



OFFICE OF RAIL REGULATION

Welcome to RIAC 90

12 June 2012

Dilip Sinha

Secretary, RIAC



OFFICE OF RAIL REGULATION

Strategy for health and safety regulation

John Gillespie

12 June 2012

I will cover...

- ▶ Our role and goals
- ▶ The legal framework that sets our role
- ▶ Our understanding of the risks and how we:
 - ▶ prioritise our work on the risks
 - ▶ target our resource in relation to each risk
 - ▶ build our business plan
 - ▶ supervise the industry players through various techniques
- ▶ How we are sharpening up to meet new European law.

Our Goal is reduced harm...

- ▶ Vision: Zero fatalities and ever-decreasing health and safety risk
- ▶ Excellence
 - ▶ In asset management and operations
 - ▶ In health and safety management and culture
- ▶ Result
 - ▶ Better management capability
 - ▶ Reduction in risks
 - ▶ Reduction in harm
 - ▶ Reduced likelihood of catastrophic incident



Our core message...we check compliance and push excellence in management...

- Checking legal compliance
 - control of risks
 - every day
 - by businesses.
- Pushing for excellence in management by businesses
 - because excellent management means
 - more likelihood of compliance every day.
 - more likelihood of control of risks every day.

Our law is European and home-grown....

- ▶ European Railway Safety Directive 2004/09
- ▶ Domestic Health & Safety at Work etc Act 1974
 - ▶ ROGS Regulations
 - ▶ We grant permission to each business on the basis that they control risks using their management system
 - ▶ We re-do this at least every 5 years
 - ▶ We check that their system is up to a common European standard
 - ▶ We check control of risks by management in each business
 - ▶ Constantly
 - ▶ Through our plans for inspections and investigations



Why excellence in management?

- ...because managers control risks day in, day out.
- Managers' performance varies.
 - If they are already high performing (“excellent”), then greater likelihood that their dips in performance will still be above the legal minimum and risks will be adequately controlled.
 - If they are only poorly performing (“ad hoc”), then greater likelihood that their normal performance (and any dips) are below the legal minimum and risks are uncontrolled.
- Management maturity model helps us evaluate the capability of managers to control risks.



The industry has models to understand the risks...

➤ Strengths

- *“invaluable, richer & more robust picture of railway safety risk than can be obtained from analysis of recent safety performance”*

➤ Weaknesses

- *Somewhat overstate risk (err on side of caution)*
- *Insufficient indication of confidence limits to the risk estimates*
- *Data input quality*

➤ They have importance

➤ Not the whole story: you need to consider management capability too

➤ They are an aid to our thinking on risk priorities and strategy

We prioritise risks by using a scorecard....

- ▶ Scorecard includes judgments on..
 - ▶ How well businesses are managing their risks
 - ▶ Our confidence that their performance will be sustained
 - ▶ Enforcement history
 - ▶ Likely public, political & media concern
 - ▶ How we can make a difference.

The outcome of our scorecard is

- A comprehensive list
- Divided into: High, Medium, Low priorities.
- That set our work programmes and
- help us judge resource allocation.
- Example:
 - Occupational health: Low in rank, so modest resource, but having big impact.

The risk priorities link to our plans

- ▶ The **risk priorities** and **enablers**:

- ▶ Are analysed and described in the strategic document
- ▶ Match our work programmes

- ▶ **Resources**:

- ▶ are allocated to the programmes
- ▶ Guided by the approach set out in the strategic document for each



