



Freight Customer Panel

7 October 2019

The Freight Customer Panel is part of ORR's wider commitment to engage directly with freight customers. The panel provides a structured forum for engagement and helps to ensure our policies and regulatory decisions take into account the commercial environment that freight customers work within. The panel members assist us by contributing views, expressing opinions and advising us on freight issues. This note summarises the main themes and issues discussed at the seventh meeting of the Freight Customer Panel.

Freight Customer Panel delegates: Chris Swan (Tarmac), David Turner (WH Malcolm), Maggie Simpson (RFG), Martin Woor (HPUK), Simon Blake (Aggregate Industries), Ian Shaw (VTG Rail) Alex Veitch (FTA).

ORR delegates: Esther Sumner, Patrick Talbot, Catherine Williams, Steve Jones, Gordon Herbert.

Apologies: Paul Garnham (MSC).

The panel focused on the following themes:

- **Health and Safety update (Patrick Talbot)**

Patrick provided an update on the ORR Annual Health and Safety Report, Infrastructure maintenance at off-network sites and the Risk Management Maturity Model. Feedback included a discussion over the enforcement of health and safety legislation at off-network sites. It was noted a NR led event is being organised for November 2019.

- **Network Rail Route regulation**

There was a wide ranging discussion about NR route devolution and associated issues. Also mentioned was the Williams Review. The Scottish rail freight plan was mentioned as a good example.

- **Service Facility access (Gordon Herbert)**

Gordon explained that ORR guidance had been revised. Useful feedback was provided on Service Facility Descriptions, track access contracts and there were contributions on performance regimes.

- **ORR Consultations**

A short discussion on how ORR should engage with the wider rail freight community.

- **Freight customer event 2019**

The next ORR freight customer event will be in Manchester on 13 November 2019 and suggestions were made about topics to cover including capacity planning.

- **Next Panel**

It was agreed to hold another Freight Customer Panel by Spring 2020, details to be confirmed.



ORR protects the interests of rail and road users, improving the safety, value and performance of railways and roads today and in the future

OFFICE OF RAIL AND ROAD

ORR freight customer panel

7 October 2019

The slide features a header with the ORR mission statement and logo. Below this is a decorative horizontal bar composed of nine colored squares: light grey, light blue, dark blue, orange, red, teal, purple, and dark purple. To the right of this bar, the text 'ORR freight customer panel' is displayed in a large, bold, dark blue font, with the date '7 October 2019' in a smaller, lighter blue font below it.

Health & Safety Update

Freight Customer Panel, 7 October 2019

Patrick Talbot, HM Principal Inspector of Railways

“ORR protects the interests of rail and road users, improving the safety, value and performance of railways and roads today and in the future”

Overview

- Annual Health and Safety Report- Key Industry Challenges
- Infrastructure maintenance at off- network sites
- Risk Management Maturity Model

Annual Health and Safety Report

- Published 16 July 2019- covers 2018-19 health and safety performance

- Key Headlines
 - Britain's railways remain one of the safest in Europe
 - However... this rate of improvement is slowing
 - Two worker's tragically lost their lives on Britain's railways

- [Link](#)



Annual Health and Safety Report

- Harm on the mainline to passengers rose—seven of the 13 passenger fatalities were at platform-train interface
- Underlying SPAD risk has increased since Autumn 2018—Increase in the number of SPADs given a “potentially severe” ranking
- Objects on the line
- Infrastructure operation and signalling errors and irregularities
- Trespass



Industry Challenges

- Responding to increased pressure on the system arising from disruption across the network, more trains and ageing assets
- Managing the effective introduction of new technology while taking human interactions into account
- Supporting our people who are often the last line of defence in preventing a major failure

Infrastructure maintenance at off- network sites

- 2019-20 Inspection programme
- Aims
 - To ensure adequate track inspection and maintenance procedures are in place on 3rd party rail infrastructure where derailment could impinge upon network rail infrastructure.
- Scope
 - Limited to sites where ORR has vires (predominantly intermodal terminals)
 - Focus is on sites in the West Midlands and North West

Infrastructure maintenance at off- network sites

■ Objectives

- **Determine if the third party duty holder has in place**
 - Adequate track maintenance and inspection regimes, including the frequency and type of inspections.
 - A process to review, assess and address the risk from faults identified through the inspection regime
 - Decision making processes in place for track renewals, specifically when track renewals are deferred.
 - Arrangements to ensure the competence of the staff responsible for overseeing track inspection and maintenance.
- **Take relevant action with the duty holder to correct any deficiencies in their arrangements.**

Infrastructure maintenance at off- network sites

■ Inspections currently underway

■ Emerging issues

- Inspections tend to be based around basic visual inspection regime- is this sufficient for S&C?
- Important for duty holders to clarify responsibilities where different organisations manage, inspect and maintain track assets
- When faults are identified, duty holders need to ensure that they are acted upon and addressed- limited evidence of risk assessment being used

Risk Management Maturity Model

- ORR Long- term objective that duty holders demonstrate excellence in health and safety risk control

- But...
 - What is excellence?
 - How do duty holders demonstrate it?

- The Risk Management Maturity Model

Risk Management Maturity Model

- Everything informs management system picture.

- Management Maturity Model makes sense of all the information.

