

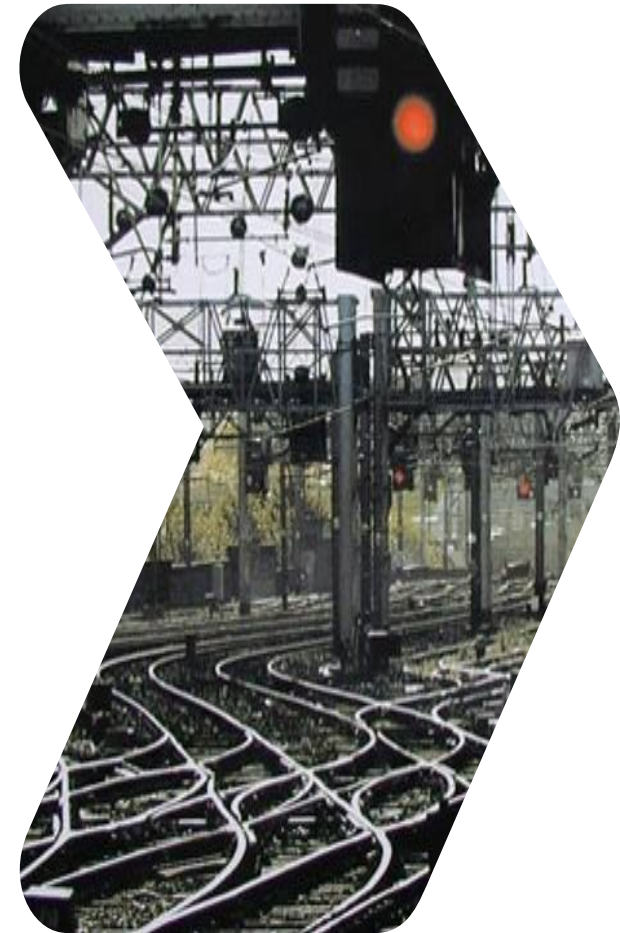


Department
for Transport

Rail Network Enhancements Pipeline

Tony Potter, Principal Programme Client

Friday 1st February 2019



Moving Britain Ahead



Rail Network Enhancements Pipeline A New Approach for Rail Enhancements

Moving Britain Ahead



The Rail Network Enhancements Pipeline (RNEP) was published on 20th March 2018.

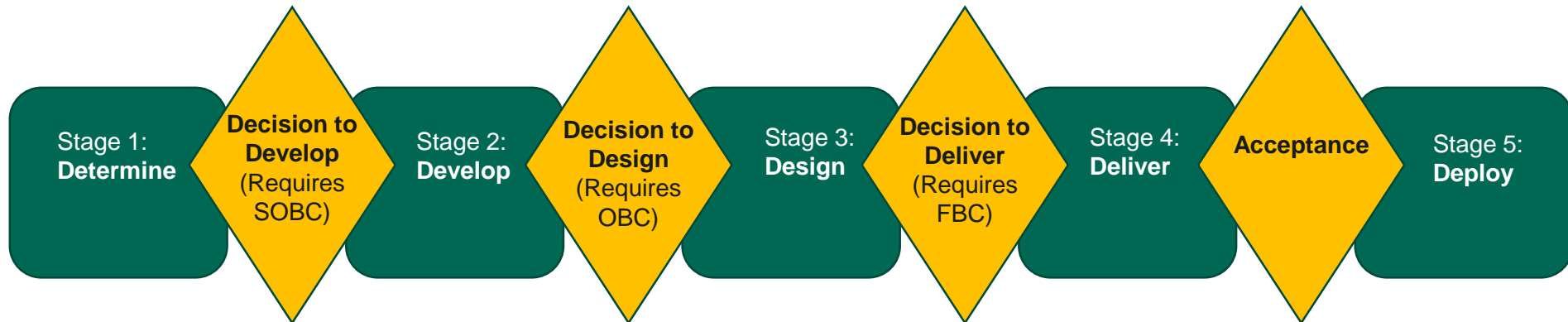


Rail Network Enhancements Pipeline

A new approach to rail enhancements

- ▶ The **Rail Network Enhancements Pipeline (RNEP)** sets out a new pipeline approach for improvement projects on the railway. This establishes a multi-stage framework of five stages separated by decision points:

