

Chris Littlewood
Office of Rail Regulation
One Kemble Street
London
WC2A 4AN

Floor 2, East Anglia House
12-34 Great Eastern Street
London
EC2A 3EH

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Dear Chris

ORR consultation: Network Rail's output framework for 2014-19

Thank you for the opportunity to review ORR's proposals on Network Rail's output framework for CP5. We set out our response to the consultation questions below.

In principle we support ORR's stated aims for the setting of outputs however we believe that this must not be at the expense of adding further complexity or burdensome monitoring to the regulation of Network Rail. The framework must incentivise and create transparency in Network Rail's delivery of HLOS outputs without impeding or conflicting with train operators' delivery of outputs required by franchise agreements.

Greater Anglia also supports ATOC's response to this consultation.

I confirm that none of this response is confidential.

Yours sincerely

Phil Barrett
Head of Operations Development & Track Access

Q1 Do you agree with our proposals for outputs and indicators for passenger train service performance? Should we retain the sector level outputs for PPM and CaSL (for England & Wales)? Is there more we need to do to ensure consistency with franchise obligations?

Greater Anglia emphasises the need for the setting of outputs and indicators which are consistent with obligations in franchise agreements and the provisions of schedule 8 in track access contracts but which have adequate provision to accommodate changes which may be necessitated by future franchise specifications. This will ensure that regulated targets throughout the industry are aligned.

We believe there is some merit in retaining sector level outputs as this creates some transparency for the industry with regard to the performance of different operators on a route however agree that it is not necessarily a particularly meaningful measure for customers. We do support the introduction of TOC based performance outputs, and that PPM and CaSL are appropriate for this, however it should be at the expense of diluting Network Rail's overall responsibility for performance of the network. TOC performance is already adequately incentivised by arrangements in its franchise agreement.

Q2 Do you agree with our proposals for an output and indicators for freight train service performance?

Provided that freight outputs are aligned and do not generally conflict with passenger operator outputs on the same route we are content with ORR proposals on this matter.

Q3 Do you agree that outputs for Network Rail in relation to named projects, capacity metrics and funds should be project-specific milestones defined in the enhancements delivery plan? Do you have any comments on how useful the enhancements delivery plan has been in CP4? What are your views on indicators to measure the efficiency and effectiveness of the used of the funds?

Greater Anglia believes the delivery plans in CP4 were a step forward in defining outputs and allowing operators to deliver specific and measurable outputs and that these remain appropriate for continued use in CP5 and we recognise that a mechanism to adjust these outputs during CP5 may be required.

Q4 We propose to define delivery plan milestones to ensure Network Rail delivers a plan to reduce risk at level crossings and to use certain indicators to monitor Network Rail's delivery of these outputs and its wider legal obligations. Do you agree with this approach?

Greater Anglia believes that the provisions of Network Rail's licence obligations are sufficient for this purpose and additional regulatory monitoring is not appropriate.

Q5 Do you have a proposal for an alternative to the existing network availability (for reducing disruption from engineering works) outputs, which could be viably implemented in time for the start of the next control period? If the existing outputs are retained do you have any proposals to improve them?

Greater Anglia generally agrees with the view that the complexity of the PDI-P measure has diluted its usefulness but we do support its continued use in CP5. We would propose a simpler measure along the lines of number of days (or part) per year unavailable due to engineering works shown as a percentage and weighted by passenger revenue and/or number of customer journeys on each route.

Q6 Should we introduce a measure of the efficiency of the use of possessions, and if so how could this be defined?

Greater Anglia supports the introduction of a measure to monitor the efficiency of use of possessions and see this as going hand in hand with the ORR's current review of Schedule 4 provisions. Schedule 4 is a useful tool in managing planned disruption of the network however its usefulness to operators is very limited as a tool to ensure Network Rail uses its opportunities efficiently.

Q7 Do you agree that we should retain the CP4 network capability output? Do you have a view on the usefulness of the indicators suggested, or any further suggestions for improvement?

