

# PR23 final determination:

## Settlement document for the Eastern region

31 October 2023



# About this document

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This is the settlement document for the Eastern region. It describes our final control period 7 (CP7) decisions for the region.

PR23 determines what the infrastructure manager for the national rail network, Network Rail, is expected to deliver with respect to its operation, support, maintenance and renewal (OSMR) of the network during control period 7 (CP7), which will run from 1 April 2024 to 31 March 2029, and how the available funding should be best used to support this.

This strongly influences:

- the service that passengers and freight customers receive and, together with taxpayers, ultimately pay for; and
- the charges that Network Rail's passenger, freight and charter train operator customers pay to access its track and stations during CP7.

Our final determination sets out:

- our decisions on Network Rail's outcome delivery and its planned expenditure to secure the condition and reliability of the network;
- changes to access charges and the incentives framework; and
- relevant policies on the financial framework, managing change and holding to account.

In addition to **this document**, we have also published as part of our final determination:

Document type	Details
<b>Summary of conclusions and overviews</b>	<p>Our decisions on what Network Rail will need to deliver and how funding should be allocated:</p> <ul style="list-style-type: none"><li>• Summary of conclusions and overview for England &amp; Wales</li><li>• Summary of conclusions and settlement for Scotland</li></ul>

## Office of Rail and Road | PR23 final determination: settlement document for the Eastern region

Document type	Details
<b>Consolidated decisions</b>	A summary of our final decisions across Great Britain
<b>Introduction</b>	An overview of PR23 and background to our final determination
<b>Settlement documents</b>	<p>Detailed final decisions for the System Operator and each of Network Rail's regions in England &amp; Wales:</p> <ul style="list-style-type: none"><li>• <b><u>Eastern region</u></b></li><li>• North West &amp; Central region</li><li>• Southern region</li><li>• Wales &amp; Western region</li></ul> <p>See our summary of conclusions and settlement document for detailed information for Scotland.</p>
<b>Supporting documents</b>	<p>Technical assessments of:</p> <ul style="list-style-type: none"><li>• Health and safety</li><li>• Outcomes</li><li>• Sustainable and efficient costs</li><li>• National Functions</li><li>• Other income</li></ul>
<b>Policy positions</b>	<p>How we intend to regulate Network Rail during CP7 in relation to:</p> <ul style="list-style-type: none"><li>• Financial framework</li><li>• Access charges</li><li>• Schedules 4 and 8 incentives regimes</li><li>• Managing change</li><li>• Holding to account</li></ul> <p>With the exceptions of managing change and holding to account, our policy position documents include our assessment of stakeholder views on our proposals. Stakeholder views for managing change and holding to account are published in a separate document.</p>

Document type	Details
Impact assessments	A consolidated set of assessments of the impact of our final policies on access charges and contractual incentives on affected parties

## Next steps

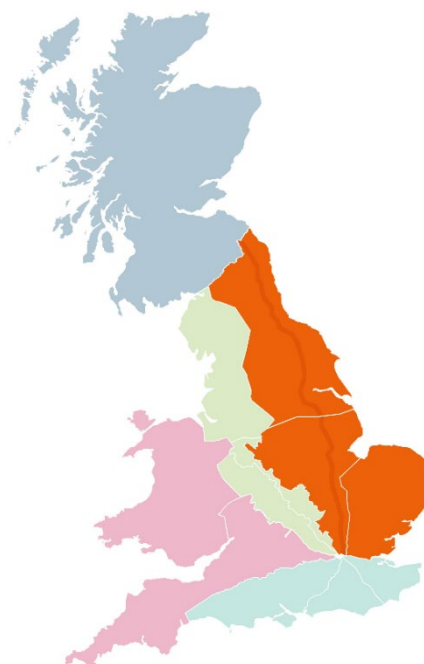
We will now implement our final determination. Implementation is the process through which we amend operators' track and station access contracts to give effect to new access charges and incentives (such as Schedule 8 benchmarks and payment rates) determined through the periodic review. We expect to issue our review notices in December 2023 and, subject to Network Rail's acceptance, issue notices of agreement and review implementation notices in time for CP7 to commence from of 1 April 2024.

