options 1, 2 or 3) and the longer straight-line distances (50 or 60 miles).
- 5.12. While DfT was generally supportive of the variables we proposed to define the interurban market segment, it disagreed with our thresholds. DfT argued that even the lowest station demand thresholds considered in our consultation document resulted in a definition of the interurban market segment that was too narrow. It was concerned that the definition excluded stations such as Wolverhampton, Peterborough, Preston, Chester, Norwich, Derby, Bedford, Doncaster, Swindon, Ipswich, Northampton, Crewe, and Stoke-on-Trent.
- 5.13. In order to broaden the definition to include these stations, DfT suggested an amendment to Option 4 where  $S1 \geq 10$  million passenger per year but  $S2 \geq 3$  million passengers per year (down from our proposed Option 4 where  $S2 \geq 5$  million passengers). DfT also thought that the 40-mile threshold between stations was too high and resulted in an 'unduly narrow' definition. However, it did not suggest an alternative distance.
- 5.14. DfT also suggested that all open access services running on the West Coast, East Coast and Great Western mainlines should be subject to the ICC.

## Neighbouring stations

- 5.15. Several respondents were supportive of including the additional criteria that all stations inside a two-mile radius of the stations fall within the interurban market segment. However, Network Rail was concerned about unintended consequences (such as OAOs proposing to run services to stations just outside the radius in order to avoid the charge).
- 5.16. DfT was supportive of the two-mile radius generally. However, it and Transport Scotland recommended some discretion in applying the radius outside of London.

## Discretion

- 5.17. Most respondents supported our view that an objective definition was preferable to a more discretionary approach. Many echoed our concerns about ORR discretion, specifically regarding increased uncertainty and the potential costs involved with lengthened application timescales. Network Rail also highlighted that there is a risk

ORR may be accused of discrimination if we exercise discretion when making a decision.

5.18. As an alternative to discretion, some respondents suggested including an additional criterion to station demand and straight-line distance to further refine the market segment definition. Arriva and First Group were supportive of using the average speed of a service, whereas Network Rail suggested considering whether services run during peak or off-peak periods.

5.19. Stagecoach Group and Grand Union were supportive of a limited degree of discretion. They suggested that discretion should only be considered when:

- there is a 'manifestly unreasonable outcome' (Stagecoach Group); and
- requested by the OAO (Grand Union).

5.20. LNER was generally supportive of ORR discretion. However, it stated there should be documented limits and guidance for when it is applied.

5.21. DfT and Transport Scotland were supportive of ORR discretion.

5.22. Transport Scotland expressed concern about the potential incentives created by the station demand and distance thresholds for operators to run services out of less busy stations near hubs with higher passenger traffic. It suggested ORR apply discretion in reference to demand management and line capacity.

5.23. DfT stated that it understood the need for clarity for parties making open access applications. However, it thought that 'due to the nature of the rail network in Great Britain' a degree of discretion was necessary, in particular in relation to the impact on the taxpayer.

## Consideration of stakeholder responses

### Station usage and straight-line distance thresholds

5.24. We acknowledge that there is other data that, with some refining, may be used to approximate the interurban market segment. The variables suggested by respondents are recorded in the LENNON<sup>29</sup> ticketing and revenue database. However, it is not entirely clear how these could be extracted from the database in order to inform objective parameters, particularly for new services.

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<sup>29</sup> LENNON is the 'latest earnings network nationally over night' ticketing and revenue database.

- 5.25. We are keen to keep the definition simple during CP6. However, we will revisit these suggestions in the 2023 periodic review (PR23) to determine if they can be used to refine how ICCs are levied on open access services.
- 5.26. We consider that DfT's proposal to lower the threshold further to include additional stations would significantly increase the risk that services not in the interurban market segment that cannot bear a mark-up charge would be charged the ICC. As this is the first time we are levying fixed charges on open access services, we prefer to be conservative in our approach. We have balanced the effect of a wider definition against the consequences of excluding some services that may be able to pay the ICC so as to not dissuade open access applications.
- 5.27. We note that open access proposals falling outside of the interurban market segment will continue to be assessed in the same way as they have been in the past. For those proposals, there is no change from the status quo and hence no additional financial risk to governments' funds resulting from our current policy decisions.

## Neighbouring stations

- 5.28. Stakeholder responses to the proposal to include all stations within two miles of an interurban station highlighted some confusion around how the policy would be applied in practice. We have set out the policy in more detail in our conclusions below.

## Discretion

- 5.29. We agree with most respondents that a clear, objective definition is preferred to a more discretionary approach.
- 5.30. We considered using additional criteria, particularly speed of service, to refine the market definition in place of discretion. However, we consider that generally any additional criteria would remove some of the benefits of applying an objective non-discretionary definition.