- ▶ Determine
- ▶ Develop
- ▶ Design
- ▶ Deliver
- ▶ Deploy



<https://www.gov.uk/government/publications/rail-network-enhancements-pipeline>



Rail Network Enhancements Pipeline

Engaging with the pipeline

- ▶ Enhancements must provide outcomes meeting one or more of the Secretary of State's strategic priorities:
 - ▶ Keeping people and goods moving smoothly and safely
 - ▶ Delivering the benefits from committed programmes and projects already underway
 - ▶ Offering more: new and better journeys and opportunities for the future
 - ▶ Changing the way the rail sector works for the better
- ▶ To be considered for funding, enhancements will also need to demonstrate and/ or consider:
 - ▶ A robust business case
 - ▶ A focus on the outcomes provided for railway users and the taxpayer
 - ▶ The impact of the enhancement on the existing network
 - ▶ Railway demand
 - ▶ The balance of the portfolio of all enhancement projects
 - ▶ Opportunities for private investment
 - ▶ Increasing variety of delivery agents



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Engaging with the pipeline

- ▶ Each decision relates only to whether the enhancement will progress to the next stage of the pipeline
- ▶ Depending on the level of maturity of an enhancement, it may enter the pipeline at any point
- ▶ Each decision taken will be informed by a business case, with increasing levels of detail and clarity each time (but this does not necessarily directly align with Network Rail's GRIP stages)
- ▶ Government will not be able to fund all stakeholder aspirations for enhancements to the rail network
- ▶ The Department for Transport has therefore published [Market-led proposals guidance](https://www.gov.uk/government/publications/rail-market-led-proposals) to ensure the process for taking forward third party proposals and engaging with Government is as clear as possible

<https://www.gov.uk/government/publications/rail-market-led-proposals>



Rail Network Enhancements Pipeline

Stage 1: Determine Stage

- ▶ Identify enhancement opportunity through:
 - ▶ industry long term planning process
 - ▶ renewals activity
 - ▶ market-led proposals
 - ▶ central, local, sub-national, devolved governmental, or transport body initiatives
- ▶ Enhancements may require funding from the promoter
- ▶ Focus on establishing the case for an intervention by identifying outcomes, potential benefits and considering how the enhancement meets government priorities
- ▶ Is it the right time in which to progress the enhancement?

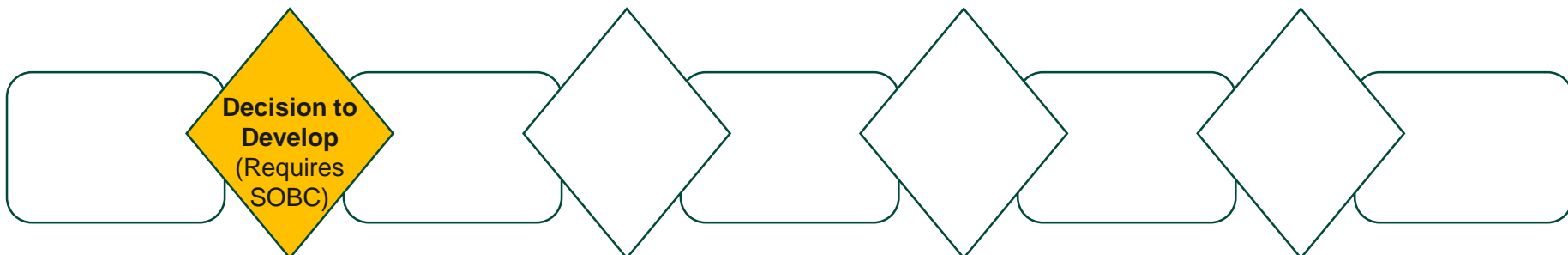
Stage 1:
Determine



Rail Network Enhancements Pipeline

Investment Decision 1: Decision to Develop

- ▶ A proposed enhancement will not be developed further without a Strategic Outline Business Case (SOBC).
- ▶ Government will need to agree and endorse the SOBC
- ▶ To inform the decision to develop would require:
 - ▶ Clear benefits to rail users and government priorities
 - ▶ Planned outline for the 'develop' stage, including expected costs
 - ▶ Indicative cost to progress to completion
 - ▶ Assurance that other transport solutions have been considered
 - ▶ Rail demand information
 - ▶ Indication of suitability for private investment or an alternative delivery model.

