

Margret Child
Executive, Access and Licensing
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22 November 2017

1. Graham Jones
Network Rail Infrastructure Limited
1 Eversholt Street
London
NW1 2DN
2. London & Birmingham Railway Limited
3rd Floor
41 – 51 Grey Street
Newcastle-upon-Tyne
NE1 6EE
3. West Midlands Trains Limited
2nd Floor
St Andrew's House
18-20 St Andrew Street
London
EC4A 3AG

Dear all,

The amendment and novation of the connection contracts between Network Rail Infrastructure Limited (Network Rail), London & Birmingham Railway Limited (L&B) and West Midlands Trains Limited (WMT)

1. The Office of Rail and Road (ORR) has approved the amendment and novation of the connection contracts, as submitted to us under sections 18 and 22 of the Railway Act 1993 (the Act), relating to the connections at these light maintenance depots (LMDs):
 - Birmingham Soho Depot
 - Birmingham Tyseley Depot
 - Bletchley LMD
 - London Camden Washer LMD
 - Shrewsbury Abbey Foregate Depot
 - Worcester Shrub Hill Depot
2. Please find enclosed a copy of the notices that approve the novation of agreements from L&B to WMT and directs WMT to enter into the agreement with Network Rail.
3. On 10 December 2017, the West Midlands franchise will transfer from L&B to WMT. The responsibility for operating the LMDs listed above will move from L&B to WMT. The current connection contracts were due to expire on this date. However new connection contracts, between Network Rail and WMT have not yet been agreed and consulted upon.
4. The existing connection contracts have not been reviewed in some time. Network Rail required site visits to examine the assets before the six new contracts could be agreed. Insufficient time was allowed for these assessments to be carried out, the consultations to be conducted and the contracts submitted to ORR before the franchise hand-over.

5. We reviewed the connection contracts to be novated. Our model connection contract has changed significantly since they were signed in 2007. While we would not normally approve the novation of older style contracts, the parties are committed to putting in place new connection contracts on or before 10 March 2018.
6. We therefore agree to the novation of the existing connection contracts to WMT until 10 March 2018 on the basis that they will process the new connection contracts within that timescale.
7. The proposed deed of novation is based on our template. The only modifications to it are to add a new commencement and expiry date for the novated agreement and to add that with effect from the Amendment Effective Time clause 5.1 of the Connection Agreement itself shall be updated to clarify that it expires after 3 months.
8. Once the agreement is signed, in accordance with section 72(5) of the Act, you must send a copy to ORR within 28 days and in accordance with section 72(2)(b)(iii), a copy will be placed on our public register and website.
9. In entering any provision on the register, ORR is required to have regard to the need to exclude, as far as is practicable, the matters specified in section 71(2)(a) and (b) of the Act. These sections refer to:
 - a. any matter which relates to the affairs of an individual, where publication of that matter would or might, in the opinion of the ORR, seriously and prejudicially affect the interests of that individual; and
 - b. any matter which relates to the affairs of a particular body of persons, whether corporate or incorporate, where publication of that matter would or might, in the opinion of the ORR, seriously and prejudicially affect the interests of that body.
10. When submitting the copy of the signed agreement would you therefore please identify any matters which you would like the ORR to consider redacting before publication. You will need to give reasons for each request explaining why you consider that publication would seriously and prejudicially affect your interests.
11. I am sending a copy of this letter and directions to Lydia Cullimore of Burges-Salmon and Rachael Thompson of Womble Bond Dickinson (UK).

Yours sincerely



Margret Child