

Ian Prosser
Director of Railway Safety



11 November 2019

Andrew Haines
Chief Executive
Network Rail

BY EMAIL
(Copy to Department for Transport: Polly Payne, Ruth
Hannant, Peter Wilkinson, Ian Jones)

Dear Andrew,

RE: ORR's investigation into TSI authorisation issues in May 2019

Following TSI authorisation issues on the West Anglia Mainline (WAML) project in May 2019, ORR has completed an investigation into the authorisation process considering Network Rail's, ORR's and the independent assessor's roles. In this letter I will summarise our methodology, our key findings and our recommendations for improvements to Network Rail's management of TSI authorisations.

We are grateful to all the Network Rail staff who have been involved in our investigation, who all engaged with us openly and positively and showed a determination to prevent these issues from re-occurring in the future.

Phase 1 – Detailed project reviews (June to July 2019)

We interviewed 23 key Network Rail employees including: project teams from WAML and other Anglia projects; Directors within the Anglia route and central technical functions; and the independent assessors (NCB). We also interviewed 3 stakeholders from DfT.

We note that Network Rail conducted a number of internal reviews, which recommended process improvements around standards, training and governance. We agree with the recommendations from your reviews, but our investigation went further and identified 3 behavioural themes which underlie all the observed issues:

- Incorrect assumptions and a lack of certainty that designs are compliant with TSIs;
- Early engagement between Network Rail, their assessors and ORR is not productive; and
- Lack of time and no effective mechanism to react if final assessments are non-supportive.



Phase 2 – Nation-wide survey (August to September 2019)

We sent a questionnaire to Network Rail sponsors from all interoperable projects in CP5. Questions were subjective, to understand behavioural issues. We received 18 responses: 12 projects which were authorised successfully; and 6 with significant challenges to authorisation.

The responses showed a clear difference in behaviour between the successful and challenging projects; and strongly supported the 3 themes identified above. Responses covered 6 routes (no responses from LNW or Wales) and confirmed that behaviours (both good and bad) were systemic across Network Rail.

Phase 3 – Agree recommendations (October 2019)

Based on the findings from Phase 1 & 2, we produced a set of recommendations. These recommendations were discussed with key stakeholders in Network Rail, DfT, independent assessors (NCB) and one train operator, to ensure the recommendations will be effective without imposing undue costs or delays. The full recommendations are attached to this letter (as Annex A) and cover:

- New Network Rail processes to flag authorisation risks earlier; to provide assistance to projects which face challenges at the end of the process; and to structure early engagement;
- More transparency for key stakeholders, to avoid surprises at the end of the project;
- Methods for ORR and Network Rail to test and correct behaviours in project teams.

We will hold Network Rail to account for delivering improvements in line with our recommendations. We will record any changes through our business-as-usual monitoring and we will also carry out a short follow-up review in May 2020 to collect evidence to close out our recommendations, or to list any outstanding actions.

We will continue to work with Network Rail's new 'Railway Interoperability Regulations (2011) Authorisations Improvement Group', whom we have engaged with during our investigation and to whom we will issue further details to support our recommendations.

Yours sincerely



Ian Prosser
Director of Railway Safety





Annex A – ORR’s Investigation Recommendations

Notes on ORR’s recommendations:

- The following recommendations are supplementary to Network Rail’s (NR) own recommendations and are intended to address the underlying behavioural issues identified by ORR’s investigation.
- NR actions have been assigned to NR’s Authorisation Improvement Group (RIR-AIG). In the event that RIR-AIG is dissolved before the recommendations have been closed out, actions will fall to the NR Executive.

