



OFFICE OF RAIL REGULATION

Richard Price

Chief Executive

Telephone 020 7282 2006

richard.price@orr.gsi.gov.uk

Chris Gibb

Chief Operating Officer

Virgin Trains

1st Floor West

Meridian

85 Smallbrook Queensway

Birmingham B5 4HA

Dev Chris,

2 October 2013

Thank you for your letter received on 25 September.

I agree that this was a shocking incident, entirely at odds with the culture of safety and safety management which prevails on the railway. Devon and Cornwall Railways has subsequently been inspected on a number of occasions and we are satisfied that the company's management of safety has been transformed. But we are following up RAIB's report with our own investigations into whether further action is needed in respect of the incident itself.

RAIB identified problems in ORR's processes which give me three main concerns:

- that the actions arising from the 2010 assessment of the safety certificate submission were not communicated to DCR;
- that the flow of information from the company which ought to have triggered an inspection when the company's operations expanded was not in place; and
- the inspection of the company's approach to driver management in particular was not inspected.

RAIB made recommendations in respect of ORR's processes in these areas. We have already made enhancements to our procedures, and we believe they fully address RAIB's concerns.

Immediately following the incident DCR employed new staff to manage safety and overhauled their systems. A number of inspections were undertaken by ORR, particularly examining driver management and we are content that



systems are in place to manage competence and prevent so far as reasonably practicable such rogue events as the clear breaches of the rules that preceded the SPAD at Stafford. ORR is currently conducting further in depth audits and inspections of the DCR systems to verify compliance and will be driving continuous improvement in safety management and culture.

To comply with the new EU regulations on supervision that came into force in July this year ORR has added additional checks and balances to the assessment process for Safety Certification. These additional measures ensure inspection is targeted timely and efficiently, including cases such as DCR where there is a long gestation period between certification and substantial operation – DCR did not become a fully-fledged operational company until nearly a year after gaining its certificate to operate.

We take the effective operation of our processes very seriously, and subject them to both internal and external verification and audit. The European Rail Agency recently undertook a cross-audit of ORR's safety assessment and supervision functions, giving us assurance that the procedures we have in place are both very robust and also amongst the best in Europe. We are undertaking a further independent audit of the changes we have made to assess their effectiveness in addressing the RAIB findings and recommendations.

I trust this offers you some reassurance that ORR takes this incident and its implications very seriously. We continue to scrutinise DCR's procedures and operations.

With best wishes,

A handwritten signature in black ink, appearing to read 'R. Price'.

RICHARD PRICE
Chief Executive



OFFICE OF RAIL REGULATION

Richard Price
Chief Executive

Telephone 020 7282 2006
richard.price@orr.gsi.gov.uk

Michael Holden
Chief Executive Officer
Chairman
4th Floor
One Kemble Street
LONDON
WC2B 4AN

30 September 2013

Dear Michael

Many thanks for your e-mail dated 16 September.

I agree that this was a shocking incident, entirely at odds with the culture of safety and safety management which prevails on the railway. Devon and Cornwall Railways has subsequently been inspected on a number of occasions and we are satisfied that the company's management of safety has been transformed. But we are following up RAIB's report with our own investigations into whether further action is needed in respect of the incident itself.

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With best wishes,

A handwritten signature in black ink, appearing to read 'Richard Price', with a stylized, cursive script.

RICHARD PRICE
Chief Executive



Richard Price
Chief Executive Officer
Office of Rail Regulation
1 Kemble Street
London
WC2B 4AN

ADDRESS
1st Floor West
Meridian
85 Smallbrook Queensway
Birmingham
B5 4HA

TELEPHONE
0121 654 7581

Dear Richard,

SD4-81 Signal passed at danger at Stafford, 26 April 2012

I have read with great concern the Rail Accident Investigation Branch investigation report into an incident on 26 April 2012 when a locomotive operated by Devon and Cornwall Railways passed signal SD4-81 at Stafford at danger by about 94 metres.

I note the investigation found that the locomotive had been travelling at excessive speed as it approached the area; that the driver was probably aware he was exceeding the maximum permitted speed for a light engine; and that he did not make a full brake application when he sighted the cautionary double yellow signal prior to SD4-81.

Most concerning is that the driver did not have sufficient experience or competence for the task he was performing and Devon and Cornwall Railways had not followed its own process for managing the competence of drivers. In addition, the Company had not ensured the locomotive was maintained and inspected in accordance with relevant vehicle maintenance instructions. The report also concludes that Devon and Cornwall Railways also had insufficient management controls to ensure compliance with its safety management system.

Noting that RAIB have addressed two recommendations to the Office of Rail Regulation covering supervision of a new operator's safety management system and, specifically, the effectiveness of Devon and Cornwall Railways' safety management system, as a concerned operator on the West Coast Main Line I would be grateful if you could outline how the ORR intend to address their recommendations. I would also be keen to understand how the ORR plans to apply any transferable lessons that should be considered for other 'marginal' or start-up freight and passenger operators.

Yours Sincerley,

Chris Gibb
Chief Operating Officer
Virgin Trains

CC: Chris Gibb, Phil Bearpark, Peter Bowes