

Les Waters
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23 December 2021

Steve Peggs
Group Development Director
Network Rail
1 Eversholt St
London
NW1 2DN

Dear Steve,

**ORR audit of land disposals under the general consent of Condition 17: transactions
1 June 2020 to 31 May 2021**

I am writing to give our views following the completion of the above audit. We have reviewed the documents you provided for the cases we selected, looking to see how your authorisation decisions were reached and for consistency with the intended purpose of the general consent.

We had no fundamental disagreement with the decisions reached, although in three cases (Ashford, Kent; Saltaire, West Yorkshire; and Henrietta Street, Bristol), the documentation showed no indication that the System Operator had been consulted without objection. However, we note that these cases were all in 2020 and you have told us that from April 2021 all submissions for internal review have included a statement regarding the System Operator's consultation, as standard.

Notwithstanding the omissions above, we welcome the continued improvement of the quality of sampled information. The additional assurance control measures you implemented during the year seem to be improving the overall consistency of the proposal/authorisation forms presented at sign-off and we note that the information, plans and pictures included were of good clarity generally.

We should like to see similar improvement in the requests for our specific consent as we have noticed some variation in quality within the last year. I mentioned this when we spoke on 21 December, but that is not the subject of this letter - I will provide you with some examples on which we can follow up separately.

This year, we also wished to check Network Rail's arrangements to allow third parties to register their interests in Network Rail-owned land for their own rail-related use. We have not looked into this for some time and we would not normally expect the arrangements to change significantly. However, given Network Rail Property now being devolved into regions, it is a good time to look at this again.

When we spoke, your view was that, given the largely autonomous operation of the five property teams, it is now not feasible for Network Rail to have one single register of interests that could be applied effectively to all the different types of property that you manage. You proposed reverting to us in the new year after you had considered again the possibility for co-ordination.

We recognise that a co-ordinated approach across regions will be needed to obtain consistency and suggest that for the purposes of the register, a record of sites/locations (rather than types of property/assets) might be the main focus. However, external communication is also an issue to look at as it needs to be clear to third parties how they may get in touch to register their interests, and that they know what information they would need to provide. We will also be interested in how the information, once lodged, is held, accessed, used and updated, and how Network Rail would communicate with third parties after their registration is complete.

I look forward to hearing from you in the new year. Our thanks go to your team for their assistance with the audit.

I am copying this letter to Kara Chester and Sandra Palmer, and will place a copy on our website.

Yours sincerely

A handwritten signature in blue ink that reads 'Les Waters'.

Les Waters