

# TRANSPORT

## Briefing

[Front page](#)[News & analysis](#)[Intelligence & resources](#)[Agenda & monitors](#)[Power 200](#)[Subscribe](#)[About](#)[News](#)[Analysis](#)

## ORR looks to relax open access restrictions

Posted 24/06/13

The Office of Rail Regulation has set out plans to increase open access competition to franchised train operators.

At present open access companies have to prove that their main source of revenue will come from generating new business rather than attracting passengers from existing operators. As a result, there are severe limitations on the stations they can call at which has undermined the business cases for new services. Only two open access companies, Hull Trains and Grand Central/Grand Northern, are currently operating.

Under the regulator's preferred option for reform, the requirement for open access applications to prove services are "not primarily abstractive" would be partly relaxed. In return open access operators would pay higher track access charges with the increase reflecting a proportion of the revenue their services would be expected to take from franchised companies. ORR acknowledged that companies bidding for rail franchises would have to take account of greater uncertainty over the direct competition they could face and that the 'mark-up' on the charges paid by open access operators would not fully compensate for the revenue abstracted. As a result, the DfT's financial position could be adversely affected.

However, the regulator considered that the benefits of greater competition would outweigh these issues. Making the case for open access competition, ORR noted that: "There is evidence that it drives passenger benefits including lower fares increases, higher growth in passenger numbers, direct services to new destinations, and various service quality benefits."

*Grand Central: open access operators face restrictions on which stations they can serve*



### RELATED ARTICLES

[Residual value key to direct train procurement](#)  
[South east London rail devolution ruled out](#)  
[PR13: Train operators offered slice of savings](#)  
[Projects unit gives verdict on DfT major schemes](#)  
[Profits to be capped for franchise extensions](#)  
[C2C adds extension and pledges station upgrades](#)  
[Four train operating companies in the red](#)  
[Rail franchise advisory panel members appointed](#)  
[Burns: East Coast needs private sector innovation](#)  
[Caledonian Sleeper rail franchise out to tender](#)

### PASSENGER TRANSPORT

This article was first published in *Passenger Transport*, the leading fortnightly magazine for the UK transport sector.

[News index](#)[Front page](#)[Front page](#)[News & analysis](#)[Intelligence & resources](#)[Agenda & monitors](#)[Power 200](#)[Subscribe](#)[About](#)

