Great Western Route

NetworkRail

North Devon Line SOBC development

Indicative Costs, Timescales and Content

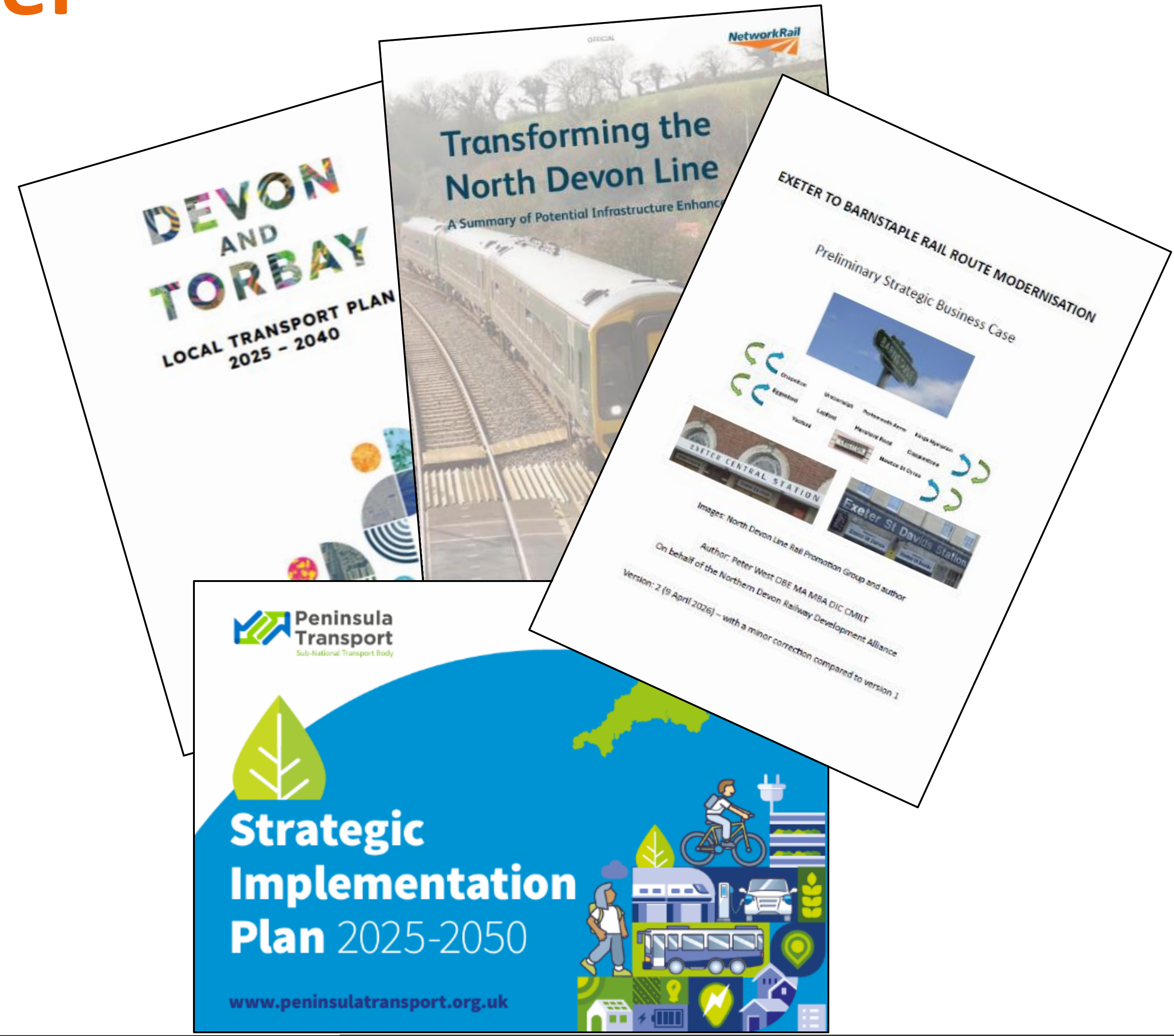

JCDecaux
9073


CREDITON
CREDITON
A locomotive called Crediton
[redacted]
Dr Beeching and Crediton
- a very close shave