## Our conclusions

- 5.31. Taking into consideration the analysis and views raised in the consultation, we have decided to adopt Option 2 with a 40-mile threshold. Therefore, a service or part of a service is within the interurban market segment if it meets the following criteria:
- at least one station served has average annual entries/exits above 15 million passengers per year, or the station served is within two miles (straight-line distance) of a station meeting that criterion;

- at least one other station served has average annual entries/exits above 10 million passengers per year, or it is within two miles (straight-line distance) of a station meeting that criterion; and
- two of the stations served meeting the demand thresholds, or within two miles of those meeting the demand thresholds (above), are at least 40 miles apart<sup>30</sup>.

5.32. We have chosen the 40-mile distance threshold which includes relatively more services than the other distance thresholds (50 miles and 60 miles). While stakeholder responses were mixed regarding the distance to be used, we consider this distance appropriately captures journey purpose. This distance threshold means that our definition of interurban also includes certain long-distance commuter flows that we consider part of the interurban market segment including London to Brighton, and London to Cambridge.

5.33. We consider that the balance between these two decisions, i.e. having a narrow passenger threshold but a distance threshold which includes relatively more services than the other distance thresholds, defines a interurban market segment which we consider most likely to be able to bear a mark-up charge. We think this is appropriate given it is a new approach.

5.34. See Appendix B for the full list of stations included in S1 and S2, and Appendix C for a map of the stations and surrounding areas. [Annex 1](#) is a spreadsheet that shows a matrix of the stations included in the definition by distance.

## Neighbouring stations

5.35. We have decided to include all railway stations within two miles (straight-line distance) of stations that meet the station usage thresholds in the definition of the interurban market segment. As station demand approximates the size of the underlying market, we feel that stations in close vicinity to those stations with high usage would also be part of that market. In addition, as discussed in the consultation document, including these stations ensures that interurban open access services are not running out of less busy stations close to hubs with higher passenger traffic to avoid paying fixed charges. See Appendix D for all stations included in the two-mile radius, and [Annex 1](#) for a matrix of the stations included in the definition by distance.

5.36. For clarity, passenger demand thresholds (S1 and S2) refer to individual stations, rather than the sum of entries/exits across all stations within a two-mile radius.

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<sup>30</sup> ORR calculation. *Estimate of station usage*, Steer Group, December 2018. This may be accessed [here](#).

## Discretion

5.37. We have decided not to exercise discretion in relation to individual decisions about whether a service or part of a service is in the interurban market segment. As discussed previously, we feel that discretion is likely to increase uncertainty, add to the costs facing operators, and discourage open access applications.

5.38. However, we acknowledge that levying the ICC on OAOs is a new approach and is likely to need adjustments in future. To support this, we will undertake a monitoring and engagement exercise during CP6 in order to have early sight of potential issues with our policy. This work will support policy-making as part of PR23.

## 6. Other considerations

6.1. Responses to our December 2018 consultation document highlighted some areas of concern outside the scope of the implementation issues on which we were consulting. We outline the following three issues in this chapter:

- how the ICC will be billed;
- process to supplement the Open Access ICC Rates List; and
- determinants of passenger demand.

### Billing

6.2. In our October 2018 conclusions document<sup>31</sup>, we set out how the ICC billing would function should an individual service fall within more than one market segment. That is when only part of a service is in the interurban market segment (charged at £4 per train mile) and the other part of the service lies outside the intermarket segment, in the 'other' market segment (zero charge). In that document, we stated that the ICC would be charged as a single rate applied to the whole service calculated as train-mile weighted average between the two market segments<sup>32</sup>.

6.3. We have considered this issue further and, following discussions with several stakeholders, we have determined that the ICC can be billed as either an average over an entire service (as outlined in our October 2018 conclusions), or separately by different service codes<sup>33</sup> within a given service.

6.4. We note that, on average, either method would result in the same level of ICC levied.

6.5. We determine that it is up to the operator and Network Rail to work together to agree the relevant service codes for any new or substantially modified open access service. ORR will be notified of the decision in order to inform the changes to the price list. If agreement cannot be reached, the ICC will be charged as a single train-mile weighted rate (as described in our October 2018 conclusions document).

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<sup>31</sup> 2018 periodic review final determination: Supplementary document – Charges and incentives: Infrastructure cost charges conclusions, Office of Rail and Road, October 2018. This may be accessed [here](#).

<sup>32</sup> Examples of how this billing would work in practice are illustrated in Appendix C (p 54 – 56). 2018 periodic review final determination: Supplementary document – Charges and incentives: Infrastructure cost charges conclusions, Office of Rail and Road, October 2018. This may be accessed [here](#).

<sup>33</sup> Code used to identify groups of train services. The code can change over a journey. Service codes can only be divided at stations served and not at locations where the service passes through.



