

## RDG PR18 system operation working group

### Note of meeting held on 24 May 2017 at RDG's offices

**Attendees:** Siobhán Carty (ORR), Richard Clarke (DB Cargo), Bill Davidson (RDG), Peter Graham (Freightliner), Benn Hall (DfT), Martin Leggett (ORR), Helen McAllister (Network Rail), Steve Price (RDG), Clare Waller (Arriva), Garry White (Network Rail, chair), 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 update the RDG working group on the main messages from the 16 May 2017 System Operator workshop and, in turn, to discuss this feedback.

### Main points of 16 May 2017 SO workshop

3. Helen McAllister set out the main points of feedback from the 16 May workshop:
  - a) It is increasingly important to have more **transparency over the SO's decisions**.
  - b) There is scope for a more streamlined, responsive and proactive approach by **Event Steering Groups** (ESGs, which brings together industry parties to help manage major timetable changes). However, working group attendees noted that the existing processes are relatively new and need time to 'bed-down'. Working group attendees also suggested that ESG matters are too narrow and not sufficiently holistic (for example, in considering wider network capacity issues).
  - c) There is also scope to improve the approach taken by the **Sale of Access Rights panel** (SOAR), with some attendees suggesting that more decisions should be delegated, particularly ones that are not contentious. There was some discussion among working group attendees about which part of Network Rail (e.g. route or SO) was accountable for SOAR panel decisions. They agreed that this would need to be set out so stakeholders have transparency over the process.

- **ACTION** – Helen McAllister agreed to share a process map regarding SOAR decisions with the working group.
  
- d) It is important that the SO is **sufficiently resourced**, in terms of its people, processes and systems. Working group attendees highlighted the possible risk that a separate SO settlement may create undue pressure to bear down on SO resources. Siobhán Carty said this was not the intention behind a separate settlement but highlighted the importance of robust and fully costed proposals in the SO business plan. Rather, a separate settlement is intended to provide for transparency over the SO role, especially in the context of devolution of responsibilities and decision-making.
  
- e) The SO's staff need to have the **sufficient competencies** to deliver an excellent service. There should be an emphasis on continuity in the service it provides, and operators noted that it would be beneficial if staff had a holistic understanding of different areas of the SO's activities, which might also encourage career development. Helen McAllister said that the SO would need to be funded to undertake appropriate learning and development, and that this would need to be set out in its business plan submission.
  
- f) With respect to the **SO's systems**, working group attendees pointed to the importance of delivering error-free timetables and of systems that better review and capture data. Attendees also suggested the systems should make use of predicative technology (so industry can ask the 'what if' questions about different timetable permutations, for example).
  
- g) The SO needs to ensure that Network Rail and wider industry secure the benefits from **enhancement projects**. It plans to achieve this through its 'end to end' planning process.
  
- h) The SO needs to support **franchising**, with respect to both specifying the franchising requirements and supporting the outputs of franchising. Some working group attendees highlighted the risk of operator gaming in the franchising process (e.g. by proposing overly ambitious timetables), which pointed to the need for the SO to have a strong advisory role. Network Rail is currently seeking to establish a Memorandum of Understanding with the DfT around its role in franchising.
  
- i) There needs to be a strong emphasis on **planning**, including managing any changes to project and programme plans. The SO's role in planning should be captured in the SO's reporting for CP6. Helen McAllister suggested that there was a role for SO to report on its performance by way of commentary,

supported by analysis (reflecting the difficulty in quantifying the SO's performance).

- j) **Customer feedback** was felt to be a useful means of improving the SO's performance, both for use as a way of measuring the SO's performance but also as a way of identifying targeted improvements. Feedback should be applied to processes rather than outcomes, as the SO will at times inevitably have to make trade-offs which may not be the desired result of all parties.

### **Development of the SO scorecard**

- 4. Helen McAllister discussed Network Rail's work to develop the SO scorecard. She said she expected that there would be a per-period scorecard and something akin to the existing Annual Returns that provided some commentary on the SO's performance. Working group attendees asked when Network Rail would share a draft scorecard. Helen McAllister suggested that Network Rail were aiming to have something to share in July/August.

### **Next meeting**

- 5. Garry White said the next Working Group meeting is scheduled for 28 June 2017.