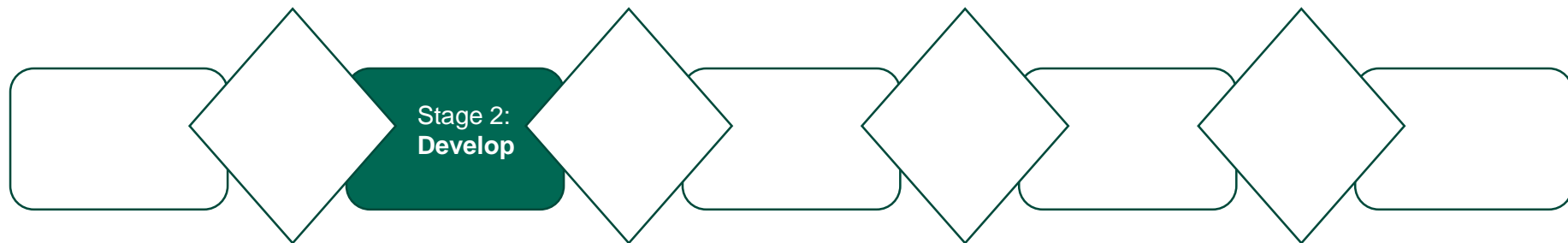




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Stage 2: Develop

- ▶ Considers the feasibility of the investment with an emphasis on credible economic and financial cases
- ▶ A Strategic Outline Business Case (SOBC) and an endorsement by government
- ▶ Part of the portfolio and would be subject to formal governance and change control
- ▶ Reviewing how best to realise the anticipated benefits, with a range of options considered, allowing for comparison of costs and benefits
- ▶ Further work in defining benefits to then validate each intervention option with increasing detail
- ▶ Identifying the sequence to deliver benefits as early as possible.

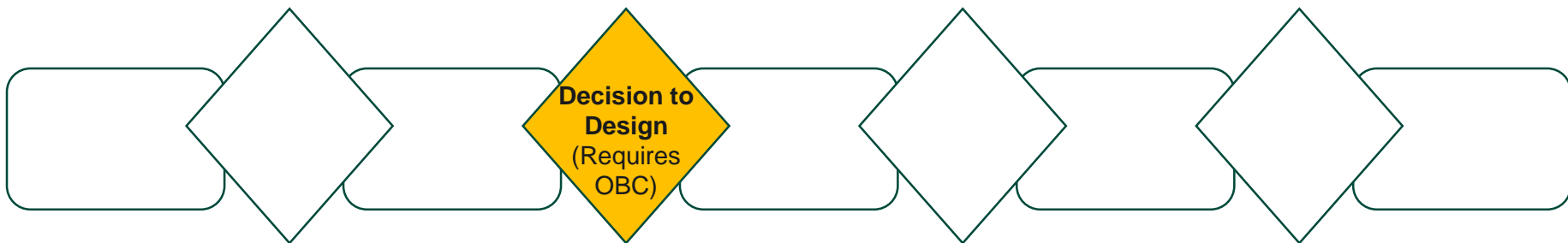




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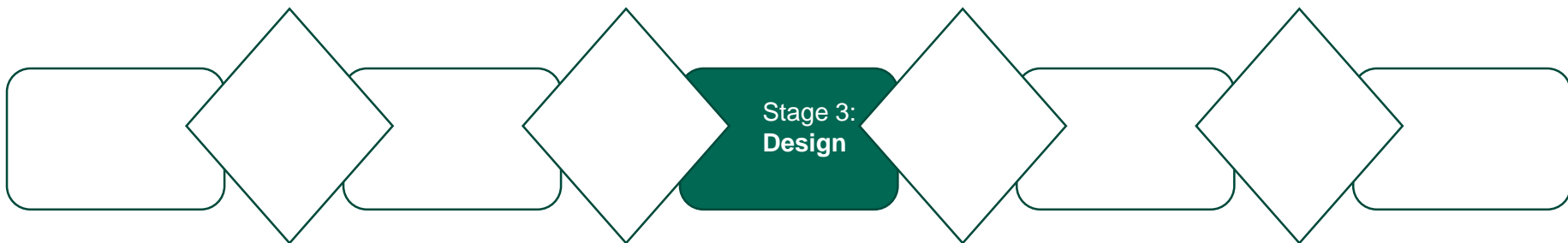
Investment Decision 2: Decision to Design