## Process to supplement the Open Access ICC Rates List

6.6. There will be two processes that will need to be followed for new or amended OAO services:

- obtaining the access rights in Schedule 5 of the track access contract (which, for new train operators, would involve obtaining a track access contract); and
- supplementing the Open Access ICC Rates List to include or amend any existing rates (unless the rate does not need changing), under the process in paragraph 9 of Part 2 to Schedule 7 ('paragraph 9 process').

6.7. Given that the issue of the level of the ICC will be relevant to the decision to approve access rights (for the not primarily abstractive test), it will be necessary to provide information at the time of the application as to what the applicable ICC rate would be (even if this is considered to be zero). Therefore, at the time an OAO application is made (via section 17, 18, 22 or 22A of the Railways Act 1993), we would expect that the application would set out the expected ICC rate. This would then be considered as part of the application. If we decided to approve the access rights, we would confirm the level of the ICC rate as part of this. The parties should then follow the paragraph 9 process to supplement the Open Access ICC Rates List with this rate. This includes ORR determining the supplement (on the basis of its earlier decision) in the unlikely event that one of the parties subsequently refuses to agree the supplement.

## Determinants of passenger demand

6.8. Our market segmentation policy was based on analysis by CEPA and Systra<sup>34</sup>. In this analysis, the consultants argued that geography, time of day, and journey purpose are likely to be the key determinants of demand for passenger services.

6.9. Existing industry data sources do not break down information relating to services based on time of day. The lowest level of disaggregation available is service code, which typically includes all individual services running between two stations during a day (and any intermediary stations the services call at). As such, the consultants did not investigate the time-of-day element further as part of this analysis.

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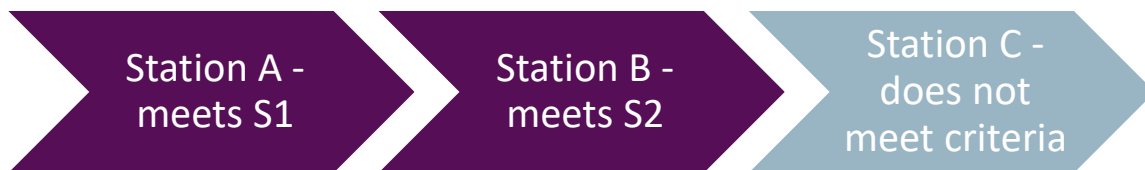
<sup>34</sup> *PR18 Structure of charges review – Market can bear analysis: Passenger services*, Cambridge Economic Policy Associates & Systra, September 2017. This may be accessed [here](#).

- 6.10. Because of this, the final market segmentation that underlies our ICC policy for OAOs, was based on the other two likely key determinants of demand: geography and journey purpose.
- 6.11. Several stakeholders have consistently highlighted the importance of time-of-day as a key determinant of demand. Many have repeatedly called for market-can-bear analysis examining the role of the timing of services.
- 6.12. We have noted that this is an important issue for relevant stakeholders and it will be considered as part of PR23.

## Appendix A: ‘Substantial modification’ examples

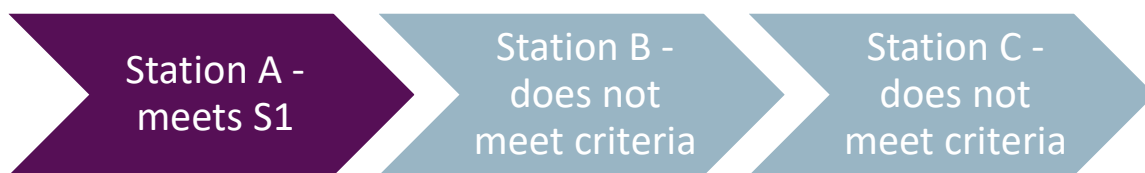
In all cases of substantial modification, the modified service will need to be considered against the interurban market segment definition (described in Chapter 5). The following two simple examples outline how to determine if a service is interurban.

For example, if the service is as follows (assuming the straight line distance between stations A and B is greater than 40 miles and C does not meet the station demand criteria):



In this example, the ICC would only be levied on the part of the service within the ‘interurban’ market segment, i.e. the ICC would be levied per train mile between station A and station B.

However, if the service does not fall within the interurban market definition, no new services will be charged the ICC. For example, the following service would not be charged the ICC:



See Annex C of the October 2018 ICC conclusions document<sup>35</sup> for further examples of how to apply the interurban market segment definition.

