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Calvin Lloyd  
Group Strategy: Planning & Funding  
Network Rail Infrastructure Limited  
Kings Place  
90 York Way  
London, N1 9AG

Dear Calvin,

### **Enhancements Delivery Plan (EDP) change control: September 2014**

I am writing to notify you of our decisions on the recent requests you made to amend the CP5 EDP under the change control mechanism established through the periodic review. We note that while Network Rail will be holding change control panels on a monthly basis, you will continue to update the online document each quarter.

We have worked with you to agree a consistent format for entries in the CP5 EDP. We expect that all milestones should be shown as either indicative, indicator, on hold, regulated output, missed or complete. In addition, every project should have at least one milestone that is listed as a regulated output. We have agreed that completed or missed milestones should now be shown as such and not removed from the EDP.

This letter sets out our decisions for your September submissions in addition to our decision for your July 2014 and August 2014 submissions of which you have previously been informed. This letter will be published to ensure consistency with the CP5 EDP on your website.

*Projects applying for change control approval for September 2014*

#### **LNE008 – ECML OLE Performance Improvements**

This request is for the inclusion of an additional entry for the CP4 ECML OLE Performance Improvements project. In December 2013 we approved a change for this project to move the completion milestone from March 2014 (CP4) to March 2015 (CP5) however, on publication of the June 2014 update of CP5 EDP, this entry was omitted. You are now reinserting the delivery plan entry and we **approve** this change. For consistency please amend the HLOS driver to 'CP4 completion' in line with existing EDP entries.

#### **CR005 – North of England Programmes (LNW)**

This request is to change a number of different elements of the delivery plan entry.

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Phase 2(a) & (b) – GRIP 3 has now been completed, therefore the request is to mark the entry as such. We **approve** this change.

Phase 2(c) - The request includes that Phase 2(c) is distinguished from Phase 2(a) & (b) with GRIP 3 marked as completed, GRIP 6 start marked as November 2012 and GRIP 6 completion marked as April 2015. The later completion date for Phase 2(c) reflects the works required to solve signal obscuration issues. In response to this, the train operator has had to amend its plans to ensure electric services are not deployed into Manchester Victoria and they have raised objections to delaying the milestone. We **reject** the proposed change on the grounds that missing the December 2014 date will impact the train operator. If the December 2014 milestone is not achieved then it must be marked as missed and an amended milestone of April 2015 added on a separate line.

Phase 3 – Preston to Blackpool Electrification. This request is to bring forward the GRIP 3 completion date to December 2014 following extended optioneering to confirm project scope. We **approve** this change.

Ordsall Chord – This request is to bring forward the GRIP 6 start date as GRIP 6 is already underway due to work on utilities bridge commencing early. We **approve** this change.

Victoria Capacity East – This request is to delay the GRIP 6 start and finish dates to April 2018 and December 2018 respectively. The scheme is on hold pending work associated with Miles Platting. If deemed to be required, the scheme at Victoria East will be delivered in 2018 rather than in time for the 2016 timetable change. This submission is not clear on the impact and risks to the 2016 timetable change (Configuration State 5). We are **not approving** this change until we have considered further information on the impact of the change.

Manchester Victoria Capacity West – This request is to delay the GRIP 6 start date to April 2015 as commissioning of works deferred within programme. The GRIP 6 completion date of December 2016 remains unchanged. We **approve** this change.

Core Manchester Performance Stage 1 (Ordsall Lane Junction) – This request is to change the GRIP 6 start date to August 2015 due to design delays. The GRIP 6 completion date of December 2016 remains unchanged. We **approve** this change.

Phase 4 – Manchester to Preston Electrification & Preston JTI - This request is to insert the date for GRIP 3 as previously missing from entry. We **approve** this change.

Phase 5 – Manchester Victoria to Stalybridge Junction Electrification and JTI – This request is to delay the GRIP 3 date due to the workload of the design contractors and complexity of integrating the various designs to accommodate electrification, journey time improvements and re-signalling. We **approve** this change.

Phase 5 – Guide Bridge to Stalybridge Junction Electrification – This request is to delay the GRIP 3 date due to complexity of schemes and alignment of different workstreams to enable efficient overall programme delivery of the North of England Programmes. We **approve** this change.

We acknowledge that internal and external acceptance has been provided for the changes and we have taken into account the comments from stakeholders in making our decisions.

#### **F014 – LSE Performance Resilience**

This request is to add the London and South East Performance Weather Resilience Mitigation fund to the EDP. We requested this fund was established and your obligations are set out (in the September EDP update), in a letter from Richard Price to Mark Carne on 7th July 2014.

Your submission states this is funded from ORR in lieu of a performance fine. These works will actually be self-funded by Network Rail.

