

John Larkinson
Chief Executive

Andrew Haines
Chief Executive
Network Rail Infrastructure Limited
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25 July 2019

Dear Andrew,

Contravention of conditions 1.23 and 2.7 of Network Rail's network licence

I am writing to confirm our view that Network Rail has met the terms of the final order that we made on 30 January 2019.

The order required Network Rail to undertake four actions by 1 April 2019. Network Rail was to:

- a) Provide ORR with a report setting out how it will continue to run an efficient, effective, fair and transparent process for timetables, including how the industry PMO will become embedded into business as usual activity. A report was provided to ORR on 1 April 2019, and a further update was provided on 28 June 2019;
- b) Continue to deliver its T-12 recovery plan and report publicly against it, including continuing to report publicly on the number of late notice changes. Network Rail has continued to deliver its T-12 recover plan, has recently recovered to T-12 timescales for all operators except GTR, and has publicly reported against this and late notice changes¹;
- c) Provide ORR with a report on how it will integrate timetabling reporting within CP6 reporting. This report was provided to ORR on 1 April 2019; and
- d) Publish a plan for how it intends to lead the industry review of Network Code Part D. This was provided to ORR on 1 April 2019 and details were published on Network Rail's website².

We wrote to you on 13 May 2019 advising that we were minded to agree that Network Rail had complied with actions b), c) and d). However, regarding action a), we were concerned at the lack of detail set out in relation to how the industry PMO will become embedded into the industry business as usual process of developing the timetable.

On this basis Network Rail provided us with a further update on 28 June 2019 setting out:

¹ <https://www.networkrail.co.uk/industry-commercial-partners/information-operating-companies/>

² <https://www.networkrail.co.uk/who-we-are/about-us/system-operator/>

- How the processes interact with other industry processes such as Part D of the Network Code and the sale of access rights process such that these processes are consistent;
- How the PMO process will be codified and the governance process that will apply;
- What timetable periods the PMO will carry out assurance activity for;
- The accountabilities of the PMO and levels of assurance expected to be carried out by other parties; and
- How the PMO will set itself up to carry out its accountabilities (e.g. level of resourcing, skill sets).

We set out our views on 19 June regarding the effectiveness of the actions Network Rail has taken since May 2018 to improve the timetabling process. We have welcomed the changes Network Rail has made, including our view to date that the PMO is successfully carrying out assurance activity which is increasing confidence in the delivery of the timetable. Based on the further detail provided to us on 28 June, and the previous details provided to us on 1 April, we are now content that Network Rail has complied with the four actions that we set it on 30 January.

We will continue to monitor Network Rail's compliance with conditions 1.23 and 2.7 of its network licence.

I am publishing this letter.

Yours sincerely



John Larkinson
Chief Executive