Progress to date - a reminder

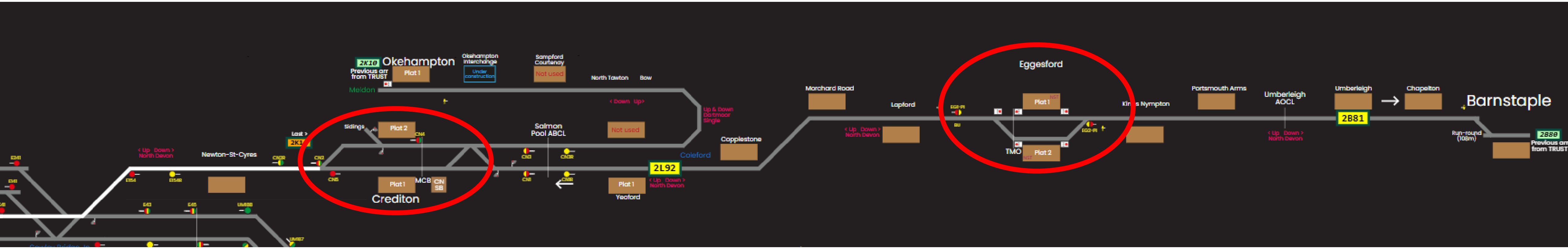
- North Devon Line improvements included as a priority item in Devon and Torbay Local Transport Plan 4, 2025 – 2040
- North Devon Line improvements included as a priority item in Peninsula Transport STB’s Strategic Implementation Plan, 2025 – 2050
- ‘Transforming the North Devon Line’ – assessment of engineering options – March 2026
- Preliminary Strategic Business Case – April 2026
- Timetable analysis – ongoing

- **An SOBC is the next step to make meaningful progress towards achieving enhancements of the line.**



Why do we need investment on the line?

- There are only two passing loops along the line



- This means we can only run 3 trains per hour on the North Devon Line in its current format.
- With most of the line single track to Cowley Bridge, the line resembles a country lane, not a main road

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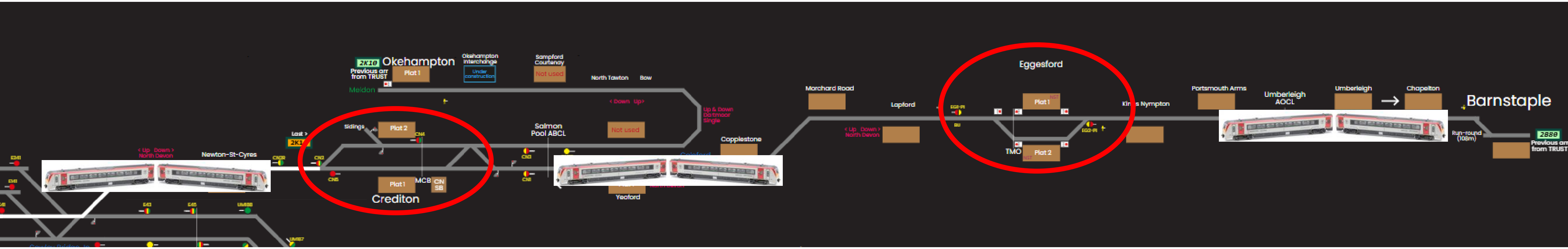

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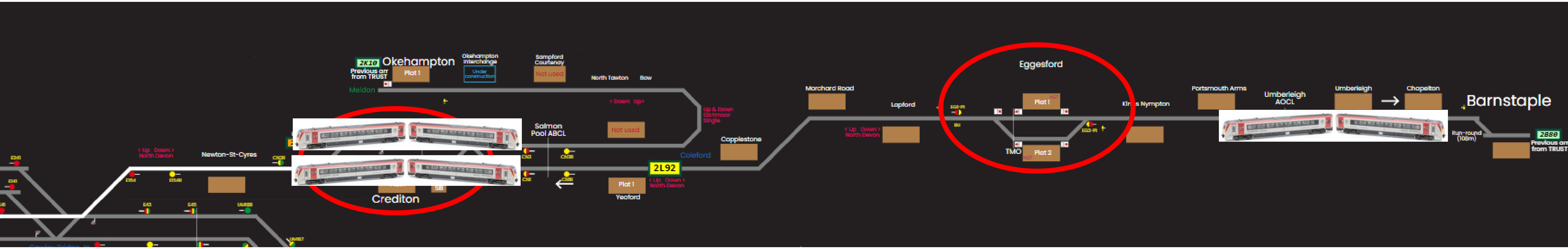