We expect Network Rail to publish a delivery plan for CP7 that is consistent with our final determination. We have published [a notice](#) alongside our final determination which sets out expectations for the scope and timing of the delivery plan.

# 1. Overview

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- 1.1 For CP7 the Eastern region has its own settlement as part of Network Rail's overall determination. The Eastern region will report separately on what it is delivering and will have its own budget to fund its activities. The purpose of this document is to set out the funding that will be allocated and the outputs the region will be required to deliver throughout CP7.
- 1.2 Network Rail's Eastern region manages the East Coast Main Line, Midland Main Line and the Great Eastern Main Line. This document focuses on Network Rail's delivery in the region's four routes: East Coast, North & East, East Midlands and Anglia.
- 1.3 Most passenger rail services are operated by London North Eastern Railway, Northern Trains, Cross Country, Govia Thameslink Railway, East Midlands Railway, c2c, Greater Anglia and Arriva Rail London. Open access passenger operators include Grand Central, Hull Trains and Lumo.
- 1.4 Eastern is the largest region in the network with 6,042 route miles (31.2% of the national route miles). Its area stretches from the Scottish borders to London, covering the North East, Yorkshire, Lincolnshire, the East Midlands, East Anglia.
- 1.5 Eastern region connects 13 freight ports and currently moves over one million tonnes of freight per week on the rail network. It has ten major airports in the region and manages Leeds, London King's Cross and London Liverpool Street stations. The region supports the commuter market to London and regional cities including Leeds, Derby and York with over 6,000 passenger services per day.



## 2. Our decisions for the Eastern region

- 2.1 We set out at the start of PR23 in our [June 2021 launch letter](#) that our focus during the process would remain on four objectives of safety; performance; asset sustainability and efficiency.
- 2.2 Our CP7 decisions for each of the above areas and other important areas, such as environmental sustainability and accessibility, for the Eastern region are set out below. Within each section we summarise key decisions. More detailed information is available in our supporting documents.
- 2.3 Within this document we set baseline trajectories for each of the success measures listed in Table 2.1 below. In Table 2.10 at the end of this chapter we set out the CP7 trajectories for each measure. We will use these measures to publicly hold Eastern to account in CP7. These baseline trajectories quantify the performance levels that we expect the region to deliver, in line with the England & Wales high level output specification (HLOS) and available funding.
- 2.4 Where relevant, we also set out other measures that we will use in our monitoring of Eastern's overall performance throughout CP7.

**Table 2.1 Success measures – CP7 outcomes framework**

Outcome area	Success measures
<b>Train performance: passenger</b>	On Time Cancellations
<b>Train performance: freight</b>	Freight Cancellations
<b>Freight growth</b>	Freight net tonne kilometres moved
<b>Asset sustainability</b>	Composite Sustainability Index (CSI)
<b>Environmental sustainability</b>	Carbon emissions scope 1 and 2 Biodiversity Units
<b>Efficiency and financial performance</b>	Financial Performance Measure (FPM) (opex/capex split) Efficiency (£)

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2.5 Eastern's projected expenditure in CP7 is £12.3 billion (including national functions). This is 1% less compared to control period 6 (CP6) expenditure in 2023-24 prices when adjusted for inflation. See Table 2.11 at the end of this chapter for an income and expenditure table for the control period.

### Safety

2.6 Eastern's business plan for CP7 is capable of maintaining current levels of safety risk control. Some aspects of its plan could deliver improvements in management of safety and health risks.

2.7 Since publication of the draft determination, Eastern agreed with the need to increase expenditure on core renewals by increasing expenditure on track, earthworks, signalling, overhead line equipment and structures by £165 million as explained in Table 2.6. Eastern also committed to a range of drainage and earthworks management improvements.

2.8 The region has also submitted plans stating that the 'Modernising Maintenance' programme would be fully enabled by the start of CP7. We note this commitment and reflect that it remains an important dependency; delivery of increased maintenance activities within CP7 funding relies on the changes introduced by Modernising Maintenance.

2.9 Eastern's response to our draft determination outlined its continuing commitment to important safety programmes. The region provided details on its plans to manage and improve level crossing and workforce safety. We will press for credible evidence of adequacy and deliverability in its plan and particularly for further detail in occupational health and fatigue by the start of the control period.

