

# Rail regulator begins rail infrastructure planning for 2024-2029

June 17, 2021



The Office of Rail and Road (ORR) has launched the process for determining the funding needed for Britain's rail network from 2024-2029.

The process, known as the 2023 Periodic Review (PR23), sets a five-year settlement that will determine the level of funding the infrastructure owner (Network Rail/Great British Railways) should receive for its operation, maintenance and renewals activities and what, in return, it should be required to deliver from this over five years from April 2024, known as Control Period 7 (CP7).

ORR's process will also provide a framework through which ORR will hold the infrastructure owner to account for delivering these during CP7. The UK government has indicated in the Williams-Shapps Plan for Rail that Great British Railways will be held to account for delivering commitments that Network Rail enters into for CP7. This ensures there is clear accountability for delivery and transparency about whether it is achieving this, and stability for investment during a period of change.

PR23 will respond to the challenges facing the railway, and the planned reforms as the Williams-Shapps Plan is implemented. It will support the delivery of a more integrated railway that delivers improvements

for customers, both passengers and freight.

The focus for the periodic review is:

- **Safety:** the rail network must be maintained in a safe condition for all of its users, workers and the public;
- **Performance:** the railway must be customer focused, making effective use of its capacity to deliver services that are punctual and reliable for both passengers and freight
- **Asset sustainability:** assets must be planned and managed to deliver their greatest value over the course of their operational lives; and
- **Efficiency:** Network Rail, or a successor body, must be subject to stretching but realistic efficiency targets.

Dan Brown, ORR's director of strategy and policy said: "ORR's five-year funding settlement for Britain's rail infrastructure will ensure long-term investment to deliver reliable services for passengers and freight users, and value-for-money for customers and taxpayers.

"I'm pleased that the Williams-Shapps Plan for Rail confirmed its commitment to PR23, and today's letter begins our process for assessing Britain's railway infrastructure needs from 2024-2029 as we work together to deliver these ambitious reforms."

Network Rail's operations, maintenance and renewals funding (including other related costs such as financial risk funding, traction electricity, industry rates, schedule 4&8 and other income) for the current 5-year current period is £41 billion (cash prices). This included a requirement to deliver £3.5bn of efficiencies.

[Click here to view the launch letter.](#)