

## **Note on the potential impacts of alternative timescales for the grant of the Transport and Works Act Order**

Following a request from the Planning Inspector during the opening day of the EWR TWAO inquiry, Network Rail has produced a note summarising the project's position regarding potential alternative timescales for the making of the Transport and Works Act Order.

The project's current programme is based around the project achieving its Transport and Works Act Order in September 2019. This date was based on a set of accepted 'best-case' timescales for the inquiry, and the subsequent periods of time for the inspector's report being produced (which had been assumed to be submitted in June 2019), and the Minister's final decision on the Order.

A sensitivity analysis has been carried out by Network Rail assessing the impact of the grant of the TWAO during the window of November 2019 to March 2020. This would have the potential to incur a 12 month delay to the programme due to seasonally constrained enabling works required prior to commencement of the earthworks.

The cost implication of this event could be in the region of up to a 10% increase to the project's anticipated final cost. If advanced notification were given of the date that the TWAO would be granted then action could be taken to minimise the impact of time related costs and the cost impact contained to less than 5%. A more precise amount would be estimated upon completion of further analysis once the exact date of the Order being granted is known.

Regarding the question of whether the additional cost associated with a delay to the grant of the order would still constitute value for money, economic case analysis has considered both cost increases and delay in the introduction of EWR services. LeighFisher carried out scenario tests on introducing the EWR Phase 2 service timetable; these indicate that a 12 month delay would only have a minor impact on the benefit cost ratio in the baseline growth scenario and does not change the value for money category. Additional sensitivity analysis to model the effects of a potential increase in Capex of 10% reduces the BCR from 1.3 to 1.1 but, again, this does not change the value for money category.