2.10 We expect Eastern to provide forecasts for all three health and safety supporting measures, shown in Table 2.2 below, in the CP7 delivery plan. We also expect the region to report this for each year of CP7.

**Table 2.2 Health and safety outcomes**

Tier	Measure
<b>1: Success measures</b>	<ul style="list-style-type: none"> <li>• None, as there are clear obligations under health and safety legislation</li> </ul>
<b>2: Supporting measures</b>	<ul style="list-style-type: none"> <li>• Fatalities and Weighted Injuries (FWI) for workforce, passengers and the public</li> <li>• Train Accident Risk Reduction (TARR)</li> <li>• Personal Accountability for Safety (PAFS)</li> </ul>

## Passenger train performance

- 2.11 The business planning and budgeting cycles for Network Rail and the publicly contracted train operators in England & Wales are currently different which makes setting whole industry expectations beyond the current financial year challenging. It means we do not have committed medium-term plans for the contribution of these passenger train operators to performance and so do not have the evidence required to assume a stretching contribution from them in our train performance trajectories for CP7. A joined-up approach to longer-term business planning is vital to ensure that the network and those running services over it deliver for passengers.
- 2.12 Whole industry performance is also affected by factors such as changes in passenger demand following the pandemic. Therefore, for this control period, our final determination commits to reset passenger train performance trajectories for England & Wales in advance of year 3 of CP7. This two-year window provides an opportunity for Network Rail to work with operators and funders, to improve the industry processes for aligning longer term performance expectations.
- 2.13 This mid-control period reset will only apply to passenger train performance measures and trajectories and not to freight train performance or other outcome measures from our final determination.
- 2.14 Eastern has revised its On Time forecast in its draft determination response. Its forecast is more ambitious than what it proposed in its strategic business plan (SBP), being above the top of its range, and close to the trajectory we set out in the draft determination. We recognise that there is a forecast dip in performance from CP6 exit to CP7, but this is driven primarily by the forecast increase in passenger demand. Between years 1 and 2 there is no decline in the On Time trajectory and for years 3 to 5 we have also set indicative trajectories that do not allow any deterioration to take place from the performance seen in years 1 and 2.



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We are setting the On Time trajectory for Eastern at 70.4% for year 1 and year 2 of CP7. We have set a flat indicative On Time trajectory of 70.4% for years 3 to 5 of CP7.

- 2.15 Since our draft determination Network Rail has provided revised passenger cancellations proposals. We consider that these forecasts for year 1 and year 2 are a credible balance of ambitious yet realistic as required by the HLOS and have set passenger cancellations at these point values. For years 3 to 5 we have set an indicative trajectory for cancellations to further reduce from the levels set for years 1 and 2. The passenger cancellations trajectory for Eastern is set at 3.4% for year 1 and 3.3% for year 2 of CP7. We have set an indicative passenger cancellations trajectory of 3.1% for year 3, 2.9% for year 4 and 2.7% for year 5 of CP7. More detailed information is available in our [PR23 final determination: supporting document on outcomes](#).

**Table 2.3 Passenger train performance outcomes**

Tier	Measure
<b>1: Success measures</b>	<ul style="list-style-type: none"> <li>On Time (flat) trajectory is set at 70.4% for year 1 and year 2 and 70.4% for years 3, 4 and 5</li> <li>Cancellations trajectory is set at 3.4% for year 1, 3.3% for year 2, 3.1% for year 3, 2.9% for year 4 and 2.7% for year 5</li> </ul>
<b>2: Supporting measures</b>	<ul style="list-style-type: none"> <li>Delay minutes per 1,000 miles train travel (track/train split)</li> <li>Time to 15</li> <li>Average Passenger Lateness (APL)</li> </ul>

## Freight train performance

- 2.16 We have based the freight cancellations trajectory on an average historical performance and have adjusted Network Rail's draft determination response forecast to remove recent poor performance from its calculation.