## Deciding if a substantial modification will pay a charge

### Example A1: Increased frequency of services

An existing OAO operates three services a day with the following stopping pattern:



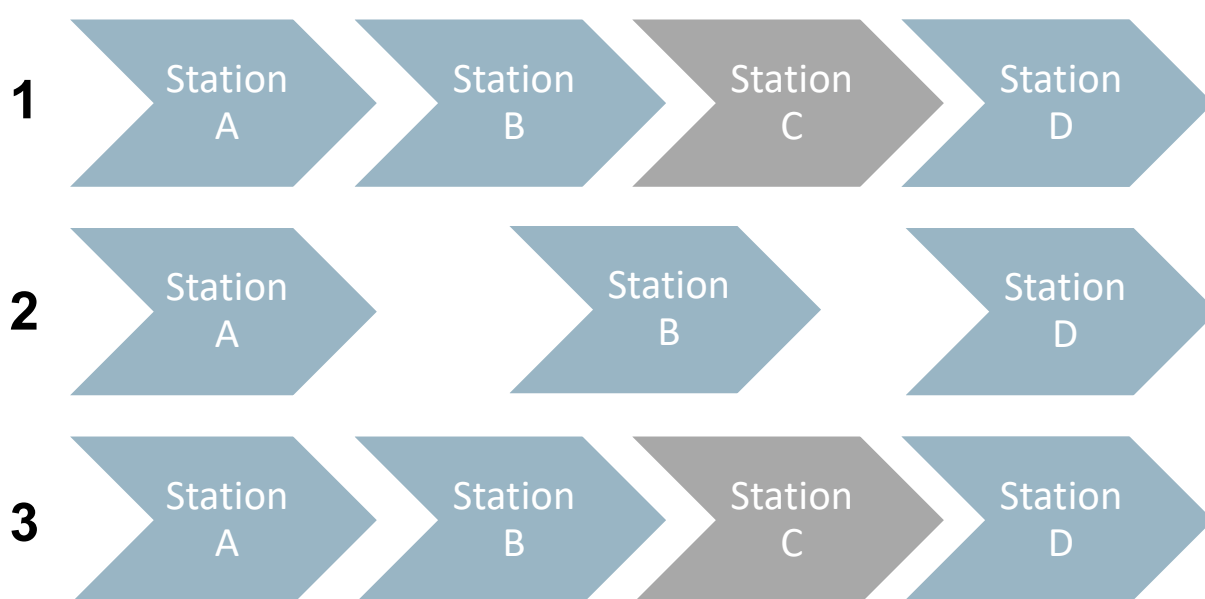
<sup>35</sup> 2018 periodic review final determination: Supplementary document – Charges and incentives: Infrastructure cost charges conclusions, Office of Rail and Road, October 2018. This may be accessed [here](#).

The operator applies to increase the frequency to seven services a day. The stopping pattern remains unchanged.

An increase in frequency is a 'substantial modification'. The four additional services are in scope to pay ICCs. If the service falls within the interurban market segment (as illustrated above), the four new services would be charged the ICC. Note that the three existing unchanged services would not pay the ICC.

### **Example A2: Increasing the number of calls at stations where the operator currently has the right to stop**

An existing OAO operates the following three services:



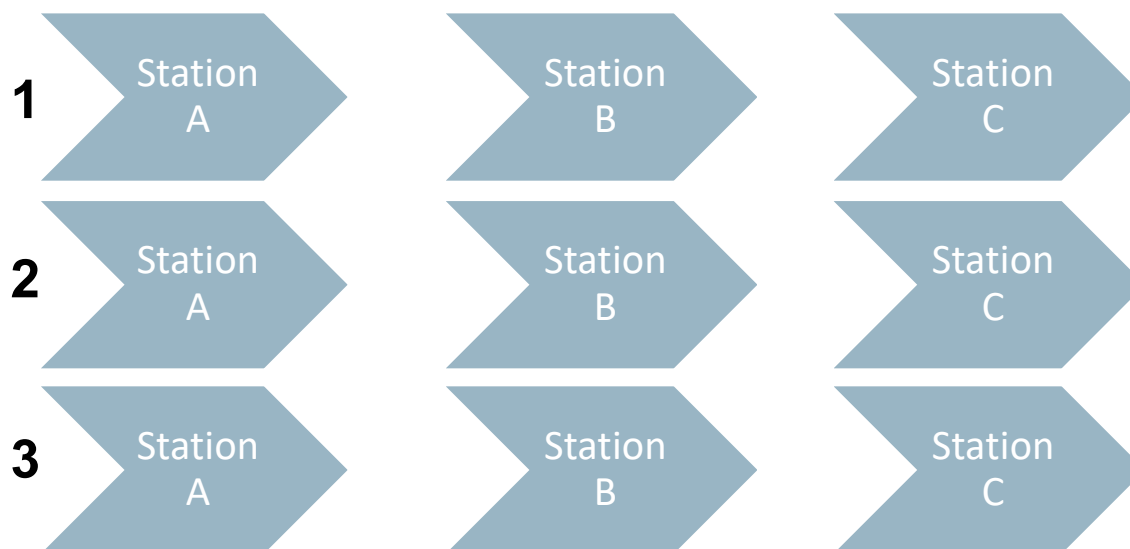
Two of the services (labelled as 1 and 3) currently stop at station C, but service 2 does not.

