# Office of Rail Regulation

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# ORR is the combined independent regulator for the rail industry

Economic regulator for railway infrastructure (Network Rail and HS 1)

Health & safety regulator for the rail industry as a whole – including main line, metro, tramways and heritage railways across Britain

The industry's consumer and competition authority

ORR also has a role in providing independent advice to the government and to the industry about the future of the railways, and we work with regulatory authorities in other sectors in the UK and rail authorities across the world to develop best-practise standards in railway regulation

# 5 strategic objectives for ORR

**1. Drive for a safer railway:** Enforce the law and ensure that the industry delivers continuous improvement in the health and safety of passengers, the workforce and public, by achieving excellence in health and safety culture, management and risk control.

**2. Support a better service for customers:** Use our powers to hold the industry to account for performance and standards of service across the railway network, for passengers and freight. Promote on-going improvement in the experience of passengers by encouraging the industry to work together, including to provide greater transparency of information.
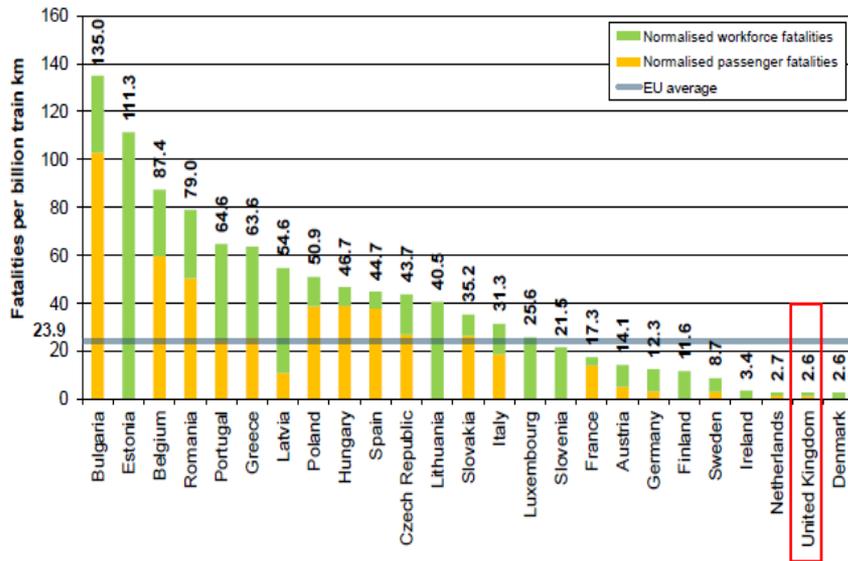
**3. Secure value for money from the railway, for users and funders:** Strengthen incentives for the whole industry to work together to drive greater efficiency from the use and maintenance of existing railway capacity, and more cost-effective investment in the network.

**4. Promote an increasingly dynamic and commercially sustainable sector**: Support sustainable economic growth by promoting innovation and efficient long-term investment across the rail industry through the appropriate development of effective markets and regulatory intervention.
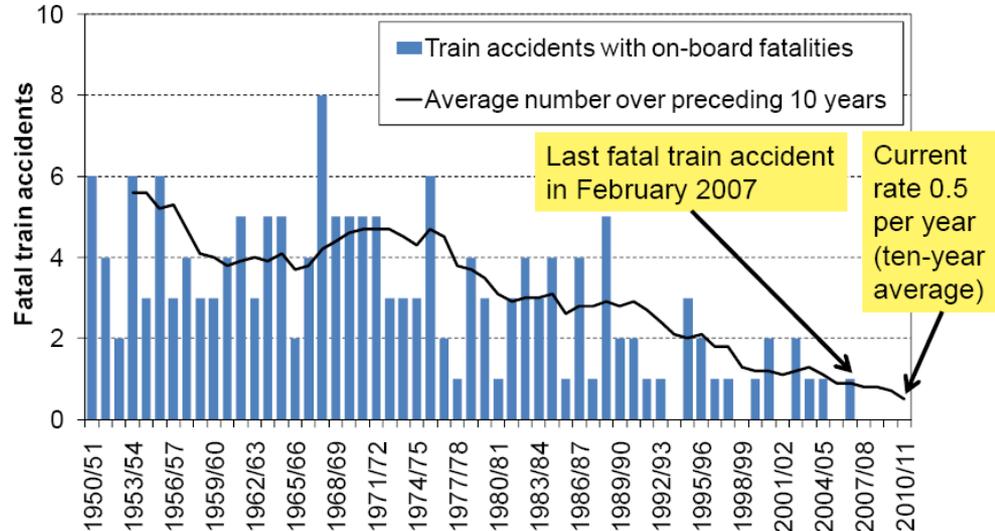
**5. Be a high-performing regulator:** Develop and apply proportionate and risk-based regulation, taking a whole-sector approach. Make more effective use of our resources across safety and economic functions, maximise the value of our regulation while minimising the costs of compliance for the industry.

