

Update to Annex to ORR letter of 27 July: Summary of ORR decision and actions on Network Rail breach of timetabling conditions in Network Licence

Network Rail Licence Breach

ORR has concluded Network Rail is breaching conditions 1.23 and 2.7 of its network licence.

ORR has required Network Rail to undertake 4 immediate actions and will set out further actions required in a final order.

Immediate actions			
	Action on Network Rail	Status	Our initial views
1.	Provide ORR with an initial report demonstrating how it is running an efficient, effective, fair and transparent process for December 2018 and May 2019 timetables.	Network Rail have provided us with the initial report. This sets out how the Network Rail initiated industry Programme Management Office has facilitated collaborative working across industry to assess risks and options to support decision making for both timetables.	<p>This approach has enabled the SO and others to take a whole systems view of the risks to the timetable. As a result, Network Rail has been able to more effectively identify risks to the timetable process for December 2018 and May 2019 and to get early engagement on actions needed to manage those risks.</p> <p>There is also evidence of a more structured and joined up approach between timetable development teams and infrastructure planning teams. Projects that are critical to the timetable are monitored and reported on. This has informed decisions on the scope of the timetable.</p>

Immediate actions			
	Action on Network Rail	Status	Our initial views
2.	Update its T-12 recovery plan, to publish the plan and to report publically against it thereafter. This should include the number of late notice changes being considered and the reasons for those changes (by 31 August)	A revised Informed Traveller Recovery Plan has been created and consulted on across industry. T-12 timescales are forecast to be recovered by early April 2019. A high level version of the recovery plan is on the Network Rail website. Network Rail will continue to report progress against the revised plan through the weekly progress report.	A revised T-12 delivery plan is in place to take into account the later offer of the December 18 timetable. We understand from Network Rail that industry considered this deliverable and this is supported by the fact that Network Rail and industry have been able to deliver against the milestones in the previous recovery plan. However the delivery of the T-12 plan is ultimately dependent on successful delivery of the main timetable changes.
4	Provide a first draft of proposals to accelerate plans to strengthen its timetabling resources and capability, and to produce leading indicators to allow ORR to assess whether it is on course to deliver.	Network Rail have provided us with a draft of their proposals. They report that there has been a better than 50 per cent reduction in turnover of operational planners in the last 6 months and they have recruited 52 new operational planners since 1 April 2018.	The report demonstrates that Network Rail have taken steps to increase the number of timetable planning staff. The options assessment for the way forward on the May 2019 timetable included explicit assessment of timetable staff resourcing available to undertake the process. NR have also demonstrated that they plan to accelerate projects that will improve the retention, capability and capacity of staff. We will continue to monitor these indicators.
3.	Speed up decisions about structural reform providing ORR with a draft plan setting out how this will be received.	Due by 30 September 2018.	

Overall, we consider that these steps have resulted in a more effective timetable process for December 2018 and May 2019 and we will continue to monitor how Network Rail is managing the timetabling process for these periods. However, as set out in our letter, there remains the need to undertake more fundamental reform to ensure that the timetabling system remains fit for purpose in the long term. There is the need to consider both medium term solutions for the timetable development for December 2019 and beyond as well as longer term solutions which implement permanent change to improve outcomes from the timetabling process in a sustained way.