If the OAO applied for rights for service 2 to stop at station C, this would increase the number of calls at a station where the operator currently has the right to stop. This is a 'substantial modification' to service 2 and that individual service would be in scope for the ICC. As there was no change to services 1 and 3, they remain out of scope for the ICC.

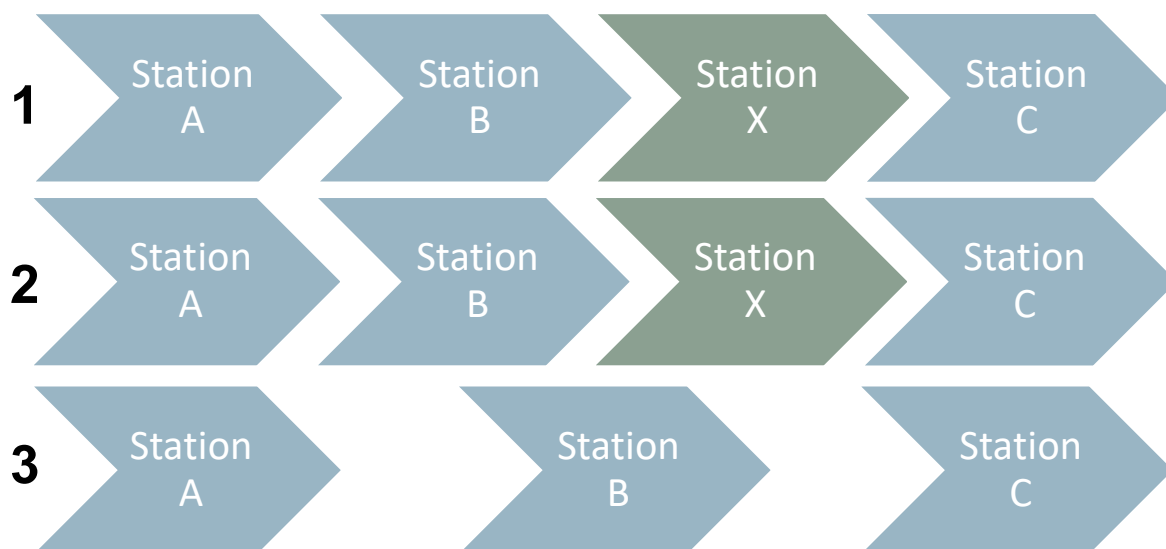
If the modified service (or part of the service) is within the interurban market segment (outlined above), then it will pay the ICC for the part of the service within that segment.

## Example A3: Calling at new stations (where the operator does not currently have the right to stop)

An existing OAO operates the following services:



The OAO proposes to add an additional station to two of the services. It proposes that two of the three services will now stop at station X. The third service will remain unchanged:



Calling at new stations (where the operator does not currently have the right to stop) is a 'substantial modification'. Therefore, the changes proposed to two of the services are 'substantial modifications' and the two services are now in scope for the ICC. As there was no change to the third service, that will remain out of scope.

If the two modified services (or any part of those services) are within the interurban market segment (outlined above), then they will pay the ICC for the part of the service within that segment.

## Appendix B: Stations by passenger traffic, Great Britain

This appendix lists the stations (S1 and S2) considered in Chapter 5 for the interurban market segment definition by average annual station entries/exits. See Appendix D for the additional stations included in the two-mile radius.

Note: Estimates of the number of passengers are five-year averages between 2013-14 and 2017-18.

**Table B1: Stations with average entries/exits greater than 15m per year (S1 and S2)**

Station name	Passenger numbers
Waterloo	98,110,166
Victoria	79,738,094
Liverpool Street	65,499,534
London Bridge	51,227,716
Euston	43,069,418
Birmingham New Street	39,049,456
Stratford	36,158,730
Paddington	35,953,730
Charing Cross	34,010,332
King's Cross	32,450,685
St. Pancras	30,825,270
Glasgow Central	30,218,807
Leeds	29,670,220
Clapham Junction	28,832,158
Manchester Piccadilly	26,083,159
Highbury & Islington	24,668,491
East Croydon	23,013,317
Cannon Street	22,033,612

Station name	Passenger numbers
Edinburgh	21,750,722
Vauxhall	20,909,358
Wimbledon	19,585,361
Gatwick Airport	18,279,742
Fenchurch Street	18,162,430
Canada Water	18,040,277
Brighton	16,873,346
Reading	16,574,159
Marylebone	16,158,396
Glasgow Queen Street	16,044,851
Liverpool Central	15,606,823
Liverpool Lime Street	15,196,114