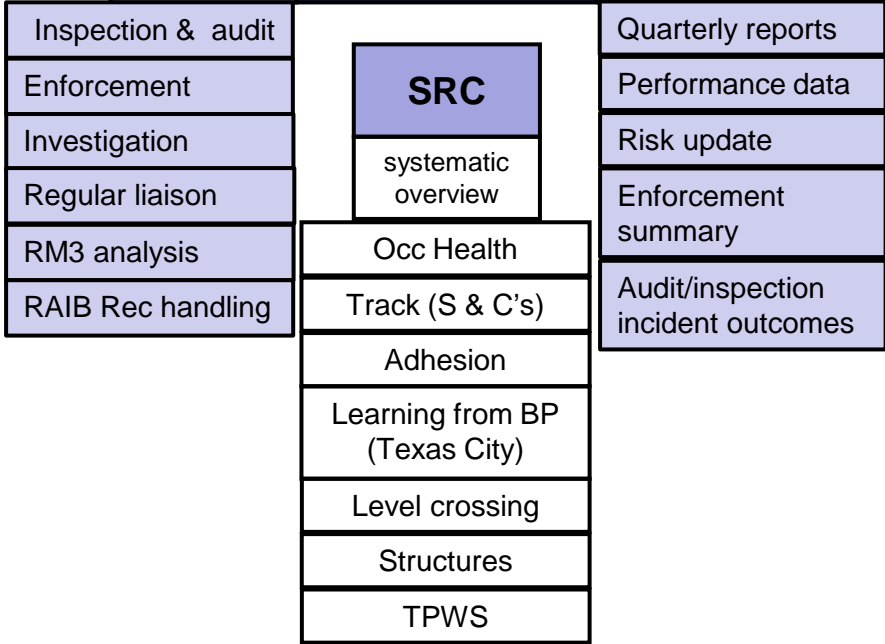
So....

- ▶ For each sector
 - ▶ Mainline
 - ▶ Transport for London
 - ▶ Trams & light railways
 - ▶ Heritage
- ▶ We know
 - ▶ Our risk priorities
 - ▶ Our programmes of work
 - ▶ Our planned activities in each programme
- ▶ Illustrated in next series of slides

Heritage
Trams
TfL

Mainline Railway		
TOC's	NR	FOC's

Inspectors	ORR	Board
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Risk Areas & their Work Programmes

- Level crossings
- Interface system safety
- Infrastructure
- Rolling Stock
- Workforce safety
- Workforce occupational health

Example work activities

- Check NR's LX risk assessment process by inspection audit.
- Check how NR Improves safety during design
- Encourage change of culture from standards & rules to risk based.
- Check change to devolved routes and alliances with a focus on maintenance
- Check by audit inspection that the track inspection regime in Network Rail is working
- Check fatigue management up to our new guidance
- Worker safety on construction sites
- Low adhesion, check completion of industry activities

Enablers & their work programmes		
Competence	Management	Change

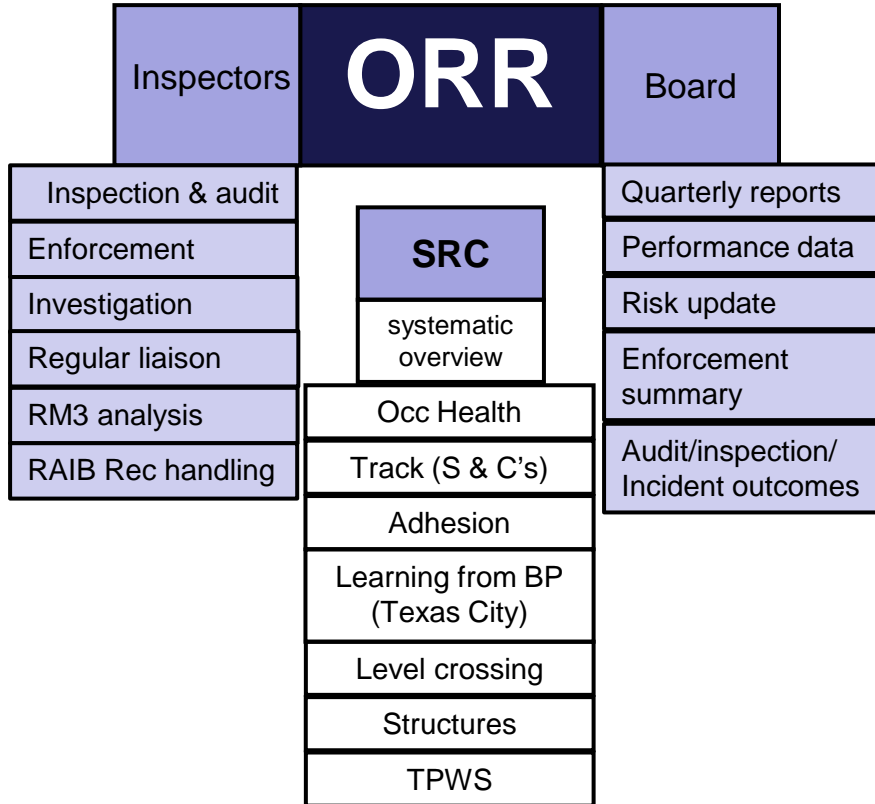
Mainline
Heritage
Trams

Transport for London

Overground	Underground	M't contractors
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Risk Areas & their Work Programmes