Greater Anglia is content that the network capability output proposal is suitable however it is not sufficient that the CP4 capability is simply carried forward for CP5. The current capability of the network must be safeguarded to ensure future infrastructure projects do not erode current capacity or stifle future development of the network.

Q8 We want to improve the definition of the existing station condition output (SSM station stewardship measure) and introduce a new measure – SSM+ - which provides a clearer disaggregation for measuring condition and better, value based, weights. Do you agree with this new approach?

We generally support this approach. However it should take into account an operator's obligations under its franchise agreement i.e. our NPS scores in relation to stations.

Q9 Do you agree that we retain the current CP4 measure of depot condition but treat this as an indicator rather than an output?

Greater Anglia agrees that the current CP4 measure of depot condition is retained however we would note our experience to date is that it does not appear to have been a very effective incentive on Network Rail to maintain or improve depots and depot facilities.

Q10 Do you agree with the proposed new approach to strengthen the focus on further asset management improvements? Do you have any specific comments on the detailed measures?

Greater Anglia agrees with ORR's proposed approach to strengthen the focus on further asset management improvements, particularly given the volume of proposed asset renewals required in CP5 on the GE main line. We see this area as key as it underpins successful delivery of CP5 outcomes for both Network Rail and train operators.

Q11 Which, if any, of the asset management measures do you think should be regulatory obligations (equivalent to outputs) and which should be enablers/indicators?

Greater Anglia considers that whatever the asset management measures are they must enable Network Rail to meet fully its obligations under its track access contracts with train operators.

Q12 Recognising that certain indicators are needed to monitor HLOS delivery, and that Network Rail is in the process of deciding on further indicators, do you have views on specific environmental indicators which we should monitor?

Greater Anglia supports ORR's proposal not to set any environmental outputs for Network Rail in CP5 and to set indicators to support the delivery of HLOS. We do not believe that any further environmental indicators are necessary.

Q13 Should we introduce a new indicator of changes in journey times? Do you have views on how this measure should be calculated? Should we also introduce a measure of accessibility to stations?

Greater Anglia considers that there may be some merit to the introduction of an indicator to measure journey times, because this has both relevance to managing capacity of the network and is of importance to passengers. However in order for train operators to best manage the impact of changes to journey times both on its customers and on the obligations within its franchise agreement following changes to infrastructure and or timetabling processes, the operator remains best placed to manage these issues with Network Rail and therefore would not support the introduction of a generic indicator over retaining journey time provisions in its track access contract with Network Rail.

Q14 Should we introduce a new indicator designed to measure improvement in passenger information provision and how should this be measured?

Given the recent introduction of a licence condition in relation to the provision of information to passengers, Greater Anglia considers that regulatory monitoring of against this condition should be sufficient given that the industry can already demonstrate various work streams in relation to passenger information are on going.

Q15 Should we also consider new indicators for example covering Network Rail's supply chain management and approach to innovation?

Greater Anglia does not see this activity as being a useful addition to the ORR's core functions.

Q16 Do you have views on the introduction of a new measure of how Network Rail is developing its capability as a system operator and what the measure should cover?

Greater Anglia considers that as many of the processes described in ORR's consultation in relation to Network Rail's function as a system operator are already monitored in relation to its licence obligations we do not believe that introducing such a measure needs to be a priority for introduction in CP5.

Q17 Should we have a mechanism to allow formal trade-offs to be made between high level outputs during the control period?

Greater Anglia supports the idea of a mechanism to allow formal trade-offs between high level outputs during CP5 provided that where one scheme that is traded for another they must be of similar value.

Q18 What do you think of the idea of a scorecard to provide context to our assessment of Network Rail's performance in CP5? Do you have views on our proposed scorecard, and do you have alternative suggestions?

Greater Anglia supports the principle of a balanced scorecard approach. However we believe ORR should consider whether it is appropriate to include the output framework when so many of the output areas are reliant upon delivery by third parties.