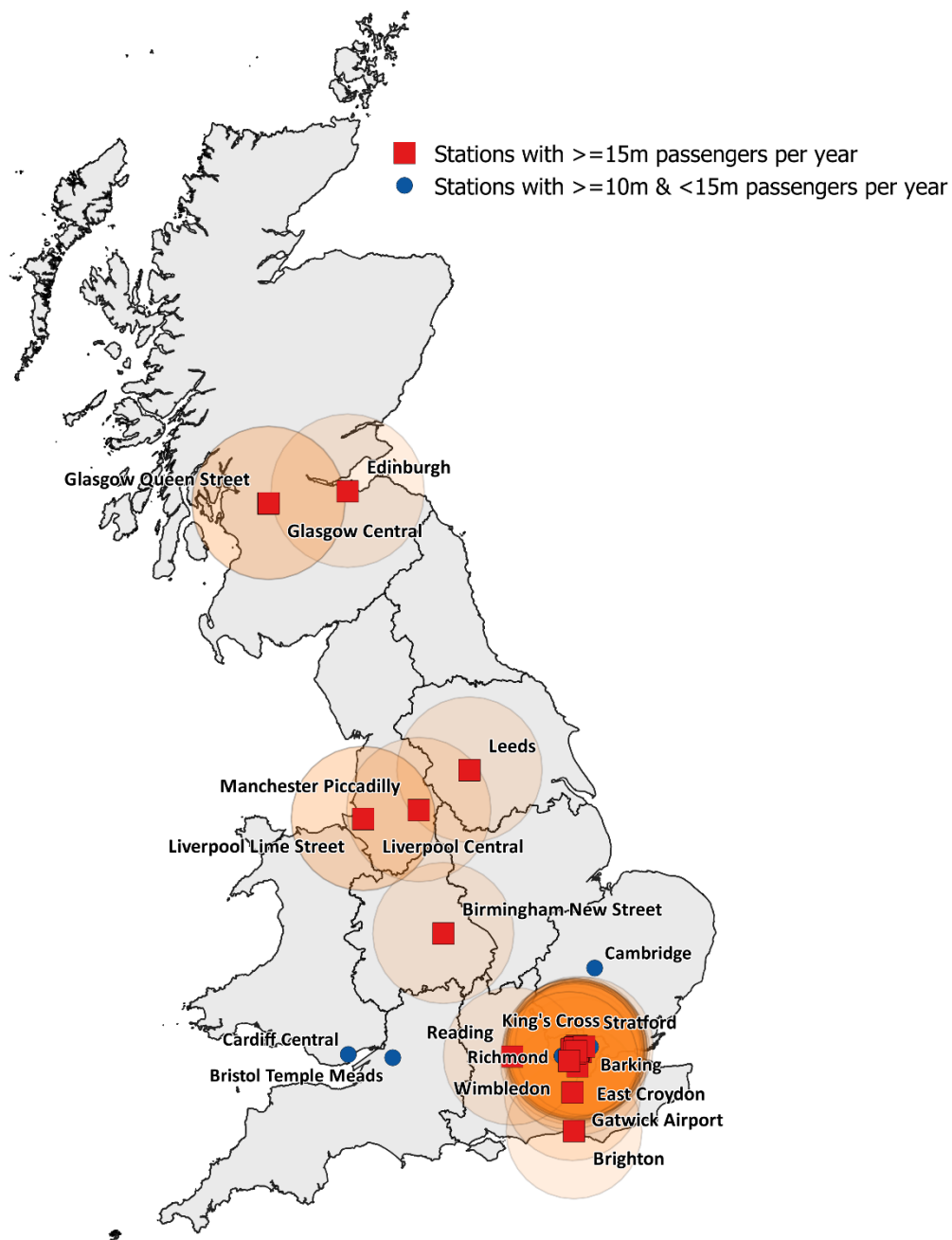
Source: ORR calculation. *Estimate of station usage*, Steer Group, December 2018. This may be accessed [here](#).

**Table B2: Stations with average entries/exits between 10m and 15m per year (S2)**

Station name	Passenger numbers
Cardiff Central	12,382,040
Blackfriars	12,281,406
Barking	11,538,834
Richmond	10,861,079
Cambridge	10,830,878
Whitechapel	10,825,881
Bristol Temple Meads	10,604,156
Farringdon	10,062,358

Source: ORR calculation. *Estimate of station usage*, Steer Group, December 2018. This may be accessed [here](#).

## Appendix C: Great Britain stations by passenger traffic, showing the area within 40 miles



*Note: Each circle on the map outlines an area within 40 miles of a station with more than 15 million passengers per year. Estimates of passenger numbers are five-year averages between 2013-14 and 2017-18.*

*Source: ORR analysis; QGIS Geographic Information System, QGIS Development Team, Open Source Geospatial Foundation Project, 2019. This may be accessed [here](#); Estimate of station usage, Steer Group, December 2018. This may be accessed [here](#); contains OS data © Crown copyright and database right, October 2018. This may be accessed [here](#).*



## Appendix D: Neighbouring stations

This appendix lists all stations included within the two-mile radius of the stations that meet station demand thresholds S1 and S2.