- Level crossings
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Example work activities

- Check management of change: capacity increases
- Platform train interface
- Ageing assets (signals & tunnels)
- Worker safety: assault
- SPADs
- (DLR): Congested stations

Enablers & their work programmes

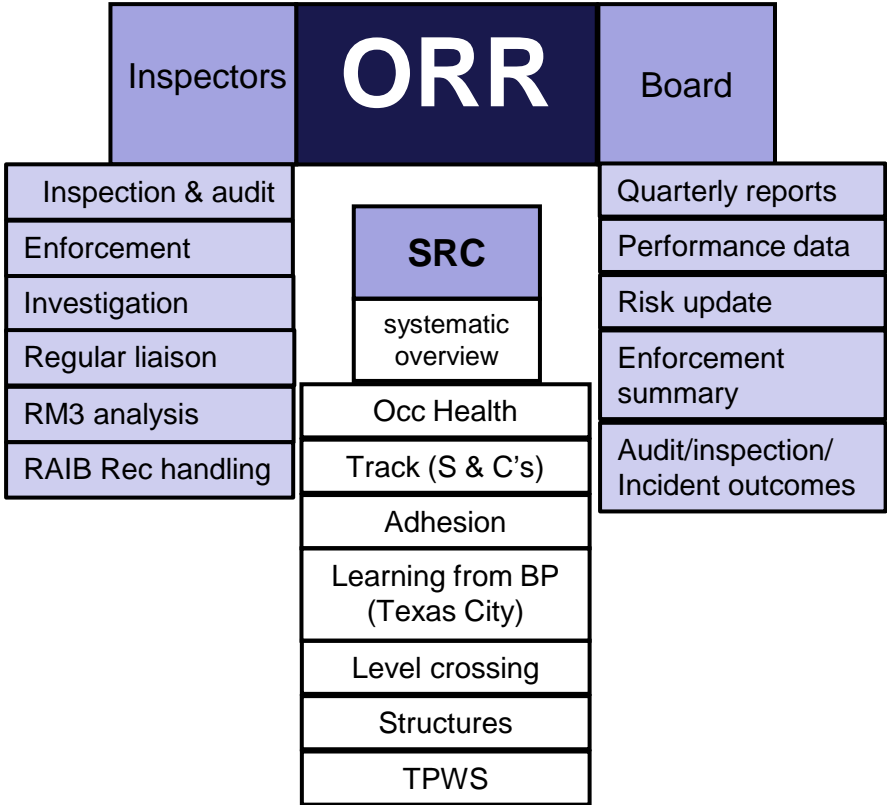
Competence	Management	Change
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TfL
Mainline
Heritage

Trams

Risk Areas & their Work Programmes

- Level crossings
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Example work activities

- Safety of new works
- Use of heavy rail technology
- Safety verification
-
-
-
-