ORR
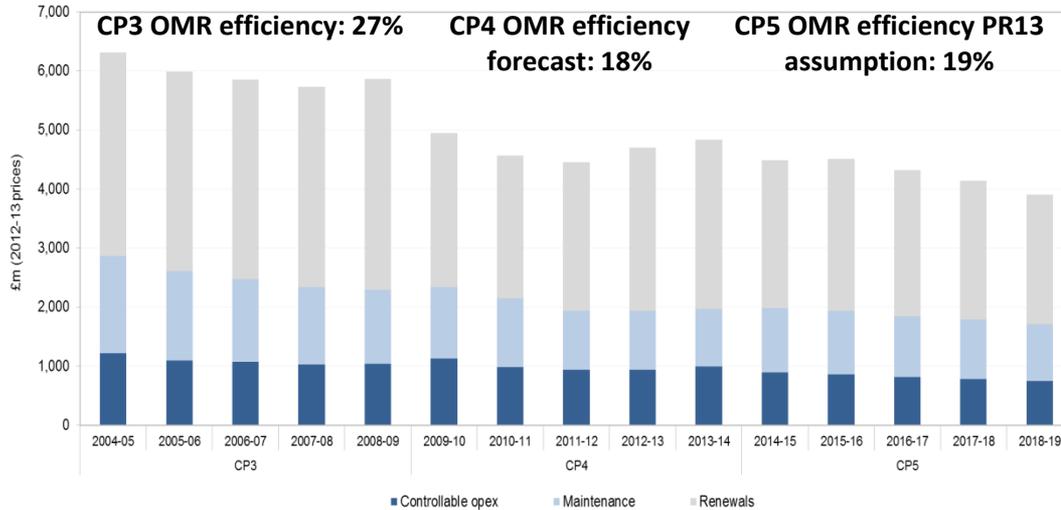REGULATION

# Value of safety regulation–reduced harm

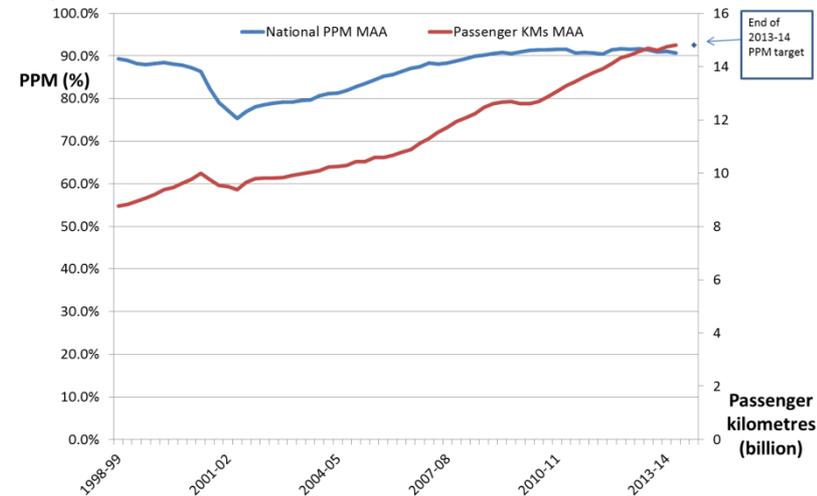Comparison of passenger and workforce fatality rates across the European Union railways, 2007-11



## Significant long-term reduction in train accident risk



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**CP3 OMR efficiency: 27%**   **CP4 OMR efficiency forecast: 18%**   **CP5 OMR efficiency PR13 assumption: 19%**



