
Rail North Committee Meeting – Item 5

Subject: Update on Industry Reviews

Author: David Hoggarth, Strategic Rail Director

Sponsor: Barry White, Chief Executive

Meeting Date: Tuesday 9 October 2018

1. Executive Summary:

- 1.1 This report provides an update on industry reviews including the Office of Rail and Road (ORR)'s independent report into the timetable problems and the Department for Transport's proposed Rail Review.

2. Recommendations:

- 2.1 That the update of industry reviews is noted.

3. Issues:

- 3.1 Following the problems with the May 2018 timetable there are a number of industry reviews underway or in development. These include:
- a) ORR Inquiry into May 2018 network disruption
 - b) Department for Transport (DfT)'s Rail Review
 - c) Northern and Network Rail Independent Review into the timetable change
 - d) DfT and Transport for the North's Joint Review of the Rail North Partnership.
- 3.2 Office of Rail and Road is the independent statutory regulator for the rail industry. At the request of the Government, ORR established an Inquiry into the factors that contributed to the failure to produce and implement a satisfactory operational timetable in May 2018. The ORR published its interim report on 20 May.
- 3.3 The full report is available at <http://orr.gov.uk/rail/consumers/inquiry-into-may-2018-network-disruption>. An overview of the key points most relevant to the North of England is included as Appendix 1.

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- 3.4 Also announced on 20 September was the Department for Transport's Rail Review. This review will look at the structure of the whole rail industry, including increasing integration between track and train, regional partnerships and improving value for money for passengers and taxpayers. Plans for reform are to be implemented from 2020.
- 3.5 The review — led by independent chair Keith Williams, the former British Airways chief executive and deputy chairman of John Lewis Partnership — will build on the government's franchising strategy — bringing track and train closer together to reduce disruption and improve accountability, and considering regional partnerships and how we can use innovation to improve services and value for money for passengers.
- 3.6 The panel membership will include Roger Marsh, who chairs the body representing the 11 local enterprise partnerships in the north of England and will bring his expert knowledge and experience of business and transport needs across the north of the country. Roger Marsh is the Chair of Leeds City Region Local Enterprise Partnership and a member of the Transport for the North Board.
- 3.7 Network Rail and Northern commissioned an independent report and recommendations into the preparations and processes leading up to the implementation of the recent timetable change. The report focusses on the relationship between Network Rail and Northern and how the two parties can work together more effectively in developing and implementing future timetables to ensure all the building blocks of our plans are in place in plenty of time to deliver for customers. It is understood that Northern and Network Rail are currently developing an action plan.
- 3.8 Following the problems with the May 2018 timetable, the Department for Transport and Transport for the North commissioned a joint review of the Rail North Partnership.
- 3.9 Good progress has been made on this review; background information has been collated including passenger and business impacts. Feedback from Transport for the North member authorities, DfT, train operators and Network Rail has been assembled through a questionnaire.
- 3.10 The review is on course to report later in the year.

4. Options Considered:

- 4.1 There are no alternative options as the report is an update.

5. Considerations:

- 5.1 Members are asked to consider the information set out in the report.

6. Preferred Option:

- 6.1 The preferred option is set out in the recommendations.

7. Appendices:

- 7.1 Appendix 1: Key Points from the ORR Interim Report in the May 2018 Timetable

List of Background Documents

Required Considerations

Please confirm using the yes/no options whether or not the following considerations are of relevance to this report.

Equalities:

Age	Yes	No
Disability	Yes	No
Gender Reassignment	Yes	No
Pregnancy and Maternity	Yes	No
Race	Yes	No
Religion or Belief	Yes	No
Sex	Yes	No
Sexual Orientation	Yes	No

Consideration	Comment	Responsible Officer	Director
Equalities	A full Impact assessment has not been carried out because the report is for noting.	Strategic Rail Director	Strategic Rail Director

Environment and Sustainability

Yes	No
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Consideration	Comment	Responsible Officer	Director
Sustainability / Environment	A full impact assessment has not been carried out because the report is for noting.	Strategic Rail Director	Strategic Rail Director

Legal

Yes	No
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Consideration	Comment	Responsible Officer	Director
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Legal	TfN <i>Legal Team</i> has confirmed there are no legal implications.	Strategic Rail Director	Head of Legal Services
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Finance

Yes	No
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Consideration	Comment	Responsible Officer	Director
Finance	TfN Finance Team has confirmed there are no financial implications.	Strategic Rail Director	Finance Director

Resource

Yes	No
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Consideration	Comment	Responsible Officer	Director
Resource	TfN HR Team has confirmed there are no resource implications.	Strategic Rail Director	Business Capabilities Director

Risk

Yes	No
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Consideration	Comment	Responsible Officer	Director
Risk	There are no risks associated with the report.	Strategic Rail Director	Strategic Rail Director

Consultation

Yes	No
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Consideration	Comment	Responsible Officer	Director
Consultation	A suitable consultation has been carried and the results will be	Strategic Rail Director	Strategic Rail Director

	included in the final report of the Joint Review of the Rail North Partnership.		
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Appendix 1: Key Points from the ORR Interim Report in the May 2018 Timetable

The Office of Rail and Road (ORR), is an independent body that protects the interests of rail and road users. They have responded to a request from the Secretary of State for Transport for advice on what went wrong and what should be changed to prevent a recurrence. This is an interim report. They will publish recommendations by the end of 2018.

The impact of this experience has had a significant financial and emotional cost to those passengers affected, directly impacting upon their work and families and in some circumstances their personal safety. This has undermined the trust in the railway and the reliance they place upon it in their lives.

The Inquiry has made findings attributable to Network Rail, the train operators, the Department for Transport (DfT) and the Office of Rail and Road (ORR) about the failures to identify these risks and properly manage them. It finds that:

- Network Rail's System Operator managed the timetable process and was in the best position to understand and manage the risks, but did not take sufficient action, especially in the critical period in autumn 2017;
- while the circumstances for Northern and GTR were quite different, neither were properly aware of or prepared for the problems in delivering the timetable and that they did not do enough to provide accurate information to passengers once disruption occurred;
- DfT and ORR have responsibilities overseeing most aspects of the industry and neither organisation sufficiently tested the assurances that they received from the industry about the risk of disruption, despite having information and powers that would have allowed them to do so; and
- the rail industry's processes for planning and managing major timetable changes do not adequately manage the risk arising from the engineering and other projects on which they depend, or prioritise the impact on passengers when making decisions about these risks

In relation to governance in the North of England, the Interim report states;

"The unique devolved governance structure under which the Northern and TransPennine franchises operate, involving authorities from the north of England alongside the DfT, is complex and subject to a separate review in light of the May 2018 timetable disruption; the Blake Review. On the basis of the evidence reviewed by this Inquiry, we find no reason why this structure created risks that

were material to the failure to introduce an operational timetable by Northern, subject to the conclusion of that review.”

The final stage of the Inquiry will analyse what actions the industry, DfT and ORR must take to ensure that a similar breakdown of services cannot happen. Recommendations will be published in the Final Report in December.