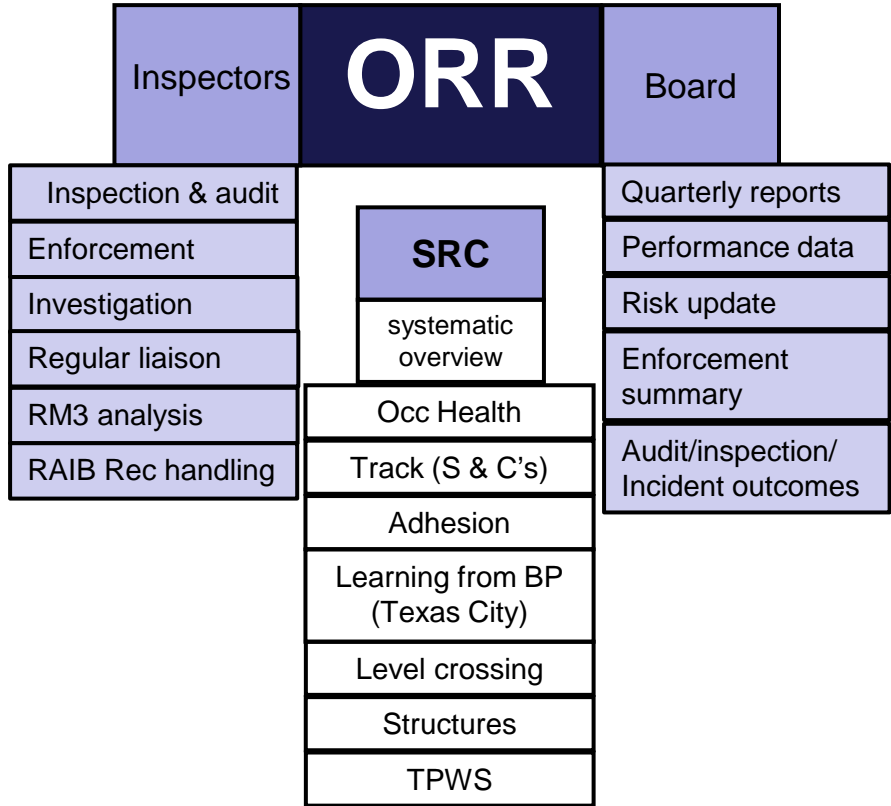


Trams
TfL
Mainline

Heritage

Risk Areas & their Work Programmes

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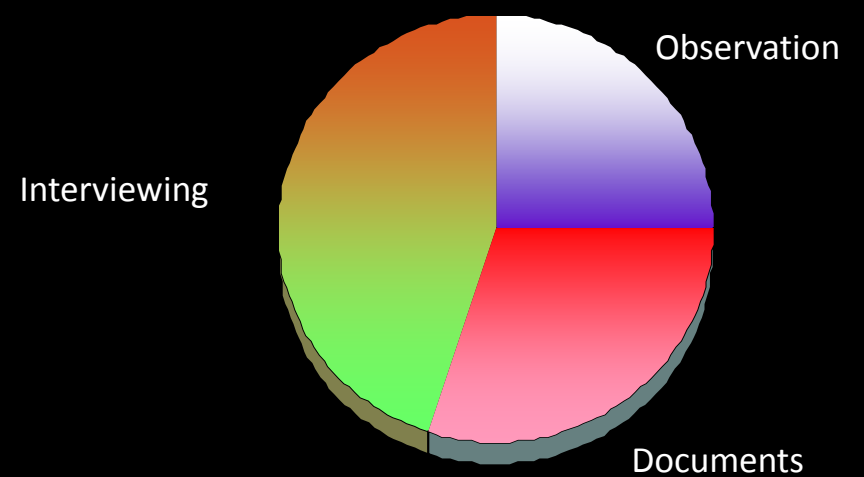
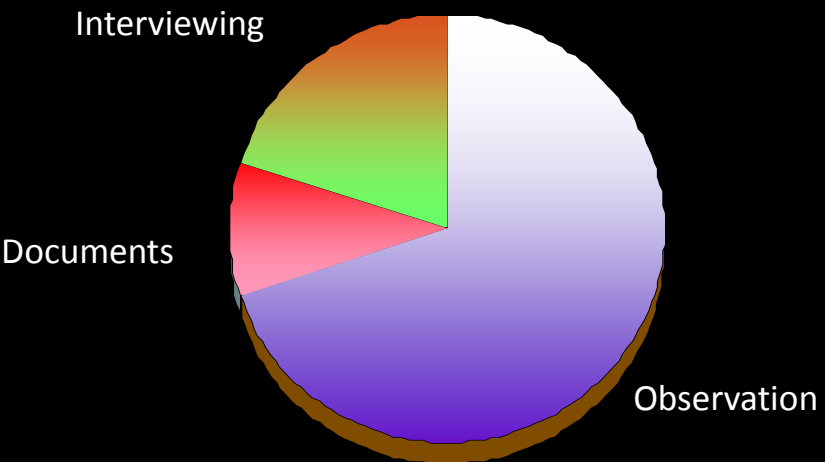
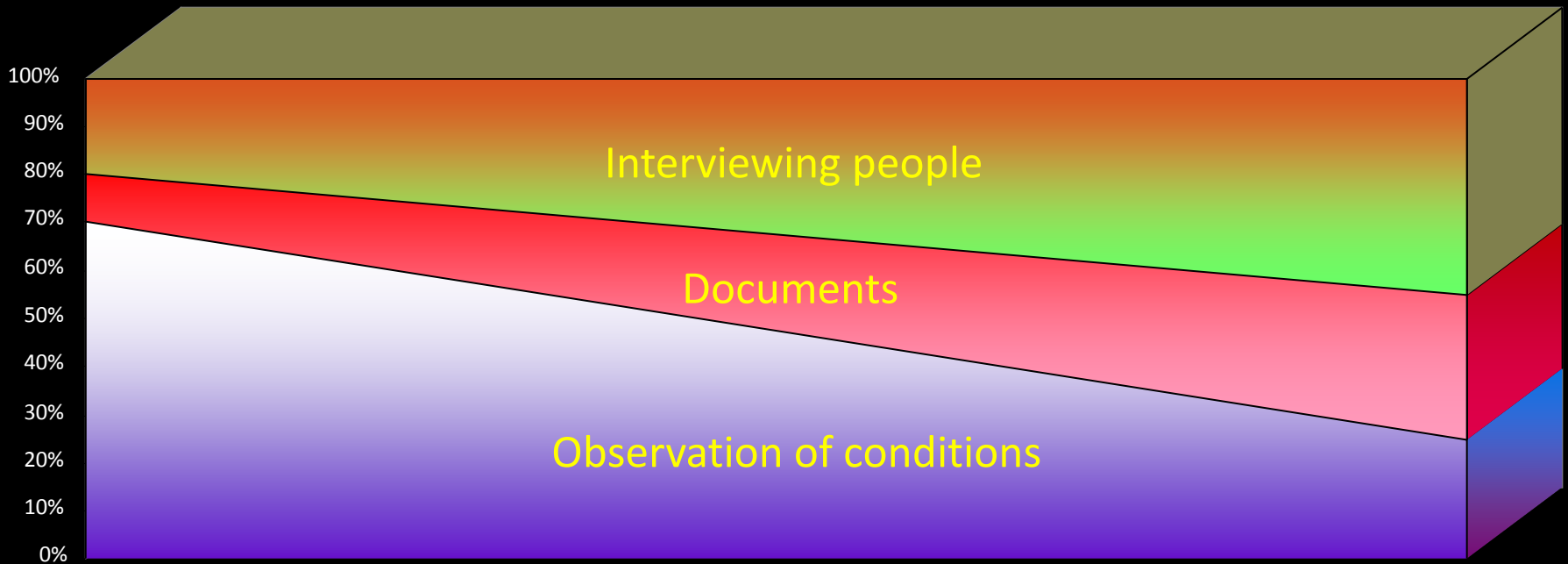
Example work activities