**Table 2.4 Freight train performance outcomes**

Tier	Measure
<b>1: Success measures</b>	<ul style="list-style-type: none"> <li>Freight Cancellations (flat) trajectory is set at 1.3% for each year of CP7</li> </ul>
<b>2: Supporting measures</b>	<ul style="list-style-type: none"> <li>Freight Cancellations and Lateness (FCaL)</li> <li>Arrivals to Fifteen (A2F)</li> </ul>

## Freight growth

- 2.17 Freight growth is an important outcome area given the context of changing industry demand as well as securing environmental and economic benefits. Reflecting this, the HLOS for England and Wales set out a requirement for a freight growth target in CP7.
- 2.18 We have reviewed the evidence and methodologies relied on by Network Rail to set its freight growth forecasts and we are satisfied that they provide a robust basis for us to set freight growth targets.
- 2.19 There are a range of factors which will influence future rail freight growth, some outside of Network Rail’s control. But there are steps that each region can and should be taking, beyond the commitment to invest in heavy axle weight capability (see below).
- 2.20 In CP7 we will hold the Eastern region to account for the delivery of its contribution to delivering freight growth. To do this, we require it to set out how it will deliver against its freight growth targets and report on these commitments throughout the control period. Having clear actions to deliver will provide assurance to stakeholders and funders that Network Rail is working closely with the freight industry to identify and deliver on opportunities for growth. We are also requiring the System Operator to produce an overarching CP7 freight growth plan as part of its delivery plan. Please see our [PR23 final determination: settlement document for the System Operator](#) for more details.
- 2.21 The region has committed £37 million expenditure targeted at key structures to support freight paths for heavier trains (also known as heavy axle weight trains). In response to our draft determination freight operators were clear that heavy-axle weight capability should not be compromised. We will monitor this expenditure throughout the control period and have set an explicit supporting measure to do this.

**Table 2.5 Freight growth outcomes**

Tier	Measure
<b>1: Success measures</b>	<ul style="list-style-type: none"><li>Freight net tonne kilometres moved trajectory of 7.5%</li></ul>
<b>2: Supporting measures</b>	<ul style="list-style-type: none"><li>Freight growth plans – key enabling activities</li><li>Strategic projects delivery – Heavy Axle Weight (HAW) project</li></ul>

## Performance innovation

2.22 The final determination includes a performance improvement and innovation fund (PIIF) for the England and Wales regions, this has some similarities to that included in CP6 for Great Britain. There will be £40 million available in this fund. Throughout CP7 we expect Eastern to make best use of this fund, identifying opportunities to improve passenger and freight performance.

## Asset sustainability

2.23 The region is now planning to spend £5.2 billion on renewals in CP7 (including National Functions spend). This is 12% less compared to CP6 expenditure on renewals. Maintenance expenditure is set to increase to £3.6 billion, which represents a 12% increase from CP6.

2.24 Our draft determination identified where Eastern should increase its expenditure to address our concerns around future asset sustainability. The Technical Authority assurance also highlighted specific asset types in some regions which were of potential vulnerability or where mitigations had not been adequately demonstrated.

2.25 Responses to our consultation on our draft determination raised concerns around the proposed level of renewals in Eastern with support for an additional increase in renewals above our proposals. In response to our draft determination the region has identified an additional £165 million expenditure on core renewals. This additional expenditure is described in Table 2.6 below.

**Table 2.6 Additional core asset renewal expenditure**

Asset area	Network Rail draft determination response	Rationale
<b>Earthworks</b>	£30 million	Eastern acknowledges the concerns identified in our draft determination and will allocate additional funding to high-risk areas, such as soil and rock cuttings, primarily in North & East regions.
<b>Track</b>	£55 million	Based on additional information on track condition and Composite Sustainability Index (CSI) forecasts since the Strategic Business Plan (SBP), Eastern has proposed to increase spend, focussing on addressing broken rails on high-speed lines. We are satisfied with the justification for this additional spend, noting that over the past seven years, Eastern has recorded more than 36% of the