We understand you are currently developing plans for this fund and therefore the proposed high level entry reflects the state of development. However, we expect future revisions of the EDP to include further details, clarifying the governance arrangements and schemes to be delivered.

We **approve** this change on the condition that a statement is added clarifying that this fund is to be used to fund projects over and above those activities you must do to ensure delivery of your CP5 regulated train service performance outputs (i.e. PPM and CaSL in LSE sector).

#### **S002 – Redhill Additional Platform**

This request follows the ECAM review of the scheme, requesting minor adjustments to the delivery plan text and changes to the dates for the GRIP 4 completion and GRIP 6 start milestones. However, the delivery plan entry submitted with the change control application differs from that submitted as part of the ECAM review.

The delivery plan entry should show the status of the GRIP 3 completion milestone as “Complete” and not “Output” as currently shown and the GRIP 6 completion milestone text should be bold to indicate that it is now the regulated milestone. The third bullet point, under the key assumptions section, which refers to the Westpac Mk4A interlocking system should also be removed, as in the version of the delivery plan entry submitted as part of the ECAM review.

We note that you have provided internal and external stakeholder acceptance and there is no change to GRIP 6 date or customer impact associated with the proposal. We **approve** this change subject to the changes to the delivery plan entry detailed above.

### **W001a – Great Western Electrification**

This request is to change the delivery milestone to the entry into service (EIS) date which makes it clear that the infrastructure will be available before the timetable change that was previously shown as the milestone. The infrastructure will be ready ahead of the DfT aspirations for electric services and you have the agreement of the train operator for the EIS dates.

Although you provided evidence of acceptance from First Great Western you did not provide any evidence of DfT acceptance with the submission. We have since obtained this from DfT ourselves and consequently **approve** this change.

### **W001b – South Wales Electrification**

This request is to change the delivery milestone to the entry into service date which makes it clear that the infrastructure will be available before the timetable change that was previously shown as the milestone. The infrastructure will be ready ahead of the DfT aspirations for electric services and you have the approval of the train operator for the EIS dates. In addition to these changes you have delayed completion of the GRIP 3 milestone owing to a lack of design resources on the Western Route. We are concerned about this and the potential impact on other projects and are dealing with it separately to this change control application. We **approve** this change.

Although you provided evidence of acceptance from First Great Western you did not provide any evidence of DfT acceptance with the submission. We have since obtained this from DfT ourselves and consequently **approve** this change.

### **W003/ ES003 – Thames Valley Branches Electrification/ Electric Spine Development Programme**

This request is to update the entry to add the Reading to Basingstoke scope into this project. We welcome the visibility that this will give as it is removed from the Electric Spine project and note the aspiration for an earlier delivery. You have also changed the delivery milestone to the entry into service date which makes it clear that the infrastructure will be available before the timetable change that was previously shown as the milestone. We **approve** this change.

### **WL002 – Barry – Cardiff Queen Street Corridor**

This request is to delay the regulated output dates for phases 2 to 6 and the GRIP 6 completion date. The request also includes delaying the phase 7 indicator date.

We acknowledge that you provided stakeholder agreement from DfT, and indicated that you had reached agreement with other stakeholders, although evidence of agreement was omitted. We have separately verified that Arriva Trains Wales and First Great Western agree with this change but are awaiting views from the Welsh Government, who have indicated to us that they do not agree to them. In future, this evidence should be submitted with the change control request.

We are **not approving** this change until we understand more fully the Welsh Government's views on this change.

*Projects applying for change control approval for August 2014*

### **CR001 – Crossrail**

This request is for the addition of scope omitted from original Delivery Plan detail. This is for the construction of bay platforms at West Ealing and there is no impact on delivery dates or future milestones. We **approve** this change.

### **LNE002a – East Coast Capability**

This request is to amend indicative milestones following changes to the selected option that have delayed GRIP4 and GRIP 6 start. The delivery of these indicative milestones is now aligned with Power Supply Upgrade project, with no delay to GRIP 6 completion. We **approve** this change.

### **S004 – London Victoria Station Capacity Improvements**

This request is to change the GRIP 3 regulated milestone from August 2014 to November 2014. Associated with this the Enhancement Cost Adjustment Mechanism (ECAM) submission will be delayed from September 2014 to December 2014. The changes are requested because the project has required GRIP3 re-authority to produce a revised Approval in Principle (AIP) and conduct another GRIP 3 stage gate review due to changes in the station layout and certain approvals not received as part of the original GRIP 3 completed in March 2012.

We note you have provided internal and external stakeholder acceptance, there is no delay to GRIP 6 date or customer impact associated with the proposal. We **approve** this change.

### **SC008 – Rolling Programme of Electrification**

We note completion of the R&C electrification project has been delayed from August 2014 to September 2014. This was due to a number of issues including commencement of delivery without appropriate design certainty, late delivery of materials and late completion of technical documentation required for safety and interoperability approvals. These factors are within Network Rail's control and we agree there is a slight impact on your

customers of the delayed completion. Therefore, as a condition of this approval, we expect the published September Delivery Plan to record the August milestone as missed.

