

**John Larkinson**  
**Chief Executive**  
[Redacted]



Andrew Haines  
Chief Executive  
Network Rail Infrastructure Limited

By email

26 September 2024

Dear Andrew

**ORR's assessment of Network Rail's plan to improve train performance in Wales & Western region**

I am writing to confirm ORR's determination of whether Network Rail has met the terms of the first part of the final order (section F, 1a i-iv) that we issued on 10 July 2024 and published on our website.

As you are aware, train service performance in the region has not been good enough for its customers in recent years. This led to ORR carrying out an investigation and in July ORR found Network Rail in breach of licence condition 1 and issued a final order requiring Network Rail to produce and implement an improvement plan.

Network Rail has responded positively to the final order, submitting its plan before the 31 August 2024 deadline. We welcome the significant level of work Network Rail has undertaken to produce the plan.

We have reviewed the submitted plan against the first part of the order which requires the plan to be robust and well-evidenced.

The plan provides significant improvement on previously presented recovery plans, in that it:

- includes significant further development of Project Brunel (Network Rail's Thames Valley recovery plan);
- provides a timebound plan to deliver renewal of the headspans of overhead line equipment from Paddington to Airport Junction;
- includes far greater detail and commitment around the operational and performance improvements that will be delivered in the long-term;
- has initiatives that correspond to all of the recommendations in ORR's investigation report; and
- sets out how the plan will be governed and managed.



Crucially, it is our view that, if delivered effectively, it is likely to lead to better train service performance for passengers and freight.

Based on our assessment, we are satisfied that Network Rail has complied with the first part of the final order (section F, 1a i-iv). Network Rail is therefore not required to pay the reasonable sum of £3 million, which would have become payable if the plan had not met this requirement.

The second part of the order requires Network Rail to implement the plan. We will continue to monitor this, including through a rolling programme of six-monthly assessment points (at six, 12 and 18 months). The precise format of these updates will be agreed between Network Rail and ORR. In addition, ORR will continue to carry out our routine monitoring arrangements that have been put in place for CP7. We will report publicly on Network Rail's progress in implementing the plan through our mid-year performance letters and Annual Assessments.

The final order requires Network Rail to produce within one month of ORR's request a report demonstrating why it is satisfied that the plan has been implemented. Upon receipt of the report, ORR will make a decision on whether the final order has been complied with in full. We will confirm the date the report is required at the appropriate time, informed by our close monitoring of its implementation.

We look forward to further constructive engagement with Network Rail as it implements its Wales & Western region improvement plan.

A copy of this letter will be published on our website.

Yours sincerely

**John Larkinson**  
Chief Executive