

Rob Morton Managing Director, Route Services Network Rail Waterloo General Offices London SE1 8SW

29 August 2024

Dear Rob

Assessment of Stoneblowing Fleet Delivery and Network Maintenance Concerns

I am writing to provide our assessment of the current situation regarding the delivery of the new Stoneblowing fleet, its potential impact on the maintenance of the rail network, and delivery of train performance to end user customers. The Office of Rail and Road (ORR) has proactively engaged with Network Rail since August 2023 when we first became aware of the risks associated with the delayed delivery of the new fleet.

Stoneblowers play a crucial role in maintaining the network's safety and performance and the current fleet is reaching the end of its maintainable life. These machines extend track lifespan by restoring track geometry, which is essential for reducing the frequency of renewals and maintaining reliability. The late delivery and ongoing uncertainty surrounding delivery dates of a new Stoneblowing fleet poses significant risks to network maintenance strategies and may necessitate alternative approaches, which could potentially erase positive life-extending work previously carried out by Stoneblowers resulting in an asset condition deterioration beyond forecasts in Network Rails plans for CP7, and lead to renewals needing to be carried out sooner than anticipated.

Our primary concerns centre on the potential harm to end-users and the achievability of commitments made in the CP7 (Control Period 7) Delivery Plan). Specifically, the volumes of maintenance set out in the Delivery Plan required to achieve train performance targets.



Next steps and ORR expectations

Network Rail has committed to provide a comprehensive update, this will be provided in two parts; A finalised delivery plan by 26th September 2024, and a business case review by 29th November 2024. These documents will set out your proposals to:

- 1. Secure the replacement fleet as early as possible to ensure effective network maintenance, and/or provide appropriate mitigations.
- 2. Assess the impacts on safety, performance, and value for money, including agreed measures set out in our Final Determination for CP7, and confirm that these have been discussed with regions, customers, and funders where appropriate.
- 3. Confirm how it plans to utilise the existing Stoneblower fleet, including securing necessary parts to extend their working life to the end of CP7.

We will review this plan and assess it against Network Rail's obligations. We expect this plan to demonstrate a clear understanding of the risks involved and present robust strategies to mitigate potential harm to end-users and ensure the delivery of CP7 commitments.

We look forward to receiving your comprehensive plan by the end of November 2024 and working collaboratively to address these critical issues.

Yours sincerely

Feras Alshaker