- Improved Corporate Governance
- Volunteer Competence
- Pressure Systems (boilers)
- Management Systems
-
-
-



How we check safety is being managed properly from top to bottom in rail businesses.....

- *..because all that we do informs our picture of the capability of managers to control health and safety risks...*
- Includes...
 - **Proactive inspection**
 - Audit inspection of whole management system: people, procedures, outcomes (*More on next slide*)
 - Inspection of particular issues
 - **Reactive investigation**
 - Complaints
 - Incidents & accidents



We are sharpening up on strategy and impact...

- Sharpen up on:
 - the match of our **work programmes** to our **strategy**.
 - keeping **strategy** under regular review
 - Identifying **potential impact** of our activities to reducing the likelihood of multi-fatality events using the **industry risk models**
- Sharpen our management of safety regulation
 - Use the **ERA cross-audit** results to help us do this.
 - **Inspection quality**: performance of least capable Inspectors comes closer to the practice of our best
 - **Regulatory decision-making** being clearly in line with our **policies**.

Finally....

- We continuously focus on the main risks in the industry and relate them to our work programme and resources.
- We know our inspection methods, and how we measure progress towards excellence in management by the industry players and
- We are aiming for better management capability, reduction in risks, reduction in harm and reduced likelihood of catastrophic incidents.



