

# ORR sets £25.9 million charges per year to keep High Speed 1 in good condition

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The Office of Rail and Road (ORR) has today decided that train operators using the High Speed 1 rail line from London to the Channel Tunnel will collectively pay £25.9 million per year towards the long-term cost of keeping assets in good condition.

The 67-mile high speed track, originally opened in 2003, is owned by Government and operated by HS1 Ltd.

The charges are increasing compared to their current level because costs in the future will be higher than now, as the line and its assets are getting older and need more work, but the amount is 32% (£12.3m) per year less than HS1 Ltd requested. The charges spread out costs for necessary work over 40 years helping to prevent price spikes in future years.

ORR's analysis has shown that the lower figure is sufficient to ensure the assets are sustained. The

reduction compared to HS1 Ltd's proposals will benefit operators and hence passengers and freight users.

The Final Determination, as it is called, will come into effect from 1 April 2020.

While we have approved the majority of HS1 Ltd's proposals we have also determined some aspects of how the asset should be managed; these include reviewing the approach to asset life and project management costs. Given the increase in funding HS1 Ltd will receive and the expected ramp-up in work to renew the railway, we will be reviewing and heightening our monitoring and reporting of HS1 Ltd's progress to ensure that the plan is delivered well and at good value.

John Larkinson, ORR Chief Executive, said: "High Speed 1 is a valuable public asset and our role is to provide independent assurance that the line will be kept in good condition over the long-term at the lowest possible cost. This is important to make sure that train operators and, in turn, passengers and freight users get a good deal now but not at the expense of future generations."

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