

## RDG PR18 system operation working group

### Note of meeting held on 28 June 2017 at RDG's offices

**Attendees:** Siobhán Carty (ORR), Richard Clarke (DB Cargo), Peter Graham (Freightliner), Rachel Kelley (DfT), Martin Leggett (ORR), Calvin Lloyd (Network Rail), Helen McAllister (Network Rail), Richard McClean (Arriva), Steve Price (RDG), Garry White (Network Rail, Chair), Thomas Wood (RDG), Andy Wylie (First Group).

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### Introduction

1. This note summarises the main points of discussion at the meeting. It is not intended to represent the position of RDG or other attendees of the working group. Its purpose is to record key points to inform ORR's policy development and to provide transparency to interested stakeholders not present at the meeting.
2. The purpose of the meeting was to discuss possible measures of the System Operator's (SO) performance, to inform ORR's July 2017 consultation and the SO's ongoing engagement with its stakeholders as it develops its strategic plan and draft scorecard.

### Minutes of previous meetings

3. ORR has a duty to publish the minutes of RDG meetings on its website, but has been unable to do so recently due to purdah rules. The minutes from March and May were shared with the group, and comments were requested by Friday 1 July 2017.
4. The following actions were recorded at previous meetings and are outstanding:

Action	Owner
Share the access framework decision making process with the RDG working group	Network Rail
Share the Sale of Access Rights process map with the working group	Network Rail

## Discussion of possible measures of the SO's performance

5. Siobhán Carty (ORR) explained that the ORR will publish a consultation on measures of the SO's performance at the end of July (*PMN, it is now available [here](#)*). This consultation is intended to support stakeholders in their ongoing discussions with Network Rail around the contents of its scorecard. It is not intended to cut across or undermine those discussions. The consultation comprises a 'long list' of measures, which have been collated from various sources, including responses to the ORR's November 2016 consultation, comments made in previous RDG working groups, and from comments arising at Network Rail's stakeholder event in May.
6. ORR presented some the ideas that have been recorded so far for measures of the SO's performance. Reflecting discussions with the SO and stakeholders, the consultation will include measures both of the SO's performance, and also of aspects of system operation which may not be within the SO's control, but which are of interest to stakeholders and which the SO is best placed to report on (e.g. use of the network). The measures discussed are not all suitable for use on a scorecard, but members of the group requested that ORR signpost those that could be suitable to aid their engagement with Network Rail.
7. Network Rail's operating model describes the SO's activities in five areas:
  - a) Strategic planning – looking at the long term needs of the network and identifies conditional outputs to meet those requirements;
  - b) Managing output change –helping to enact changes to the final train service output once these have funding. This includes developing enhancements, portfolio management, realising benefits, and supporting franchising;
  - c) Managing access rights framework – setting policy for Sale of Access Rights decisions;
  - d) Producing the timetable – producing an accurate timetable with a minimum of errors, to the timescales defined in the Network Code; and
  - e) Real time operations – This is delivered by the routes, but the SO has a role in providing guidelines for operations.
8. Ideally, measures would be outcome based, giving Network Rail the freedom to achieve these as best it can. However, the nature of the SO's work means there will be a need for input based measures as well, focussing on processes, development of capability, and completion of key pieces of analysis or milestones.
9. The SO has a broad range of customers, including current operators, aspirant/future operators, 3<sup>rd</sup> party investors, and the Network Rail routes. It also provides a key role in supporting funders' decisions through the provision of analysis, for instance around enhancements or franchising.

10. The ORR presented some of the specific measures that will be included in the consultation. Some of the key comments from those present are outlined below:
- a) Different funders may need different treatment if the future funding environment includes more non-government actors. Private investors will likely not want public reporting on their projects, and the SO could have to consider how it will make difficult decisions around its portfolio management if the priorities of funders do not align;
  - b) Accurate maintenance of the Enhancements Delivery Plan through robust change control is essential for operators, as they plan their businesses around the assumed infrastructure set out in the plan;
  - c) The SO's role in Event Steering Groups and Sale of Access Right panels should be measured. Operators stressed the need to avoid 'surprises' around capacity decisions, for instance as in the East Coast open access applications last year when a train path was identified which had not been included at the time of the franchise decision; and
  - d) The efficiency of the SO is important, particularly around timetable production, but its effectiveness and ability to produce accurate advice quickly are crucial.

### **Next meeting**

11. The next Working Group meeting is scheduled for 26 July 2017, but may be rescheduled.