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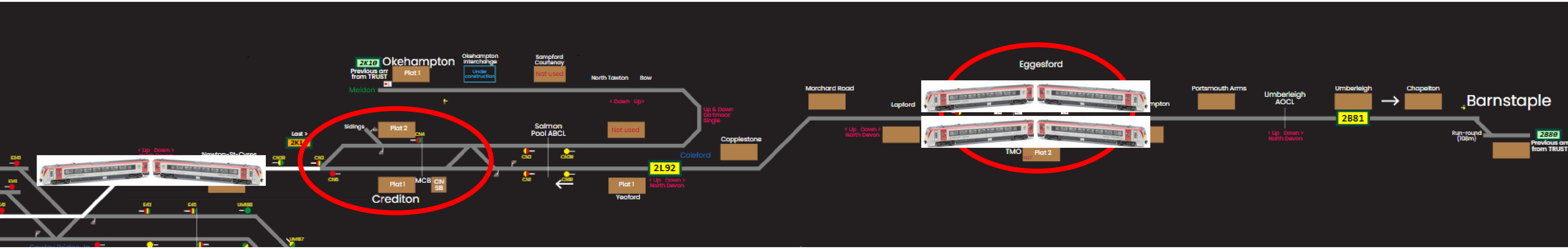

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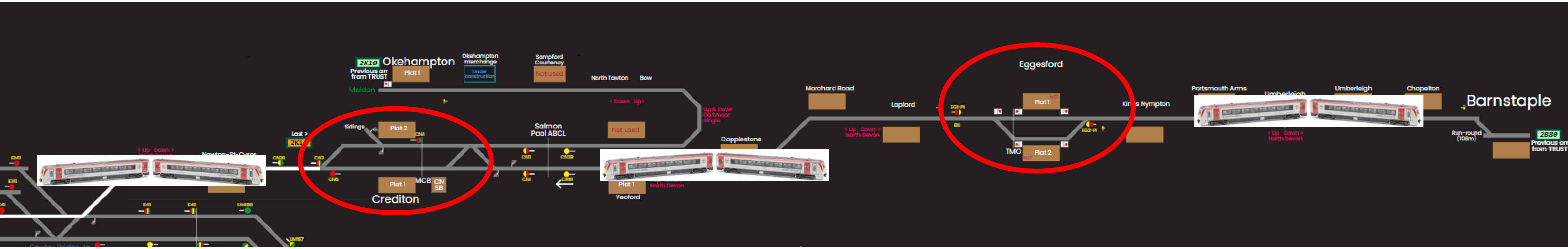