**Table D1: All stations within two miles of stations with average passenger entries/exits greater than or equal to 10 million passengers**

Stations	Catchment station
Adderley Park	Birmingham New Street
Aldrington	Brighton
Alexandra Parade	Glasgow Central, Glasgow Queen Street
Anderston	Glasgow Central, Glasgow Queen Street
Ardwick	Manchester Piccadilly
Argyle Street	Glasgow Central, Glasgow Queen Street
Ashburys	Manchester Piccadilly
Ashfield	Glasgow Queen Street
Balham	Clapham Junction
Barnhill	Glasgow Central, Glasgow Queen Street
Battersea Park	Clapham Junction, Vauxhall, Victoria
Bedminster	Bristol Temple Meads
Bellgrove	Glasgow Central, Glasgow Queen Street
Bethnal Green	Canada Water, Cannon Street, Farringdon, Fenchurch Street, Liverpool Street, London Bridge, Whitechapel
Birkenhead Hamilton Square	Liverpool Central, Liverpool Lime Street
Birmingham Bordesley	Birmingham New Street
Birmingham Moor Street	Birmingham New Street
Birmingham Snow Hill	Birmingham New Street
Brentford	Richmond
Bridgeton	Glasgow Central, Glasgow Queen Street

Stations	Catchment station
Brixton	Vauxhall
Brunswick	Liverpool Central, Liverpool Lime Street
Burley Park	Leeds
Caledonian Road & Barnsbury	Euston, Farringdon, Highbury & Islington, King's Cross, St. Pancras
Cambridge Heath	Fenchurch Street, Liverpool Street, Whitechapel
Camden Road	Euston, Highbury & Islington, King's Cross, Marylebone, St. Pancras
Canada Water	Cannon Street, Fenchurch Street, Liverpool Street, London Bridge, Whitechapel
Canonbury	Highbury & Islington, King's Cross, St. Pancras
Cardiff Bay	Cardiff Central
Cardiff Queen Street	Cardiff Central
Cathays	Cardiff Central
Charing Cross (Glasgow)	Glasgow Central, Glasgow Queen Street
Chiswick	Richmond
City Thameslink	Blackfriars, Cannon Street, Charing Cross, Euston, Farringdon, Fenchurch Street, King's Cross, Liverpool Street, London Bridge, St. Pancras, Waterloo, Whitechapel
Clapham High Street	Clapham Junction, Vauxhall
Clifton Down	Bristol Temple Meads
Conway Park	Liverpool Central
Crosshill	Glasgow Central
Crouch Hill	Highbury & Islington
Dalmarnock	Glasgow Central, Glasgow Queen Street
Dalston (Kingsland)	Highbury & Islington
Dalston Junction	Highbury & Islington, Liverpool Street, Whitechapel
Deansgate	Manchester Piccadilly

Stations	Catchment station
Denmark Hill	Vauxhall
Deptford	Canada Water
Drayton Park	Highbury & Islington, King's Cross, St. Pancras
Duddeston	Birmingham New Street
Duke Street	Glasgow Central, Glasgow Queen Street
Dumbreck	Glasgow Central
Earlsfield	Clapham Junction, Wimbledon
Edge Hill	Liverpool Central, Liverpool Lime Street
Elephant & Castle	Blackfriars, Cannon Street, Charing Cross, Farringdon, Fenchurch Street, Liverpool Street, London Bridge, Vauxhall, Victoria, Waterloo
Essex Road	Euston, Farringdon, Highbury & Islington, King's Cross, Liverpool Street, St. Pancras
Exhibition Centre Glasgow	Glasgow Central, Glasgow Queen Street
Finsbury Park	Highbury & Islington
Five Ways	Birmingham New Street
Forest Gate	Stratford
Gospel Oak	St. Pancras
Grangetown (South Glamorgan)	Cardiff Central
Hackney Central	Whitechapel
Hackney Downs	Highbury & Islington
Hackney Wick	Stratford
Haggerston	Cannon Street, Farringdon, Fenchurch Street, Highbury & Islington, Liverpool Street, Whitechapel
Haydons Road	Wimbledon
Haymarket	Edinburgh
High Street	Glasgow Central, Glasgow Queen Street