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Asset area	Network Rail draft determination response	Rationale
		network's broken rails, particularly on East Coast Main Line.
<b>Structures</b>	£30 million	Based on the latest forecasts for CSI and freight growth targets since the SBP, Eastern has proposed to increase spend. We are satisfied with the justification for this additional spend, which should prioritise the need to address under-strengthened bridges across the region.
<b>Signalling</b>	£30 million	Eastern has proposed to increase spend, noting poor asset condition on the North London Line which, unlike much of the region, has not had the benefit of recent modernisation plans. We are satisfied with the justification for this additional expenditure.
<b>Electrification &amp; fixed plant (E&amp;FP)</b>	£20 million	Eastern has proposed to increase expenditure, to address localised poor asset condition and also the benefits of continuity for the supply chain. We are satisfied with the justification for this additional expenditure, noting in particular E&FP assets on Thameside requiring renewals.
<b>Total</b>	<b>£165 million</b>	

2.26 It is important that the region delivers an appropriate level of effective volumes of renewals with the additional expenditure set out above. It will need to set this out in its delivery plan. Delivery of effective volumes will form a key part of our CP7 monitoring activity.

2.27 The additional expenditure on core asset renewals supports better asset management outcomes than in the SBP and as a result Eastern has provided a revised Composite Sustainability Index (CSI) forecast of -2.0 percentage points change by the end of CP7. The region's Composite Sustainability Index forecast in its SBP had been -2.9 percentage points change in CP7. We have reviewed the methodologies used by Network Rail for this forecast and agree with its proposed forecast as set out in Table 2.7 below.

**Table 2.7 Asset sustainability outcomes**

Tier	Measure
1: Success measures	<ul style="list-style-type: none"> <li>• Composite Sustainability Index trajectory for Eastern is set at –2.0 percentage points change in CP7</li> </ul>
2: Supporting measures	<ul style="list-style-type: none"> <li>• Composite Reliability Index (CRI)</li> <li>• Effective volumes</li> <li>• Service Affecting Failures (SAFs)</li> <li>• Delivery against high priority areas:                             <ul style="list-style-type: none"> <li>○ Lineside vegetation – compliance</li> <li>○ Structures examinations – site examination and reporting compliance</li> <li>○ Earthworks examinations – non-compliance</li> <li>○ Buildings examinations – detailed and visual examinations</li> <li>○ Drainage examinations – compliance</li> <li>○ Maintenance – plan vs. actual volume hours</li> <li>○ Resilience and adaptation – key Weather Resilience and Climate Change Adaption (WRCCA) activities</li> </ul> </li> <li>• Asset data quality – timebound obligations to meet asset data standards</li> </ul>

## Environmental sustainability

2.28 We expect Eastern to deliver environmental sustainability outcomes in CP7 which include contributing to meeting legislative requirements and the UK government’s priorities. These include decarbonising the railway and its value chain, improving air quality, biodiversity on its estate, and reducing consumption of resources. We expect this increased emphasis on environmental sustainability in CP7 to be supported by wider environmental performance measures, and robust monitoring and reporting.

2.29 Confirmation of the environmental sustainability success and supporting measures we will use to monitor and hold Network Rail to account in CP7 is presented in Table 2.8 below. We agree with the success measure forecasts proposed by the region for carbon emissions scope 1 and 2 and biodiversity.

**Table 2.8 Environmental sustainability outcomes**

Tier	Measure
<b>1: Success measures</b>	<ul style="list-style-type: none"> <li>The region’s carbon emissions scope 1 and 2 trajectories are set at -20 percentage points by the end of CP7</li> <li>The region’s biodiversity trajectory is set at 4.8 percentage points improvement by the end of CP7</li> </ul>
<b>2: Supporting measures</b>	<ul style="list-style-type: none"> <li>Whole life (infrastructure) carbon emissions</li> <li>Air quality at stations</li> </ul>

## Accessibility

- 2.30 The rail network should be open to everyone, irrespective of disability. Eastern has an important role to play in delivering improvements within its region to the accessibility of the network and providing assistance for people with reduced mobility or disabilities in using the railway.
- 2.31 While we will not have any success or supporting measures for accessibility in PR23, we will work with Network Rail to secure appropriate reporting of supporting information and will continue to hold it to account for its performance against the requirements of the Accessible Travel Policy licence condition.
- 2.32 We highlighted in our draft determination that Eastern’s plan prioritises its accessibility-related schemes including lift renewals at either large or Network Rail managed stations such as London Kings Cross, Leeds, York and Newcastle stations. It has also made provision for lift renewals at stations including Rotherham Central, Sheffield, Chesterfield, Leicester and Luton stations where performance data suggests lift replacement should be prioritised.