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Periodic review update to RIAC

Michael Beswick

12 June 2012

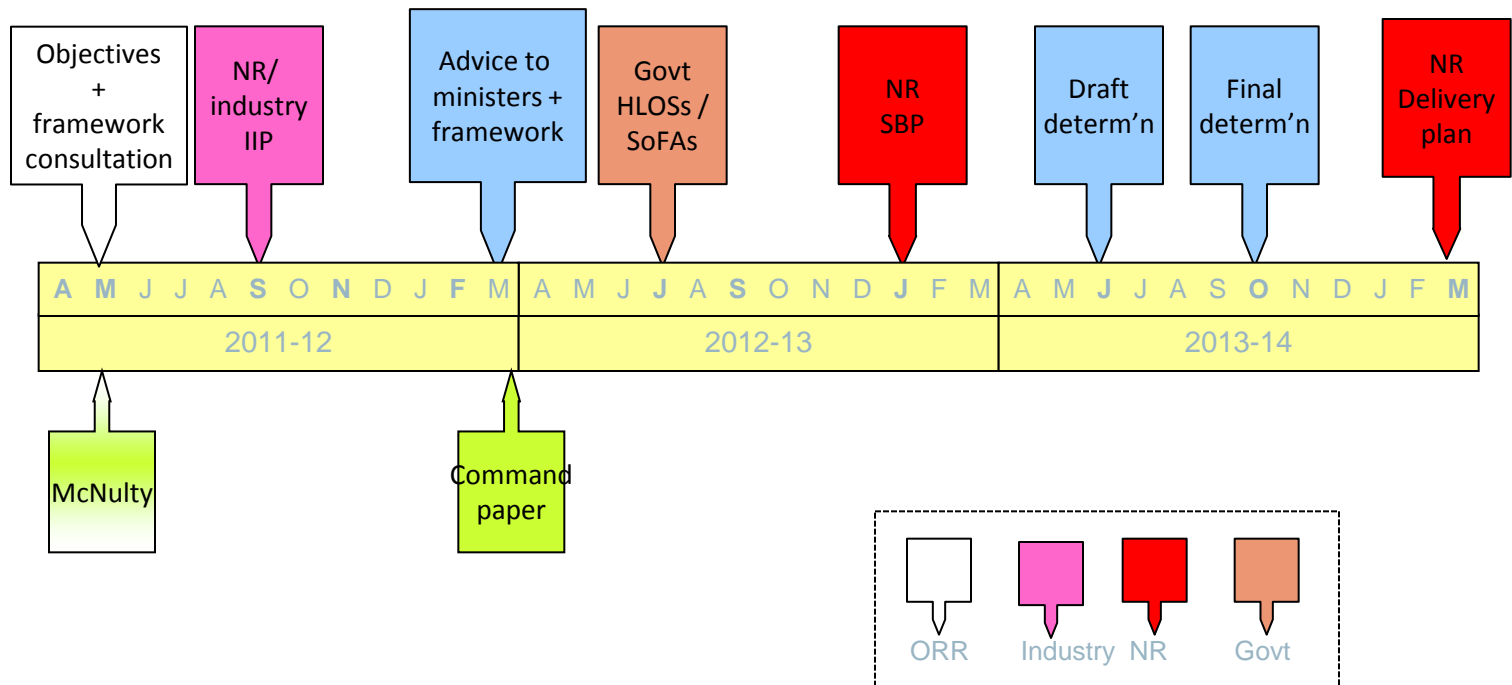
Periodic Review 2013

- Establish Network Rail's outputs and funding for 2014-19 based on what government wants from the railways and how much money it has got, and the efficient cost of delivery
- Improve the incentive framework in the industry to facilitate better outcomes for users and funders

Industry background

- McNulty
- Command paper
- Alliances
- Alignment of incentives
- Rail Delivery Group

Key milestones



Advice to Ministers

- CP5 expenditure/funding ranges
- Specific advice on safety
 - Level crossings
 - £80m 'day job', legal obligation
 - £266m industry plan – not legal obligation
 - Safety targets

SoFA/HLOS: July 2012

- How much public funding available for railways
- And what government wants that funding to achieve
- Separately for Scotland and for England and Wales
- Last time included specific safety targets

ORR outputs consultation August 2012

- ▶ Follows on from HLOS
- ▶ What Network Rail should be required to deliver
 - ▶ Outcomes
 - ▶ Outputs (e.g. performance)
 - ▶ Measures
 - ▶ Enablers
- ▶ Any specific safety requirements

And beyond

- Strategic business plan
- ORR draft determination
- ORR determination
- Key questions for ORR as safety regulator
 - Can the risks be managed within the overall funding
 - Should there be any specific safety requirements on Network Rail