

## **Terms of Reference: Rail Enhancements Programme Review**

1. The purpose of the review is to inform government policy and processes used to develop, agree and plan the delivery of the enhancements programme for future Network Rail Control Periods. The review will identify the lessons to be learned from the process undertaken for Control Period 5, looking at processes within the Department for Transport (DfT), Network Rail and the Office of Rail Regulation (ORR). It will have regard to the parallel processes in respect of renewals, and to Network Rail's role in leading wider industry engagement.
2. The review will examine the processes followed in planning for Control Period 5, from the development of DfT's High Level Output Specification (published in July 2012) to ORR's Final Determination (published in October 2013) to Network Rail's Enhancements Delivery Plan (published April 2014) and the Enhancement Cost Adjustment Mechanism managed by ORR.
3. The review will seek to identify:
  - a. The causes of the increases against cost estimates and delays to projects within the Control Period 5 enhancements programme, including looking at the treatment of schemes in an early stage of development
  - b. The extent to which Network Rail's plans include the creation of capability and skills in the company and its supply chain to deliver the programme
  - c. Lessons to be learnt from different delivery models for rail infrastructure enhancements (for example the Thameslink Programme).
  - d. Changes to process and practice that will lead to improved outcomes for Control Period 6.
4. Out of-scope for this review is:
  - a. The appropriateness of engineering solutions identified by Network Rail for enhancement projects
  - b. The merit of specific schemes included in the rail enhancement plans (though this should not proscribe review of the appropriateness of the enhancements plan as a whole) and
  - c. The statutory framework for the rail investment process.
5. The review should make recommendations on the basis of its findings, in such a way as to enable DfT, NR and ORR to take practical steps to improve the development, agreement and planning for the delivery of rail enhancements.
6. The review will be led by Dame Colette Bowe, a Non-Executive Member of the DfT Board, she will be supported by Richard Brown, Non-Executive Member of the DfT Board. She will draw on others as she sees fit, both within DfT and externally. The Review will be managed by DfT and will involve NR and the ORR, and other industry parties as necessary. DfT officials will liaise with HMT and Cabinet Office.
7. The review will provide a report to the Secretary of State and Principal Accounting Officer, DfT, by Autumn 2015.