Legend: ■ Controllable opex  ■ Maintenance  ■ Renewals

**Total forecast OMR efficiency CP3 to CP5 of around 50%**



Legend: — National PPM MAA  — Passenger KMs MAA

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# Other activities

- Approve agreements between Network Rail and operators for the rights to run trains and operate stations

- Oversee the long term planning process

- Publish railway statistics

- Engage in the development of EU rail policy, to encourage open markets, improved safety, competition and interoperability across Europe

- **Regulate licence conditions relating to passenger information**

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# Passenger information during disruption (PIDD)

# History

> ## In 2012 we decided:

> > passengers had suffered poor information for too long;

> > the industry's progress had been too slow and something new needed to be done;

> > Network Rail and operators had existing licences, and we concluded that new licence conditions should be introduced to ensure there is clear accountability in the short term and to incentivise continuous improvement in the longer term.

**NRPS - % satisfied with the usefulness of information**

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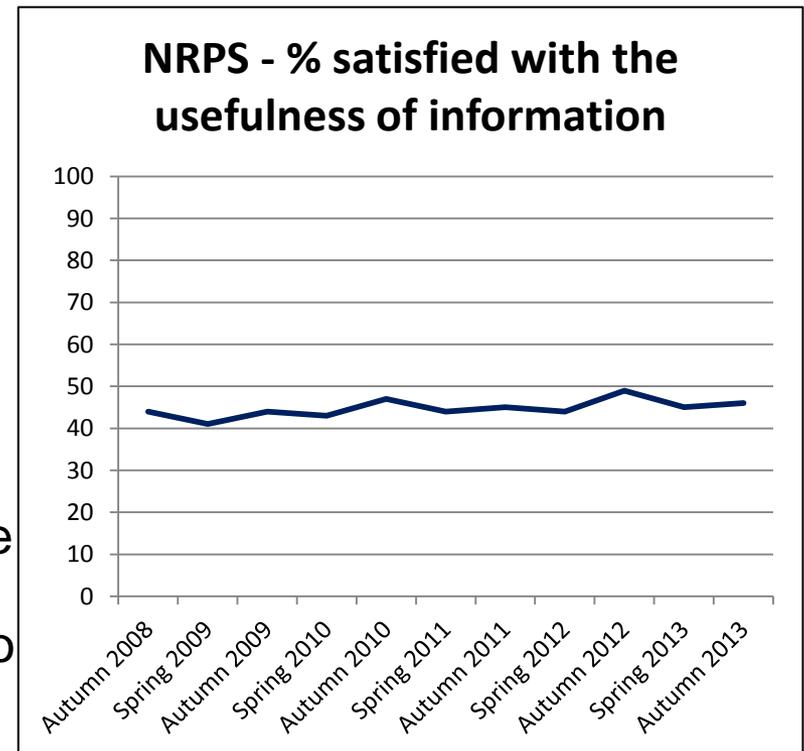
# Licence conditions

- The licence conditions require:

  - Network Rail to run effective timetable planning and to provide accurate and timely information to train operators; and

  - operators to publish and follow codes of practice setting out how they will pass that information on to passengers.

- ATOC published a code of practice, requiring operators to let passengers know what disruption has occurred, what it means for them and what they should do to complete their journey.

- Each operator is required to produce a local delivery plan that sets out how they will follow this code of practice.

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# How do we regulate



> Alongside the conditions we published a statement to be clear how we would enforce. In this we said that we expect licence holders to do what is necessary to comply with their codes of practice.

> We would expect to intervene if it is clear that a licence holder is substantially failing to follow their codes.

> In the longer term we recognised the need for plans to be reviewed in the light of experience, developments in technology and changes in passenger needs. Any such review would take place after March 2014, giving rail businesses ample time to assess what their current plans will achieve for customers.

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# What we've seen

> Our initial assessment has been positive. We have found that NR and train operators are taking their licence conditions seriously and we have not found any cause to intervene.

> However, we remain alert to the National Rail Passenger Survey, which doesn't show improvement in passenger perceptions.

> There also continue to be examples of poor outcomes across the network, such as wrong information shown on platform screens and delays in letting people know when an incident is over.



...or Android

ANDROID APP ON
Google play

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# What's happening next



- ❯ We've asked PF to do some research and tell us what they think.

- ❯ We've asked the industry to explain what they're doing differently.

- ❯ We're looking into what funding has been provided to improve technology.

- ❯ And I'm here today to gauge your views.

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