

Katherine Goulding

Senior Executive, Access and Licensing
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8 November 2016

1. Nigel Faircloth
Leasing Manager – Stations and Depots
Network Rail Infrastructure Ltd
1 Eversholt Street
London
NW1 2DN

2. Paul Thomas
London Overground Rail Operations Ltd
Overground House
125 Finchley Road
Swiss Cottage
London, NW3 6HY

3. South Eastern Train Maintenance Ltd
Litchurch Lane
Derby
Derbyshire
DE24 8AD

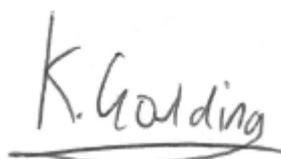
Dear Nigel and Paul,

The amendment and novation of the connection contract between Network Rail Infrastructure Limited and London Overground Rail Operations Limited at London Willesden Light Maintenance Depot to South Eastern Train Maintenance Limited

1. The Office of Rail and Road (ORR) has approved the amendment and novation of the connection contract dated 9 November 2007 for the light maintenance depot known as London Willesden Depot (Willesden), as submitted to us under sections 18 and 22 of the Railway Act 1993 (the Act) on 4 November 2016.
2. Please find enclosed a copy of our directions that approve the novation of the agreement from London Overground Rail Operations Limited (LOROL) to South Eastern Train Maintenance Limited (SETML), and directs SETML to enter into the agreement with Network Rail Infrastructure Limited (Network Rail).
3. On 13 November 2016 SETML will take over operation of Willesden from LOROL. The current connection contract was due to expire on this date. However a new connection contract, between Network Rail, SETML and Rail for London (RfL), has not yet been agreed and consulted upon. There is now not enough time for the consultation to be carried out and the contract submitted to ORR before the hand-over, although this could have been done if sufficient time had been allowed for the process. This left SETML potentially without an ORR approved connection contract.
4. The proposed deed of novation is based on our template and the only modification to it is to add a new commencement date and expiry date for the novated agreement.

5. We reviewed the connection contract to be novated, which originally dates to 2007. Our model connection contract has changed significantly since then. We would normally expect the parties to significantly revise or submit a new connection contract based on the current model contract. However as this contract will be in place only for three months, we have not requested significant revisions in respect of the novated contract.
6. We therefore agree to the novation of the existing connection contract to SETML until 13 February 2017. This gives SETML, RfL and Network Rail the opportunity to agree, consult on and then submit a new connection contract for ORR's approval.
7. 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.
8. 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.
9. 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.

Yours sincerely

A handwritten signature in black ink that reads 'K. Goulding'. The signature is written in a cursive style and is underlined with a single horizontal stroke.

Katherine Goulding