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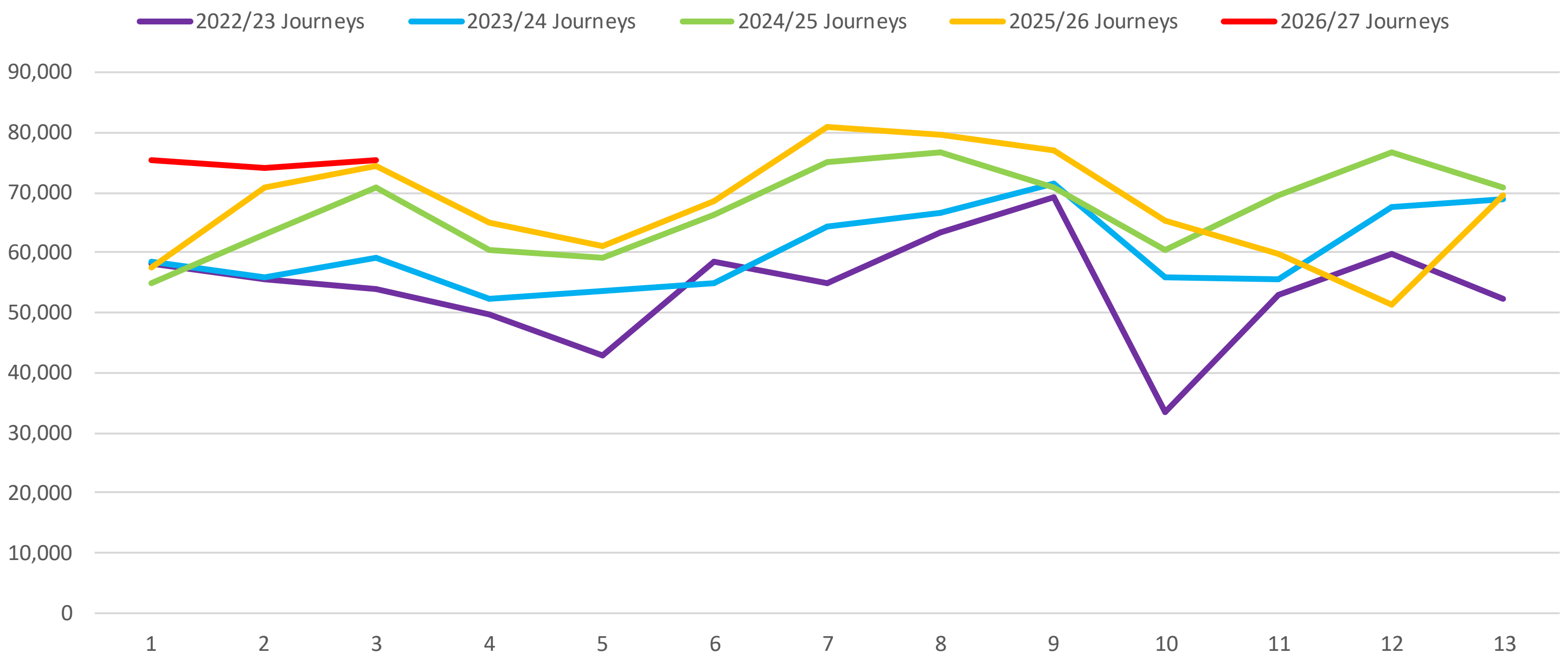
Why can't we run longer trains?

- Exeter Depot only has 15 trains available for 14 diagrams a day on Devon Metro services.
- Each station has different platform lengths
- Roll out of the class 175 fleet should allow us to get 5-car trains in the peak. But – there will be operational limitations as a result
- Eggesford loop has limits on the length of train that can fit at the platform without fouling the level crossing
- Peak passenger growth has outgrown an hourly service

