Opinion: EANDCB validation

Origin: Domestic

RPC reference number: RPC17-DfT-ORR-4065(1)

Date of implementation: February 2016



# Update of general approvals for station and depot access agreements

# Office of Rail and Road (ORR)

**RPC rating: validated** 

### **Description of the measure**

The assessment explains that ORR has updated the way in which it provides businesses with approvals for station and depot access agreements. Instead of businesses seeking specific ORR approval for the agreements, they are now given automatically by the regulator. General Approvals apply to uncontested agreements, using a standardised set of model contracts and contract terms. These allow businesses to assume automatic approval by the ORR. For all other agreements, businesses must apply for specific ORR approval. In particular, the scope of General Approvals now includes:

- station access agreements that incorporate bespoke Access Conditions; and
- the removal of stations from access agreements.

In addition, the ORR, after consultation with industry, has made the following specific changes to submissions:

- Simplifying the language and reducing the length of the General Approvals, improving usability.
- No longer permitting the addition of non-template items to the 'Equipment and Elements Inventories' in the Annexes, to promote consistency across the industry.

## Impacts of the measure

The assessment explains that all parties that require access agreements will be affected, in principle, and the main benefits will accrue to businesses that have station access agreements incorporating bespoke Access Conditions. In total, the ORR estimates that 40 operators may be affected, including train, station and depot operators. The ORR explains that the required documents will now be shorter in length. However, the main benefit to business is the reduction in the number of new and amended access agreements that will require ORR's specific approval. The assessment contains estimates for the number of submissions for specific ORR approval that have been provided for the past three years. It is estimated that 41% of these specific approvals could now make use of the general approvals process. The

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ORR notes that while the changes are beneficial to business, the impact is expected to be small, as the measure will affect only the administrative processes within businesses.

The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of £0.0 million. This is a qualifying regulatory provision that will score under the Business Impact Target.

## **Quality of submission**

The assessment is clear and proportionate, and makes appropriate use of the ORR's consultation with industry in support of its estimates.

#### **Departmental assessment**

Classification	Qualifying regulatory provision (OUT)
Equivalent annual net direct cost to business (EANDCB)	£0.0 million
Business net present value	£0.0 million

#### **RPC** assessment

Classification	Qualifying regulatory provision (OUT)
EANDCB – RPC validated <sup>1</sup>	£0.0 million
Business Impact Target (BIT) Score <sup>1</sup>	£0.0 million

Michael Gibbons CBE, Chairman

<sup>1</sup> For reporting purposes, the RPC validates EANDCB and BIT score figures to the nearest £100,000.

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