



Department
for Transport

From the Permanent Secretary

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Infrastructure
and Projects
Authority

From the Chief Executive

Infrastructure and Projects Authority
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28 April 2021

To: Cavendish Elithorn

Appointment as Senior Responsible Owner (SRO) for the East West Rail Programme

We are pleased to confirm the extension of your appointment as Senior Responsible Owner (SRO) of the East West Rail (EWR) Programme, directly accountable to the Permanent Secretary and the Department for Transport Board, under the oversight of the Secretary of State for Transport. This will be a part-time role which requires a 40% proportion of your time, combined with your wider management and leadership responsibilities within the Department and other responsibilities as SRO of the East Coast Main Line, Midland Main Line, and Midland Hub projects/programmes.

Regular conversations with your Permanent Secretary and Director General will take place to ensure an appropriate balance is maintained across your portfolio of activities and that you receive support as needed to carry out your responsibilities. These will take place as a minimum annually but may be more frequent with agreement.

It is recognised that currently only the Connection Stage 1 element of the programme sits in the Government Major Projects Portfolio (GMPP) until such time that the programme in its entirety is deemed ready for inclusion. However, as SRO you have responsibility for delivery of the East West Rail Programme in its entirety and securing appropriate internal resources to manage these activities. This includes:

- Objectives and policy intent;
- Securing and protecting its vision;
- Ensuring that it is governed responsibly, reported honestly, escalated appropriately;
- identifying and managing risks and issues, as well as coordinating prevention and mitigation where appropriate;
- Leading on resolving integration issues that interact with your programme;
- Identification and quantification of the agreed programme benefits, as well as successful delivery of any transport benefits due to be realised during the life of the programme. You will work closely with MHCLG on their work on the wider vision for the Oxford Cambridge Arc, the delivery of which is vital to the realisation of the benefits of the EWR Programme. You will also ensure that a plan is put in place, with appropriate budget and resources, for the ongoing management and realisation of benefits after programme closure; and
- Ensuring a plan is in place for the closure of the programme at the appropriate time. This should include transfer of Business as Usual activities to EWR Co, Network Rail (NR) and/or an appropriate Train Operator and capture and dissemination of appropriate lessons.

Where implementation is expressly delegated to the East West Rail Company (EWR Co - the Delivery Body), accountability is passed to the EWR Co Board. However, you remain responsible for holding EWR Co to account at a programme-wide level for the delivery of relevant milestones for the scheme, through your role as DfT sponsor. Where critical aspects of implementation rely on

other bodies (notably Network Rail or other parts of DfT), you will need to agree appropriate governance and sponsorship arrangements to enable you to fulfil your role as SRO for this programme.

Like all civil servants, you remain accountable to Ministers, as set out in the Civil Service Code, and should deliver the programme in accordance with the objectives and policy intent as set by Ministers. Where you are asked to undertake a course of action by Ministers which is contrary to your own or others' professional advice and puts outcomes or value for money at risk, you should – if you judge it necessary – discuss with the principal accounting officer what escalation is appropriate. In circumstances where the action may be inconsistent with [Managing Public Money \(MPM\)](#), this may include consideration of whether Ministerial direction is required.

In addition to your internal responsibilities, you should also be aware that SROs are accountable to Parliamentary Select Committees. More information on this is set out in [Giving Evidence to Select Committees – Guidance for Civil Servants](#), sometimes known as the Osmotherly Rules. It is important to be clear that your accountability to Parliament relates only to implementation, within the terms agreed in this letter. It will remain for the Minister to account for the relevant policy decisions and development.

Detailed SRO roles, responsibilities and guidance are listed under **Annex A**.

Tenure of Position

You have already held this role for two years and are likely to continue in this role until at least 2022. It is important that you support your line manager in the development of a succession plan at the appropriate time. This will then need to be agreed with the Permanent Secretary.

Objectives and Success Criteria of the East West Rail Programme

The East West Rail Programme supports the Oxford to Cambridge Arc initiative, an economic development programme which may include transport infrastructure developments, including rail, housing and new hubs for IT and bioscience. Historically the EWR programme has been developed in phases and split into two geographical sections – 'Western Section' and 'Central Section'. However, the scheme is transitioning into a single integrated programme consisting of three main connection stages.

Broadly, the EWR Western Section is now disaggregated into two connection stages, CS1 and CS2 which incorporates some elements of the original Central Section. CS1 will re-construct and upgrade a partly disused railway between Bicester and Bletchley, allowing for the introduction of new passenger services, improving connectivity and journey times along the corridor to meet transport and economic growth needs, including for freight.

CS1 will deliver works between Bicester and Milton Keynes to enable a 2tph service between Oxford and Milton Keynes with a new station at Winslow and the creation of Bletchley High Level.

CS2 will connect Bletchley to Bedford mostly using the Marston Vale Line.

The Central Section of EWR will then be delivered as CS3, connecting Bedford to Cambridge with new stations on the East Coast Mainline and at Cambourne.