- Model is based on known good practice:
 - 5 stage development of maturity (“capability”)
 - 26 elements of management

Risk Management Maturity Model

- RM3 adopts the “Plan, Do, Check, Act” framework as well as;
 - SMS Good Practice
 - Emerging learning from incident reviews, including;
 - Texas City Explosion;
 - Nimrod
 - Walker Report

- RM3 is compatible with other management system standards (e.g. ISO)



Risk Management Maturity Model

- RM3 divides “Plan, Do, Check, Act” into 26 different components;

- For Example- Criteria SP: Health and Safety Policy, Governance and Leadership
 - SP1: Leadership
 - SP2: Health and safety policy (not including written health and safety management systems)
 - SP3: Board governance
 - SP4: Written health and safety management system

- Defines what excellence looks like for each criteria



Risk Management Maturity Model

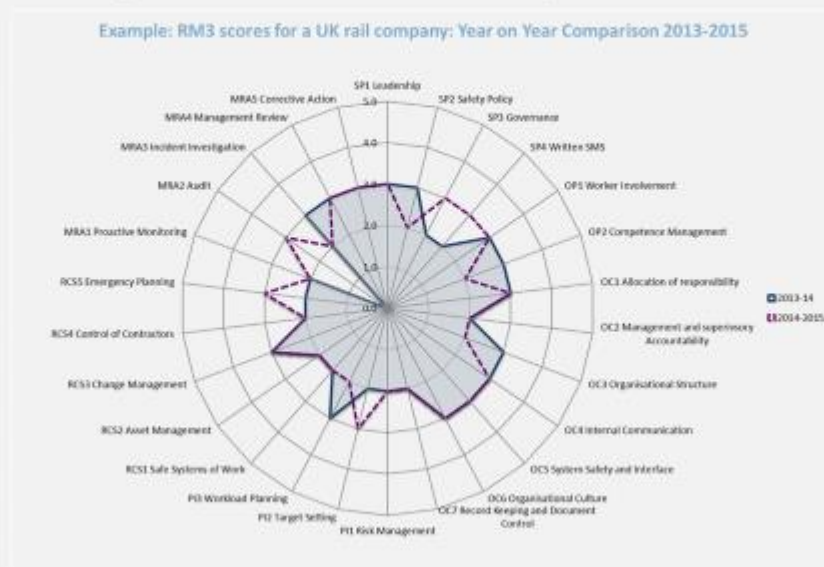
■ 5 stages:

- Excellent
 - Proactive/Continual Improvement
- Predictable
 - Delivery can be predicted by management system
 - Variation and change is controlled
- Standardised
 - Good practice synthesised into standard processes
- Managed
 - Local groups are managed to ensure repeatable performance BUT
 - Each work group performs similar tasks differently
- Initial – ad hoc
 - Ad hoc and uncoordinated



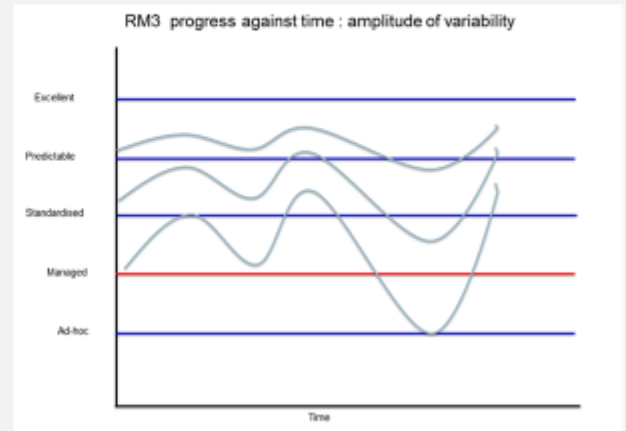
Risk Management Maturity Model

Example: RM3 scores for a UK rail company: Year on Year Comparison 2013-2015



Risk Management Maturity Model

- RM3 does not introduce anything new or create yet more paperwork and procedures.
- It is primarily about identifying and supporting good practice.
- It combines the best in health and safety management with proven business excellence models.
- It gathers evidence from a variety of sources.
- It enables us and you to identify where you are strong and where you are not so strong.
- It enables you to easily identify what you need to do to improve.
- It is not "pass/fail" or about numbers.
- It assists the journey towards a shared objective-excellence.



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Freight customer panel

Esther Sumner,
Catherine Williams,
Maggie Simpson

Network Rail route regulation



Freight customer panel

Gordon Herbert

Service facility access

Service facility access

■ Context

- Railways Act 1993
- Recast package and EC directive
- The Railways (Access, Management and Licensing of Railway Undertakings) Regulations 2016
 - Built on 2005 regime.
 - Amended in 2019.
 - Presumption of access.
 - Monitoring of the market.
- Implementing Regulation on Service Facilities
- Competition law

Publication of information

■ Network statements

- SF information
- Service Facility Descriptions from 2019
 - Key characteristics eg services, charges, opening times
- Communicating the message

■ ORR guidance

- Revised [guidance](#)
 - ORR policy, not detail of the legislation.
 - Principles.
 - FAQs? Next version?

■ Cases

■ Experience

- Industry feedback and current issues

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Freight customer panel

Esther Sumner

**Freight customer event
November 2019**