



OFFICE OF RAIL REGULATION

Workshop on Network Rail's strategic business plan for 2014-19

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#4800487

Background

- ▶ We began PR13 in May 2011, and have held a number of policy consultations since then
- ▶ In summer 2012, the Scottish Government and Secretary of State issued their high-level output specifications (HLOSs) and statements of funds available (SoFAs) for 2014-19
- ▶ Network Rail then developed its SBP, setting out how it would deliver the required high-level outputs and the cost of this
- ▶ As part of the development of the SBP, we required Network Rail to engage with its stakeholders

Our role in the process

- ▶ One of our key roles is to review and challenge the SBP, to test whether it represents an efficient way to deliver the high-level outputs required by the governments.
- ▶ We must assess whether the HLOSs are affordable within the funding available
- ▶ Ultimately, we will decide on the ‘overall package’ of funding, output requirements and risk and reward for Network Rail in CP5, in our draft determinations
- ▶ We are seeking stakeholders’ views to help inform our review of the SBP
- ▶ This package has implications beyond CP5 – we must consider the longer term ‘direction of travel’ for Network Rail and regulation

Purpose of today's session

- For Network Rail to explain the strategic business plan (SBP) in more detail to stakeholders
- For stakeholders to comment on the process for producing the SBP and its content, and ask Network Rail and ORR questions on this
- For ORR to understand stakeholders' views on the SBP and understand how else they could support ORR's assessment/challenge of the SBP ahead of its draft determination

PR13 – key dates

- 19 Feb 2013 – deadline for comments on SBP
- 12 June 2013 – publication and consultation on draft determination
- Late June/early July 2013 – stakeholder events on draft determination
- 4 September 2013 – close of consultation on draft determination
- 31 October 2013 – publication of final determination
- 1 November 2013 to 31 March 2013 – implementation phase of PR13
- 1 April 2014 – start of control period 5.

Agenda

Morning session

10:00	Refreshments
10:30	Welcome and introduction – the role of SBP and where it fits in the overall periodic review process (ORR)
10:40	Network Rail’s overall strategy (Network Rail)
10:50	Discussion
11:10	Overview of proposed outputs, including performance, capacity and network availability (Network Rail)
11:30	Discussion
11:55	Overview and justification for proposed expenditure on support, operations, maintenance and renewals (Network Rail)
12:15	Discussion

Lunch - 12:45 – 13:15

Afternoon session

13:15	Enhancement projects – overview of scope and costs (Network Rail)
13:40	Discussion
14:15	Deliverability of the plan and risks to delivery (Network Rail)
14:35	Discussion
15:00	Break
15:15	The role of the industry in defining and delivering the plan (Network Rail)
15:30	Discussion
16:00	Wrap up and close of workshop

Responses to the SBP

- A note of the session is being taken (which will not be attributed to individuals) and will be put on our website.
- Please provide any written comments on the SBP to sbp.comments@orr.gsi.gov.uk by 19 February 2013