- ▶ A proposed enhancement will not be developed further without an Outline Business Case (OBC) which requires endorsement from government
- ▶ To inform the decision to design would require:
 - ▶ Confirmation of intended benefits and justified recommendation of how to achieve these
 - ▶ Robust commercial strategy
 - ▶ Clear plan of action for the 'Design' stage including anticipated cost
 - ▶ Updated indicative cost for the enhancement
 - ▶ Delivery timeframes
 - ▶ High level assessment of risk
 - ▶ Evidence of how the enhancement option addresses and/or affects rail demand
 - ▶ Planning process
 - ▶ Evidence of engagement with private sector investors
 - ▶ Evidence of alternative methods of delivery.





- ▶ The design stage is the refinement stage of the pipeline
- ▶ The aim is to design the detailed scheme and railway outputs which include:
 - ▶ Cost estimates
 - ▶ Detailed plans
 - ▶ Workload planning
 - ▶ Securing appropriate planning consents for delivery
- ▶ Work would be required to prepare commercial arrangements for any service changes
- ▶ Emphasis would be on confirming the commercial and management business cases.

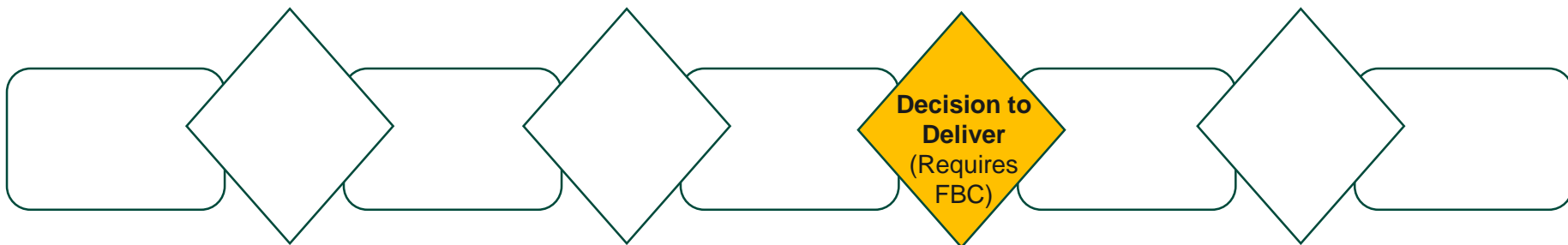




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Investment Decision 3: Decision to Deliver

- ▶ An enhancement cannot progress to the 'Deliver' stage until a Full Business Case (FBC) has been completed which must be agreed and endorsed by government
- ▶ The Decision to Deliver is the stage at which final construction costs and delivery schedule would be agreed
- ▶ Information to inform this decision would be:
 - ▶ Description of service changes and improvements enabled by the enhancement
 - ▶ Detailed delivery plan including milestones and possessions/ blockades
 - ▶ Anticipated final cost and assurance evidence
 - ▶ Anticipated final benefits
 - ▶ Confirmation of necessary planning permissions
 - ▶ Detailed outline of any anticipated disruption to services
 - ▶ Effects on rail demand
 - ▶ If appropriate, confirmation of contracts with private sector investors or infrastructure partners.