We are aware (from recent project steering groups) that you have committed to an “infrastructure ready for use” date of 29th September 2014 with First ScotRail, when driver training can commence. We will be treating this date as the new regulated milestone.

We acknowledge this change has been accepted by First ScotRail, Transport Scotland and key freight operators who use the route.

We **approve** this change subject to the condition (to record the August milestone as missed) set out above.

The SC008 delivery plan entry in general is not consistent with our ECAM assessment for this project. In our ECAM approval letter of 14th April 2014 we stated that the project needs more clarity defining the outputs and corresponding milestones for each of the three sub-projects (R&C, Stirling and Shotts electrification). The delivery plan entry still doesn't provide this clarity for the Stirling and Shotts sub-projects. We consider this a serious shortfall in the Delivery Plan that needs rectifying quickly so your obligations for these projects are clear for Transport Scotland and your customers. We expect a revised delivery plan entry within the next four weeks.

### **SC0011 – Motherwell Stabling Area**

#### Bridge Sidings

The main change you are requesting is a deferral on development for the Bridge sidings work, until the announcement of the new ScotRail franchise on October 2014. This deferral was requested by Transport Scotland. You have proposed the GRIP 3 regulated milestone is changed to “TBC” however, we do not think this is a satisfactory description of your commitment.

We reject this change and expect you to retain the February 2015 milestone in the current delivery plan. We require you to update this to a new date for the December 2014 published delivery plan, once you have engaged with the announced ScotRail operator.

You have assessed this as having a slight customer impact due to the risk of delay to outputs. This delay also provides an opportunity for you to work with ScotRail to reach a better VfM solution, so we are content to consider this as a net zero impact on customers.

#### Back of Shops Sidings

Your proposed revisions to the delivery plan include the slight delay to delivery of all enhancements at “Back of Shops” sidings 1, 4 and 5. Electrification of the sidings was

completed on time, to facilitate commencement of the Cumbernauld Electrification electric services as planned. We therefore, don't consider there is an impact on the customer of this change. We **approve** this change.

We acknowledge these changes have been accepted by First ScotRail and Transport Scotland.

### **LNW007 – Chiltern Main Line Train Lengthening**

Chiltern was providing the DOO CCTV element of this project and has had issues with the supplier which have meant that the extended platforms cannot be commissioned in August as planned. Physical extension works were substantially complete in August.

We note you have assessed the customer impact of this change as significant, as Chiltern had planned to operate nine car trains during the Watford WCML blockade. Unfortunately this was not possible due to the CCTV issues meaning that only eight car trains (with guards) could be operated. We will consider this when making any financial adjustments, but will need to further understand the impact on passengers.

We acknowledge this change has been accepted by Chiltern Railways.

We **approve** this change, on the condition the August milestone is noted as missed in the Delivery Plan.

*Projects applying for change control approval for July 2014*

### **LNW004 – West Coast Power Supply Upgrade**

You have requested the two milestones, for phase 3a and 3b of this project, are rationalised into one completion date. This is in line with our ECAM review for this project on May 8<sup>th</sup> 2014.

We acknowledge this change has been accepted by your customers on the route.

We **approve** this change.

### **New Entry – Investment Framework – Additionally Funded Freight Enhancements**

We note this is a new project, however the funding source still isn't confirmed. Your application only includes East Midland Trains and Greater Anglia external stakeholder approvals for this project. We require confirmation of support from the funder (DfT) and the customers who will benefit (FOCs) before we can approve this change.

We have **not approved** this change and will consider it when the funding route is clarified and support from key stakeholders is confirmed.

We also have the following comments on the proposed Delivery Plan entry for this new entry:

- We are awaiting an application for approval of Investment Framework funding. Therefore please include a caveat in the Delivery Plan entry stating funding is subject to ORR approval.
- The delivery plan entry appears to have Network Rail's obligations set out in the CP5 Output Drivers section. Please correct this and confirm if there is a measure of the track capacity increase between Ely and Soham Junction to be delivered by this project.
- You propose to confirm the delivery milestones at the end of GRIP 4. We expect you to confirm the GRIP 6 completion milestones as regulated outputs following completion of GRIP 3 (the next regulated output) as you are required to include a regulated output for every project.

### **Completed ECAM project reviews for future change control submissions**

The ECAM review of K004 New Cross Grid was completed at the beginning of August. We therefore expect you to submit a change control application for the project. This should include the delivery plan entry, as appended to the ECAM review letter from Alan Price to Paul Plummer dated 6<sup>th</sup> August 2014, and stakeholder support.

Yours sincerely



**Graham Richards**