## Efficiency and financial performance

- 2.33 Like other regions, Eastern has set itself an efficiency target for the end of CP7 of 10% in operating expenditure (operations, support and maintenance) and 15% in capital expenditure (renewals) in CP7. Please refer to our [PR23 final determination: supporting document on sustainable and efficient costs](#) for further details.
- 2.34 We have set the efficiency requirements at the same level as Network Rail proposed in its SBP for the risk-adjusted plan. This equates to the region delivering £760 million of efficiencies, split between £320 million of opex efficiency

## Office of Rail and Road | PR23 final determination: settlement document for the Eastern region

and £440 million of capex efficiency. In total, including National Function’s efficiencies, Eastern has committed to deliver £995 million of efficiencies.

- 2.35 Based on discussions with Network Rail, and our challenge at draft determination, we accept its revised headwinds (i.e. unplanned cost increases due to external factors) forecast for CP7.
- 2.36 The Financial Performance Measure (or FPM) will compare Eastern’s income and expenditure to its CP7 delivery plan. The efficiency improvements that Eastern is expected to achieve will be embedded in the financial assumptions in its CP7 delivery plan. FPM adjusts for the amount of work done and excludes income and expenditure that is not controllable by the region.
- 2.37 Eastern has included an FPM forecast of zero for every year of CP7, this is consistent with other regions. This means its net financial performance would be aligned to the assumptions in its delivery plan for income and controllable costs and after making adjustments for delivery. We agree this is the appropriate baseline to measure FPM against during CP7 and are setting this as the FPM baseline trajectory.

**Table 2.9 Efficiency and financial performance – CP7 outcomes framework**

Tier	Measure
<b>1: Success measures</b>	<ul style="list-style-type: none"> <li>• Efficiency (£) trajectory of £995 million</li> <li>• Financial Performance Measure (FPM) (opex/capex split) - set at zero for every year of CP7</li> </ul>
<b>2: Supporting measures</b>	<ul style="list-style-type: none"> <li>• Fishbone analysis of cost drivers</li> <li>• Leading indicators of efficient delivery               <ul style="list-style-type: none"> <li>○ Booking of disruptive access</li> <li>○ Workbank planning</li> <li>○ Efficiency plan quality</li> </ul> </li> </ul>

## Financial Risk

- 2.38 As our SBP review focussed on Eastern’s risk-adjusted plan, we have already accounted for the expenditure associated with this plan within our draft determination. We also made allowance for the impact of inflation up until May 2023. However, inflation continued to increase above expected levels since our draft determination.

## Office of Rail and Road | PR23 final determination: settlement document for the Eastern region

- 2.39 As described in our [PR23 final determination: supporting document on sustainable and efficient costs](#), we have provided Network Rail with a suite of options to fund core renewals and increase the risk fund allocation which would allow it to enter CP7 with a risk fund of £1.5 billion in England & Wales.
- 2.40 Network Rail should consider these options and confirm the allocations of risk funding for each region in its delivery plan. Network Rail has provided an indicative £438 million of risk funding to Eastern based on a share of the England & Wales risk fund pro-rated for the region's operations, support, maintenance and renewals costs.

### Operations and support costs

- 2.41 One of Network Rail's strategic cost choices to rebalance the overall CP7 plan is to reduce support and operations costs.

Based on our assessment and a recent benchmarking report, we have identified that up to £150 million may be able to be saved in these areas across the England & Wales regions and National Functions. The majority of any reduction is likely to be found in support areas, and result from strategic choices made about elements of regional devolution. Further detail is provided in our sustainable and efficient costs document.