The policy intent supported by this programme is to:

- Stimulate economic growth, housing and employment through the provision of new, reliable and attractive inter-urban passenger train services between key urban areas (current and anticipated) in the Oxford-Cambridge Arc;

- Contribute to improved journey times and inter-regional passenger connectivity by connecting with north-south routes and routes beyond Oxford and Cambridge;
- Meet initial forecast passenger demand and consider and plan for future passenger demand, making provision where it is affordable;
- Maintain current capacity for rail freight and make appropriate provision for anticipated future growth; and
- Provide a sustainable and value for money transport solution to support economic growth in the area.

Proposed changes to the programme scope which impact on this intent or benefits realisation should be authorised by the Secretary of State for Transport and may be subject to further levels of approval.

The objectives and vision of the programme are to deliver the following outputs:

- CS1 Oxford to Milton Keynes expected entry into service Dec 2024 to September 2025
- CS2 Oxford to Bedford expected entry into service 2027 to 2028
- CS3 Oxford to Cambridge expected entry into service 2028 to 2030

Dates of CS2 and CS3 are dependent on affordability considerations and provision of capital as part of the 2021 Spending Review.

Success criteria includes the successful delivery of the East West Rail programme by:

- Seeking value for money and delivering at the most efficient cost within budget envelopes
- Efficient delivery to forecasted programme schedule
- Achieving overarching economic and environmental benefits that the scheme will deliver for the people and communities in the Oxford and Cambridge Arc

As SRO, you are expected to run your programme in accordance with the [Government Functional Standard for Project Delivery](#). Further detail on your role and responsibilities as SRO are set out in IPA guidance on the role of the senior responsible owner, and you are expected to follow that guidance, and other IPA guidance on the management of major projects.

Financial Accountability

Finance and Controls

HMT spending controls will apply on the basis set out within your department's delegated authority letter. Where the programme exceeds the delegated authority set by HMT, the Treasury Approval Point process will apply and the details of each approval process must be agreed with your HMT spending team.

Further information on finance and controls is provided under **Annex B**.

The overall programme budget is to be confirmed through the business case process, but is currently estimated to be £6bn to £7bn excluding VAT.

The current approved CDEL expenditure figure is £760.4m towards CS1 delivery. You should be aware of the conditions on this funding, as set out in correspondence between DfT and HM Treasury.

Delegated Departmental/Project Authority

- Your authorised expenditure is set out in your delegation letter.

- You are authorised to agree project and programme rescheduling, provided you are satisfied that the expenditure can be accommodated under the annual expenditure limit, as agreed with Treasury, in which the rescheduled expenditure would now fall. Rescheduling beyond this must be agreed with the Permanent Secretary, the Secretary of State for Transport and may, depending on circumstances, require wider cross-government agreement.
- Where issues arise which you are unable to resolve, you are responsible for escalating these issues to the Department's Investment Committee (IPDC) or your line manager.
- You are also responsible for recommending to IPDC or Ministers the need to either pause or terminate the programme where necessary and in a timely manner. Again, this may require in certain cases wider cross-government agreement.

Professional Development and Wider Support

It is important that you have the appropriate professional skills and are committed to your own CPD (continuing professional development). This includes maintaining and sharing your knowledge and experience with your own and other project teams.

As a graduate of the Major Projects Leadership Academy (MPLA), we expect and will support you to continue your on-going professional development, and will encourage you to take an active part in MPLA alumni activities.


There will be wider support available to help you discharge your responsibilities as an SRO. This includes, but is not limited to the following:

- Advice and support from DfT's Project Delivery and Portfolio directorate;
- Access to the various subject matter experts across DfT's Centres of Excellence;
- Being part of a shared community of project delivery professionals across DfT (including being a member of an SRO network comprised of peers and taking part in/supporting key learning activities); and
- Access to the benefits of professional project delivery networks.

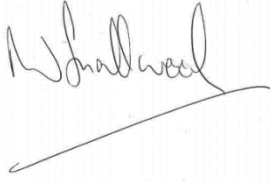
There will also be cross-government specialist support provided by the Infrastructure and Projects Authority (IPA) to further help support you and your team.

We would like to take this opportunity to wish you success in your role as SRO.

Yours sincerely,



Bernadette Kelly
Permanent Secretary
Department for Transport

A handwritten signature in black ink, appearing to read 'N. Smallwood', with a long horizontal stroke underneath.

Nick Smallwood
Chief Executive Officer
Infrastructure and Projects Authority

I confirm that I accept the appointment including my accountability for implementation of the programme as detailed in the letter above.

A handwritten signature in black ink, appearing to read 'C. Elithorn', written in a cursive style.

Cavendish Elithorn

Annex A – Guidance Documentation

- [Giving Evidence to Select Committees – Guidance for Civil Servants](#)
- [The Role of the Senior Responsible Owner](#)
- [Project Delivery Functional Standard](#)
- [A Handbook for Leaders of Transformation Programmes](#)

Annex B – Additional Finance and Controls

Where expenditure is considered novel, contentious, repercussive or likely to result in costs to other parts of the public sector, HMT approval will be required, regardless of whether the programme expenditure exceeds the delegated authority set by HMT. If in doubt about whether approval is required you should, in the first instance, consult departmental finance colleagues before raising with the relevant HMT spending team.

You should operate at all times within the rules set out in [Managing public money](#). In addition, you must be mindful of, and act in accordance with, the specific Treasury delegated limits and Cabinet Office controls relevant to your project or programme. Information on these controls can be found here: [Cabinet Office controls](#).