Passenger Growth

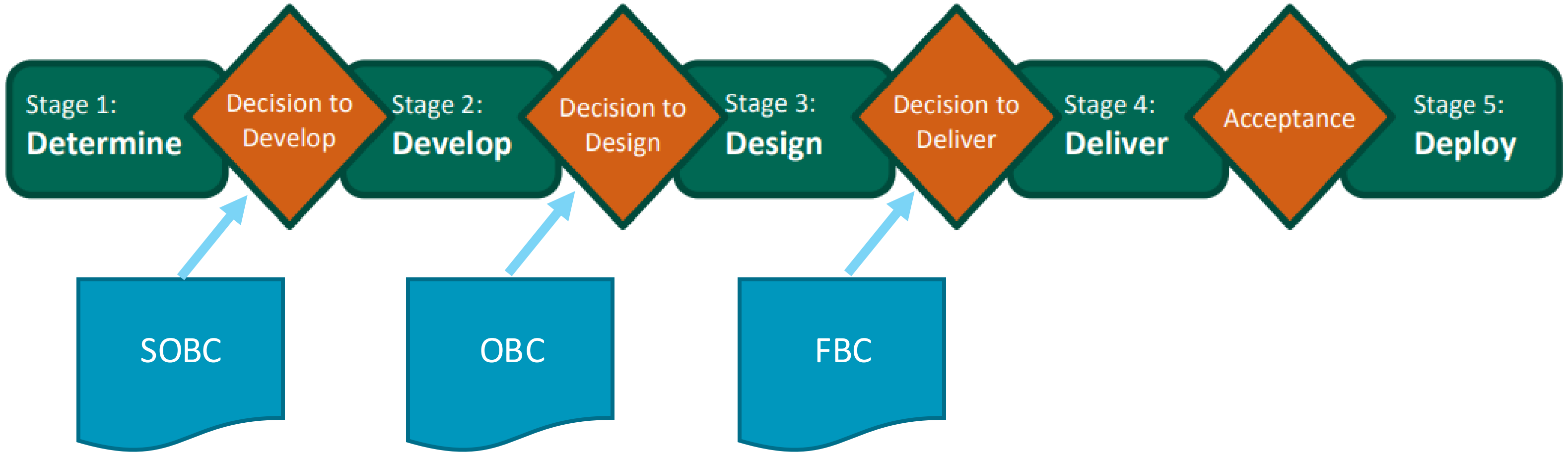


- BUT - Passenger yield is low on the line, whilst it does deliver and income, the payback on any investment is very long

- In 2001, there were less than 200,000 journeys made on the line
- Over the last decade, we have been setting new record levels of passenger growth each year
- We carried over 880,000 people in 2025/26
- We expect to hit 1 million this year
- With a half hourly service over 2 million journeys are possible

A word on funding

- Network Rail is funded in 5-yearly Control Periods – this covers operation, maintenance and renewal of the existing railway.
- Not funded for enhancements.
- Main avenue for enhancement funding is DfT's **Rail Network Enhancements Pipeline (RNEP) -** principle of a continuous investment pipeline

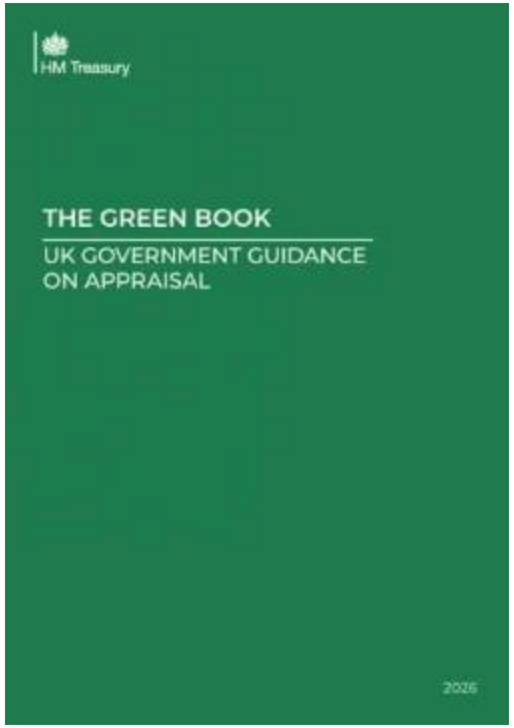


Principles for investment

- Robust business case.
- Focus on outcomes provided for railway users and taxpayers.
- Impact of Enhancement on existing network.
- Railway demand.
- Balance of portfolio.
- Opportunities for private investment.
- Increasing contestability.

The Treasury Green Book business case model

- The Treasury 'Green Book' outlines best practice approach to developing business cases.
- Any submissions to HM Treasury for funding expected to follow this guidance.
- Three stages involved:
  - Strategic Outline Business Case (SOBC) – "is to establish the case for change and to provide a preferred way forward for… approval prior to going onto the more detailed planning stage."
  - Outline Business Case (OBC) - "identify the investment option which optimises Value for Money (VfM); prepare the scheme for procurement; put in place the necessary funding and management arrangements for the successful delivery of the scheme."
  - Final Business Case (FBC) – "identify the market place opportunity which offers optimum Value for Money (VfM); set out the commercial and contractual arrangements for the negotiated Deal; confirm the Deal is still affordable; put in place the detailed management arrangements for the successful delivery, monitoring and evaluation of the scheme"



Timelines

- Next Spending Review due to conclude in **2027**
- Expect the call for investment in schemes to come in **early/mid 2027,** covering funding allocations for capital projects from **April 2028 - March 2032.**
- Should therefore aim to prepare an SOBC, with an immediate funding ask for OBC in Spending Review 2027, with an allocation of a funding envelope to the end of March 2032.
- To be prudent, SOBC probably needs to be largely complete and shared **by January - February 2027**.
- This gives approximately 8 months from today to hit those timescales – the clock is ticking…

