Dear Aiden and Rajveer

**Approval of the 1st supplemental agreement to the track access contract between Network Rail Infrastructure Limited (Network Rail) and XC Trains Limited (XC Trains)**

1. We have today approved the above supplemental agreement submitted to us formally on 4 December 2017 under section 22 of the Railways Act 1993 (the Act). This follows an earlier informal submission of a draft agreement for our consideration. The purpose of this letter is to set out the reasons for our decision.

2. The purpose of this agreement is to provide XC Trains with amended rights for the December 2017 timetable change. This includes:

   - An additional service from Birmingham New Street to Leicester on Winter Sundays and Summer Sundays;
   - Amending a current ECS service from Southampton to Bournemouth to a passenger service for faster journey time and greater train choice between Southampton and Bournemouth;
   - Reducing one Summer Sunday and one Winter Sunday service running from Birmingham New Street to Manchester Piccadilly via Crewe and a corresponding increase of one Summer Sunday and one Winter Sunday Birmingham New Street to Manchester Piccadilly via Stoke-On-Trent service. This is to increase journey opportunities without impacting journey times between Birmingham New Street to Manchester Piccadilly via Stoke-on-Trent;
• An extension to York and additional stops at Durham and Darlington of two current weekday services: one from Newcastle to Glasgow and one from Glasgow to Newcastle; and

• Increasing the calls at Morpeth for increased connection opportunities at Morpeth.

3. Network Rail undertook the normal industry consultation ending on 16 October 2017. They received no objections from DB Cargo, First Greater Western Limited, Nexus, Transport Focus, the Welsh Government and Deutsche Bahn. Virgin Trains and South Western Railways requested some details on the proposal and this was provided by the parties. There were no unresolved queries.

4. Our review identified no issues and we are satisfied that approval is in accordance with our statutory duties under section 4 of the Railway Act 1993. We identified a number of drafting issues with the agreement and highlighted these with our suggestions. The parties have accepted our comments and amended the agreement accordingly for the formal submission.

5. In considering the agreement and in reaching our decision, we have had to weigh and strike the appropriate balance in discharging our statutory duties under section 4 of the Act. We have concluded that approval of this supplemental agreement is consistent with our section 4 duties, in particular those relating to protecting the interests of users of railway services (section 4(1)(a)), promoting the use of the railway network for the carriage of passengers (section 4(1)(b)) and enabling persons providing railway services to plan their businesses with a reasonable degree of assurance (section 4(1)(g)).

6. Under clause 18.2.4 of the track access contract, Network Rail is required to produce a conformed copy, within 28 days of any amendment being made, and send copies to ORR and the Train Operator. Please send the conformed copy to me at ORR.

7. Electronic copies of this letter, the approval notice and the agreement will be sent to Keith Merritt at Department for Transport and Peter Craig at Network Rail. Copies of the approval notice and the agreement will be placed on ORR’s public register (website) and copies of this letter and the agreement will be placed on the ORR website.

Yours sincerely

Michael Albon