Table 2.10 ORR success measure baseline trajectories for the Eastern region

	CP6 exit forecast	2024-25 (year 1)	2025-26 (year 2)	2026-27 (year 3)	2027-28 (year 4)	2028-29 (year 5)
<b>On Time*</b>	70.6%	70.4%	70.4%	70.4%	70.4%	70.4%
<b>Cancellations*</b>	3.4%	3.4%	3.3%	3.1%	2.9%	2.7%
<b>Freight cancellations</b>	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
<b>Composite Sustainability Index (CSI)</b>	n/a	Measured only at CP7 exit. CP7 Difference in CSI from CP6 exit to CP7 exit.				-2.0pp
<b>Financial Performance Measure (FPM)</b>	n/a	0	0	0	0	0
<b>Efficiency (£ million, 2023-24 prices)</b>	n/a	70	168	227	263	267
<b>Cumulative Efficiency (£ million, rounded, 2023-24 prices)</b>	1,050	70	238	465	728	995
<b>Carbon emissions scope 1 and 2</b>	n/a	- 3.8pp	-7.6pp	- 12.4pp	-16.2pp	-20.0pp
<b>Biodiversity units</b>	n/a	1.0pp	1.9pp	2.9pp	3.8pp	4.8pp
<b>Freight growth (Freight net tonne kilometres moved)</b>	n/a	1.5%	3.0%	4.5%	6.0%	7.5%

\* Years 3 to 5 On Time and Passenger Cancellations trajectories are indicative and subject to a reset at the end of year 2.

Table 2.11 Network Rail's Proposed CP7 Income and Expenditure Eastern region

£ million (2023-24 prices)	CP6		CP7						
	2023-24	CP6 total	2024-25	2025-26	2026-27	2027-28	2028-29	CP7 total	% vs CP6
Operations	232	1,140	243	242	239	237	234	1,195	5%
Support	265	1,606	283	285	284	283	283	1,418	-12%
Maintenance	674	3,247	732	733	730	725	720	3,639	12%
Renewals	941	5,886	1,168	1,144	1,120	962	806	5,201	-12%
Industry costs, rates	121	561	121	121	136	136	136	649	16%
Electricity for Traction (EC4T)	195	850	297	270	266	272	278	1,382	63%
<i>Adjustment to OSMR expenditure</i>	<i>n/a</i>	<i>n/a</i>	-32	-55	-64	-67	-63	-281	<i>n/a</i>
Risk provision*	0	0	52	81	98	104	104	438	<i>n/a</i>
<b>Gross revenue requirement</b>	<b>2,428</b>	<b>13,290</b>	<b>2,864</b>	<b>2,822</b>	<b>2,808</b>	<b>2,650</b>	<b>2,497</b>	<b>13,641</b>	<b>3%</b>
Other income	-175	-867	-149	-156	-157	-159	-160	-780	-10%
<b>Net revenue requirement</b>	<b>2,253</b>	<b>12,422</b>	<b>2,715</b>	<b>2,666</b>	<b>2,651</b>	<b>2,492</b>	<b>2,338</b>	<b>12,861</b>	<b>4%</b>
Fixed Track Access	-200	-1,070	-208	-204	-204	-203	-204	-1,023	-4%
Variable Charges	-174	-846	-201	-206	-208	-211	-212	-1,038	23%
Electricity for Traction (EC4T)	-193	-859	-297	-270	-266	-272	-278	-1,382	61%
Schedule 4 and 8	125	705	115	105	103	95	85	504	-29%
Schedule 4 access charge supplement	-79	-506	-110	-100	-98	-90	-80	-477	-6%
Network grant	-1,731	-9,856	-2,015	-1,991	-1,979	-1,811	-1,649	-9,446	-4%
<b>Total regulated income</b>	<b>-2,251</b>	<b>-12,432</b>	<b>-2,715</b>	<b>-2,666</b>	<b>-2,651</b>	<b>-2,492</b>	<b>-2,338</b>	<b>-12,862</b>	<b>3%</b>
<b>Gross revenue requirement less EC4T</b>	<b>2,233</b>	<b>12,440</b>	<b>2,567</b>	<b>2,552</b>	<b>2,542</b>	<b>2,379</b>	<b>2,219</b>	<b>12,259</b>	<b>-1%</b>

\*Note that Network Rail has proposed adjustments to its OSMR plans to enable an increase in the England & Wales risk provision.

This is to help offset higher input prices.



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