Stations	Catchment station
Homerton	Stratford
Horley	Gatwick Airport
Hove	Brighton
Hoxton	Blackfriars, Cannon Street, Farringdon, Fenchurch Street, Highbury & Islington, Liverpool Street, London Bridge, Whitechapel
Iford	Barking
Imperial Wharf	Clapham Junction
Isleworth	Richmond
Jewellery Quarter	Birmingham New Street
Kensington Olympia	Paddington
Kentish Town	Euston, Highbury & Islington, King's Cross, St. Pancras
Kentish Town West	Euston, Highbury & Islington, King's Cross, Marylebone, St. Pancras
Kew Bridge	Richmond
Kew Gardens	Richmond
Kilburn High Road	Marylebone, Paddington
Lawrence Hill	Bristol Temple Meads
Leyton Midland Road	Stratford
Leytonstone High Road	Stratford
Limehouse	Canada Water, Fenchurch Street, Liverpool Street, Whitechapel
Liverpool James Street	Liverpool Central, Liverpool Lime Street
London Fields	Liverpool Street, Whitechapel
London Road Brighton	Brighton
Loughborough Junction	Vauxhall
Manchester Oxford Road	Manchester Piccadilly
Manchester Victoria	Manchester Piccadilly
Manor Park	Barking

Stations	Catchment station
Maryland	Stratford
Maxwell Park	Glasgow Central
Montpelier	Bristol Temple Meads
Moorfields	Liverpool Central, Liverpool Lime Street
Moorgate	Blackfriars, Cannon Street, Charing Cross, Farringdon, Fenchurch Street, King's Cross, Liverpool Street, London Bridge, St. Pancras, Waterloo, Whitechapel
Morden South	Wimbledon
Mortlake	Richmond
Moulsecoomb	Brighton
New Cross	Canada Water
New Cross Gate	Canada Water
Ninian Park	Cardiff Central
North Sheen	Richmond
Norwood Junction	East Croydon
Old Street	Blackfriars, Cannon Street, Charing Cross, Euston, Farringdon, Fenchurch Street, Highbury & Islington, King's Cross, Liverpool Street, London Bridge, St. Pancras, Waterloo, Whitechapel
Paddington	Marylebone, Victoria
Parson Street	Bristol Temple Meads
Pollokshields East	Glasgow Central, Glasgow Queen Street
Pollokshields West	Glasgow Central, Glasgow Queen Street
Possilpark & Parkhouse	Glasgow Queen Street
Preston Park	Brighton
Purley Oaks	East Croydon
Queen's Park (Glasgow)	Glasgow Central, Glasgow Queen Street
Queen's Park (Gt London)	Marylebone, Paddington

Stations	Catchment station
Queen's Road Peckham	Canada Water
Queenstown Road (Battersea)	Clapham Junction, Vauxhall, Victoria
Raynes Park	Wimbledon
Reading West	Reading
Rectory Road	Highbury & Islington
Redland	Bristol Temple Meads
Rotherhithe	Canada Water, Cannon Street, Fenchurch Street, Liverpool Street, London Bridge, Whitechapel
Salford Central	Manchester Piccadilly
Salford Crescent	Manchester Piccadilly
Sanderstead	East Croydon
Sandhills	Liverpool Central, Liverpool Lime Street
Selhurst	East Croydon
Seven Kings	Barking
Shadwell	Canada Water, Cannon Street, Fenchurch Street, Liverpool Street, London Bridge, Whitechapel
Shepherds Bush	Paddington
Shoreditch High Street	Blackfriars, Cannon Street, Farringdon, Fenchurch Street, Highbury & Islington, Liverpool Street, London Bridge, Whitechapel
Small Heath	Birmingham New Street
South Bermondsey	Canada Water, Fenchurch Street, London Bridge
South Croydon	East Croydon
South Hampstead	Marylebone, Paddington
South Merton	Wimbledon
Springburn	Glasgow Central, Glasgow Queen Street
St. Margaret's (Greater London)	Richmond

Stations	Catchment station
Stapleton Road	Bristol Temple Meads
Stoke Newington	Highbury & Islington
Stratford International	Stratford
Surrey Quays	Canada Water, Fenchurch Street, London Bridge, Whitechapel
Syon Lane	Richmond
Thornton Heath	East Croydon
Tooting	Wimbledon
Twickenham	Richmond
Upper Holloway	Highbury & Islington
Waddon	East Croydon
Wandsworth Common	Clapham Junction
Wandsworth Road	Clapham Junction, Vauxhall, Victoria
Wandsworth Town	Clapham Junction
Wanstead Park	Stratford
Wapping	Canada Water, Cannon Street, Fenchurch Street, Liverpool Street, London Bridge, Whitechapel
Waterloo (East)	Blackfriars, Cannon Street, Charing Cross, Euston, Farringdon, Fenchurch Street, King's Cross, Liverpool Street, London Bridge, Vauxhall, Victoria, Waterloo
West Brompton	Clapham Junction
West Croydon	East Croydon
West Ham	Stratford
Wimbledon Chase	Wimbledon
Woodgrange Park	Barking

Source: ORR calculation; *Estimate of station usage*, Steer Group, December 2018. This may be accessed [here](#).



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