

First parallel sessions

A: Outputs

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OFFICE OF RAIL REGULATION

Changes to regulated outputs

- Focus on areas where there are significant changes to outputs in CP4: capacity, performance, safety and network availability
- Network capability and station condition broadly held constant (but note e.g. impact of NSIP)
- No regulated outputs for asset condition – monitor against dashboard of indicators

Capacity

- £7.5bn of enhancements funded in PR08 draft determinations
- We have taken a different view from Network Rail in specific areas:
 - What can be delivered in CP4
 - Levels of catch up and frontier shift efficiency that can be achieved
 - Scope of some projects
 - Some of proposed projects have not been funded- we set out criteria on which these decisions were based
- Broad agreement in some areas e.g. treatment of risk
- Delivering extra capacity goes beyond Network Rail – rolling stock plan

Capacity

Type of Project

Network Rail's obligations

Examples

HLOS baseline and specified schemes

Funded to deliver these defined schemes

**Thameslink
GARL**

Schemes to deliver the passenger km specification and the London HLOS capacity specification

Funded to deliver these defined schemes

East Coast

Schemes to deliver HLOS capacity specification for London/ urban areas

Funded to deliver capacity specification but flexibility over schemes- CP4 delivery plan establishing preferred approach

Platform lengthening

Performance fund

Funded to meet target but discretion over how fund spent

Other schemes meeting our criteria

Funded to deliver schemes

Line speed improvements

Performance

- HLOS improvements- PPM and significant lateness
- We also set regulated outputs for:
 - Trajectories for HLOS PPM and significant lateness; and
 - Network Rail delay minutes for passengers and freight by year.
- Network Rail, in its CP4 delivery plan will:
 - Set PPM trajectories and trajectories for Network Rail delay minutes for each TOC; and
 - Set trajectories for each FOC (either normalised delay minutes or using new measure).

Safety

- HLOS set out requirement for a 3% reduction by the end of CP4 in the risk of death or injury to passengers and rail workers from accidents on the railway
- Set out by the Secretary of State in the England & Wales HLOS – but applying across GB
- We are satisfied that the HLOS requirement is achievable

Network availability (1)

- Recently published consultation paper setting out trajectories for possession disruption indices
- Purpose is to provide measure of overall disruption and establish appropriate incentives. Not intended to measure local disruption
- Network Rail, working with industry, plans to move towards shorter possessions. Allow more passenger services to run at weekend, generating revenue, but potential impact on freight

Network availability (2)

- We have distinguished stage 1/ stage 2 changes. Stage 2 includes 'seven-day railway' capital investments of £160m on specific routes. Both stages taken into account in indices
- From base of 1 in 2007/08, Network Rail required to reduce PDI-P to 0.63 in 2013/14 and hold freight index constant
- Recognising that these measures are new, we will have extensive monitoring KPIs, and also route specific monitoring for stage 2 investment