

Will Godfrey
Director Economics, Finance and Markets



Richard Hines
HM Chief Inspector of Railways and Director
of Railway Safety

17 March 2025

Dear Stakeholder

ORR's review of approaches to assessing the costs and benefits of health and safety interventions in rail

Today we published the [conclusions](#) of our review of how the costs and benefits of health and safety interventions are assessed by duty holders in the rail industry.

We are very grateful to everyone who has contributed to our discussions and research for this review. It is that constructive engagement that has enabled us to develop a cross-industry conversation to identify best practice and learnings to improve the effectiveness and efficiency of health and safety decisions. Thank you for your valuable input.

Great Britain's railway is one of the safest in the world, which reflects sustained focus and investment in health and safety. This investment in health and safety forms part of the continuous improvement that we expect the industry to deliver to safeguard passengers, the workforce and the public.

The law requires health and safety risks to be reduced "so far as is reasonably practicable" and places a responsibility on all duty holders to apply sound decision making which takes costs and benefits into account. This review looked at how different duty holders approach those decisions.

We found good evidence that reasonable practicability is being tested by most duty holders prior to making a health and safety intervention but there is room for greater consistency in how costs and benefits are assessed. There is scope for improving engagement and collaboration in several areas, including between the parties involved in the design of trains and those who will operate them.

We found that Network Rail's processes around safety decision making could be improved through better governance and monitoring of costs and by applying



existing good practice more consistently across the organisation. Work is already underway to address this through new guidance which we welcome.

A summary of our key findings and recommendations is included in **Annex A** of this letter. We have also published an [independent review](#) of Network Rail's approach to the costs and benefits of safety interventions.

We found that the Rail Safety and Standards Board's (RSSB) guidance on Taking Safe Decisions is well used by people making safety related decisions and we recognise that it is potentially confusing to have multiple sources of guidance. We have therefore withdrawn ORR's guidance on cost-benefit analysis and will work with RSSB as they update their own cost-benefit analysis guidance to ensure that it provides a comprehensive single source of guidance for the rail industry.

Stakeholder event

We will be holding an online stakeholder event in April on our findings and recommendations and will be sending out invitations with instructions on how to join shortly.

Next steps

We intend to update on progress in addressing our recommendations within 12 months.

We look forward to continuing to work with you and the wider industry on this important area of policy and practice.

Yours faithfully

Will Godfrey, Director Economics, Finance and Markets

Richard Hines, HM Chief Inspector of Railways and Director of Railway Safety

Annex A – Summary of key findings and recommendations

Key findings	Recommendations
<p>There is a lack of consistency in how reasonable practicability is tested.</p>	<p>Recommendation 1) Industry should enhance its understanding of how to test reasonable practicability. RSSB has confirmed that it is developing further training to support its guidance – ‘Taking Safe Decisions’ – to be rolled out to industry, including senior decision makers. We encourage industry leaders to engage with RSSB’s work. ORR supports this new training and will engage with RSSB on the content prior to the launch.</p> <p>Recommendation 2) Network Rail should continue to develop and implement its approach and guidance for determining reasonable practicability, including a tool for cost-benefit analysis in line with RSSB’s industry guidance. Network Rail, RSSB and ORR should ensure that the approaches to testing reasonable practicability for industry and Network Rail are aligned as far as possible.</p>
<p>The process to deviate from an industry standard is reasonably well understood but deviating from a standard is not always straightforward.</p>	<p>No recommendation: RSSB has already embarked on a review of the deviation process in relation to its standards framework. ORR supports this review. This work is scheduled to take place during 2025 - 2026.</p>
<p>Assessment of costs related to health and safety interventions is limited during the annual business planning process for train operators funded by DfT.</p>	<p>Recommendation 3) ORR and DfT should work together to improve DfT’s awareness of priorities for health and safety. We will engage with DfT and other rail funders on how we can share perspectives and provide advice to enhance their assessment of health and safety interventions.</p>
<p>There is opportunity to improve the identification and inclusion of solutions to manage health and safety risks with trains earlier in the design process.</p>	<p>Recommendation 4) When new trains are being considered, the party acting as the lead on procurement should ensure engagement, where possible, with the future operator to ensure that health and safety issues relating to the planned use of the train are considered and understood by all parties before the design is finalised. ORR also has a role to promote the principles of health and safety by design and clarify the limitations of the interoperability process in relation to operational safety.</p> <p>Recommendation 5) The Government’s rail reform programme should consider how health and safety by design can be improved when new trains are being procured. This will realise a benefit of integrating track and train under rail reform.</p>

Key findings	Recommendations
<p>Network Rail's internal process for escalating emerging health and safety risks should improve.</p>	<p>Recommendation 6) Network Rail should develop a more robust process for capturing significant health and safety compliance issues and escalating these within the organisation.</p>
	<p>Recommendation 7) Network Rail should consider ways to improve how regional and national approaches to address emerging risks are managed, which will allow for effective decision making at corporate level.</p>
<p>The progressive monitoring of costs, project outcomes and governance within Network Rail on significant health and safety initiatives should be improved.</p>	<p>Recommendation 8) For major health and safety interventions, Network Rail should improve its monitoring of cost and project outcomes to ensure that costs are controlled and test that intended benefits are realised. This should include re-evaluating reasonable practicability when there are significant changes in costs and/or the means to realise health and safety benefits.</p>
	<p>Recommendation 9) Network Rail should improve its governance, and documentation of decisions on major health and safety initiatives to improve transparency and to support Recommendation 8.</p>
<p>There is scope for improved consistency of approach in raising awareness and escalating health and safety issues between Network Rail and ORR.</p>	<p>Recommendation 10) Network Rail and ORR should explore opportunities to further strengthen existing engagement on significant health and safety issues. As individual organisations, we will ensure that when novel or complex initiatives arise, there is timely engagement to ensure that issues are being discussed through the appropriate channels. We will continue to have structured engagement with Network Rail (and in future GBR) and industry at a senior level on health and safety matters that could significantly shape future funding requirements.</p>

The Table above summarises all findings and recommendations, some of which relate to wider industry (in blue), some of which are specific to Network Rail (in orange) and one for both Network Rail and ORR (in red).