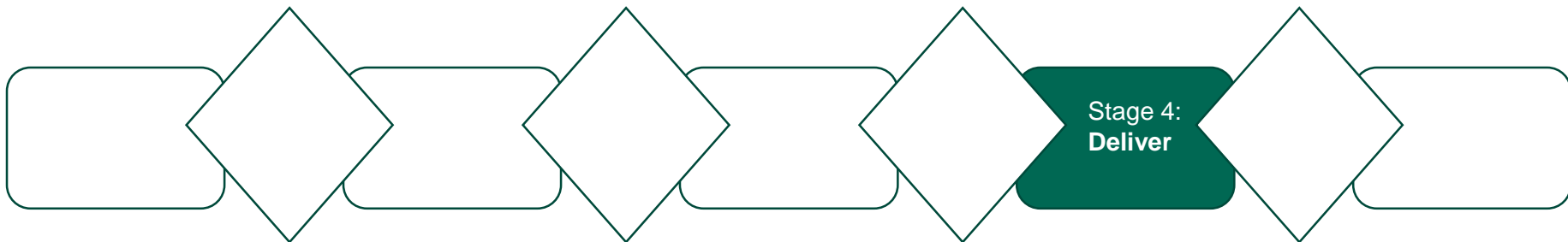




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Stage 4: Deliver

- ▶ The 'Deliver' stage is when works are completed including preparing for operational running
- ▶ A Full Business Case (FBC) has been endorsed by the government
- ▶ Maintain regular milestone, risk and cost reporting
- ▶ Ensure disruption to the existing network is minimised and clearly communicated throughout.

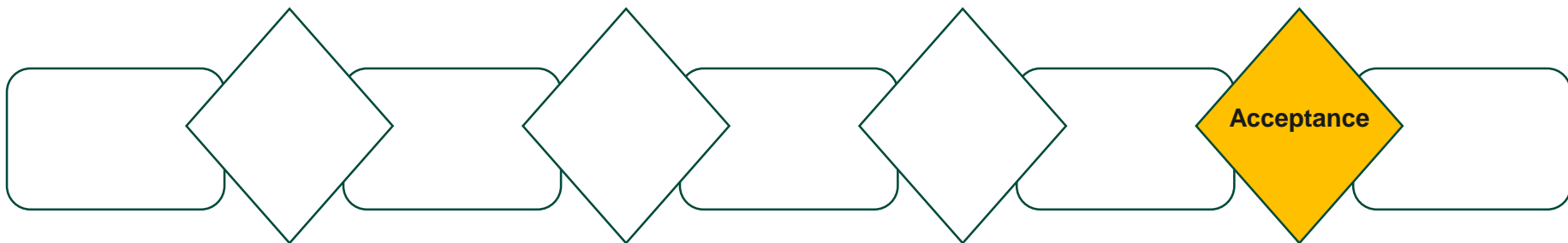




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Decision 4: Acceptance

- ▶ The 'Acceptance' decision is made following the conclusion of works delivery
- ▶ Confirm that the enhancement has completed satisfactorily and no further investment is required to secure the intended benefits
- ▶ Primarily a technical assessment
- ▶ Project evaluation methods may also be put in place here e.g. lessons learned.

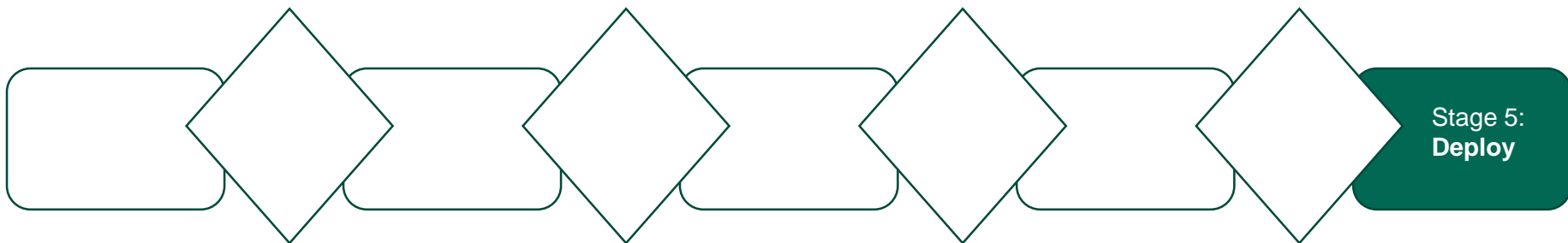




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Stage 5: Deploy

- ▶ Enhancements within this stage have been completed and benefits are now being realised
- ▶ Takes advantage of the enhancement through service changes that make the most of the outputs
- ▶ The focus is on delivering benefits, formal evaluation, celebrating successes and learning lessons to share with the wider portfolio.





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Thank you