July 2026

August '26 – March '27

SOBC development

Early – mid 2027

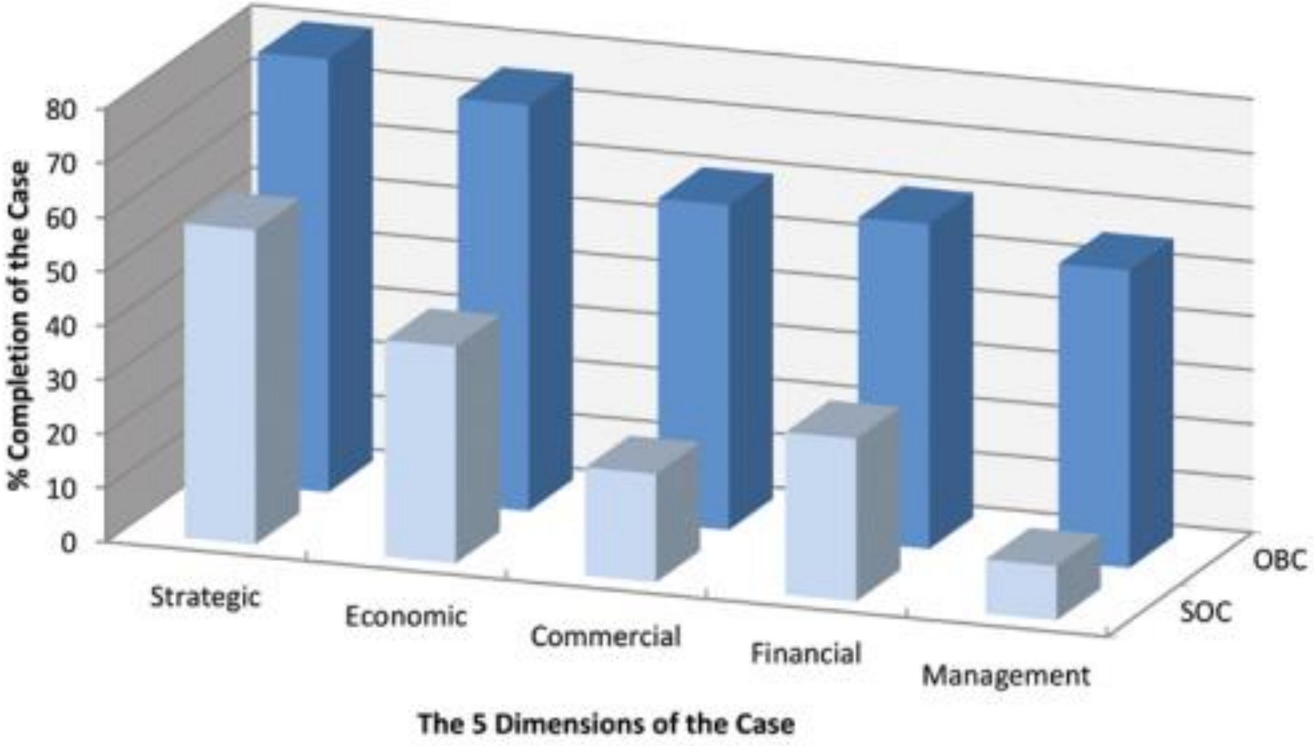
Call for schemes for next spending review

April 2028 – March 2032

Funding allocations for next spending review

The Treasury Green Book business case model

- Each stage has 5 ‘cases’, which mature at different rates as the project progresses:
  - Strategic case
  - Economic case
  - Commercial case
  - Financial case
  - Management case



SOBC Development

- **Estimated cost and timescale: £150,000 – normally 8 to 12 months – could be accelerated.**
- Existing preliminary strategic outline business case (2026) provides a basis for the formal SOBC.

Content:

- **Strategic case** - determines if there is a compelling, evidence-based case for change and ensures the proposal aligns with wider government objectives
- **Economic case** – Identifies the option that delivers the best "value for money" for society, analyzing costs, benefits, and risks over the asset or policy's lifetime
- **Commercial case** - Assesses whether the proposed procurement or deal is attractive to the market and commercially viable (light-touch at SOBC stage)
- **Financial case** – Confirms the overall affordability of the proposal and considers funding options
- **Management case** – Demonstrates that the proposal is deliverable by outlining project management approach (light-touch at SOBC stage)

- **This would focus on the infrastructure needed to enable a 2tph service – other improvements could be funded separately and delivered sooner.**