Issue	ORR Recommendation	Action on	Measures of success & date
Lack of certainty of TSI compliance during GRIP4-GRIP6	<p>[1] NR should develop a measure of TSI compliance risk for all ‘interoperable’ projects, to be updated periodically.</p> <p>This measure should consider factors including, but not limited to:</p> <ul style="list-style-type: none"> • Number of non-compliances, recommendations and technical queries from NoBo/DeBo reports; • Any actions from NRAP or SRP; • Use of new or unusual infrastructure components or technical solutions; • Whether the PAS is up-to-date following project changes; • Contingency in schedule for assessor/ORR reviews (see Rec. 5 below). <p>Projects should start reporting this measure following their first submission to NRAP.</p> <p>We recommend this measure is reported as a “Red-Amber-Green” status, but alternatives may be acceptable.</p> <p>It may be convenient to include this measure as a standing item on risk logs within existing periodic reports.</p>	NR (RIR-AIG / Exec to oversee development of new measure and briefings to project staff)	ORR will require evidence of how the new measure is being calculated by projects by May 2020 .



Lack of transparency of TSI issues	<p>[2] NR projects should provide a clear update on TSI compliance status (see Rec. 1 above) at periodic Project/Programme Delivery Groups (PDGs), attended by funders and operators.</p> <p>Reporting should commence at the first PDG after the project has submitted to NRAP.</p>	NR (RIR-AIG / Exec to update templates and brief Sponsors)	<p>ORR's Enhancements team will monitor this through business-as-usual engagement with NR projects: either by attendance at PDGs or asking for copies of PDG minutes at our quarterly bilateral meetings with NR.</p> <p>We expect reporting at PDGs to commence by May 2020,</p>
Authorisation success dependent on Sponsor behaviours	<p>[3a] NR should brief current Sponsors and Project Managers on the 'good vs bad' behaviours identified in ORR's investigation report (which will be issued to NR's RIR-AIG separately).</p> <p>These behaviours should be incorporated into training for future Sponsors and Project Managers.</p>	NR (RIR-AIG / Exec to brief Sponsors)	<p>ORR's Enhancements team will include questions in our business-as-usual, quarterly meetings with NR projects, from Feb 2020</p>
	<p>[3b] ORR should develop a set of behavioural questions, based on the 'good vs bad' behaviours; and ask NR Sponsors at bilateral meetings.</p>	ORR (Dep Director Engineering & Asset Management)	
Ineffective early engagement	<p>[4a] ORR should develop a template for NR-ORR early engagement meetings.</p>	ORR (Dep Director Engineering & Asset Management)	<p>ORR will use the new template for NR-ORR early engagement meetings from Feb 2020.</p> <p>ORR will require evidence (minutes) of early engagement meetings between NR-NoBo by May 2020. ORR will follow up with NoBos for feedback.</p>
	<p>[4b] NR should agree with NCB a structure for NR-NoBo/DeBo early engagement meetings.</p> <p>The structure should be discussed with other NoBo/DeBos and their comments addressed before bringing into use.</p> <p>We recommend including clear records of:</p> <ul style="list-style-type: none"> • Any non-compliances identified, or recommendations; • Any changes to timelines for NoBo/DeBo reviews; 	NR (RIR-AIG / Exec to oversee agreement of structure and briefings to project staff)	



	<ul style="list-style-type: none"> Any items requiring follow up with NRAP or SRP; Any disputed items or technical issues not clearly understood at the meeting. 		
Erosion of contingency in project schedules	<p>[5] NR should develop a process to escalate any changes to project schedules which impact the review time for NoBo/DeBo or ORR.</p> <p>This should be escalated within the NR Region team and raised at PDGs (see Recs. 1&2 above).</p> <p>Possible cases are suggested below, but alternatives may be acceptable:</p> <p>“Amber” =</p> <ul style="list-style-type: none"> NoBo/DeBo or ORR reviews will start later than planned, but durations remain the same. <p>“Red” = either:</p> <ul style="list-style-type: none"> The duration for NoBo/DeBo or ORR reviews shortens; or The gap between NoBo/DeBo and ORR reviews is removed completely; or The gap between ORR review and Entry Into Service is removed completely. 	NR (RIR-AIG / Exec to oversee development of process and briefings to project staff)	ORR will require evidence of the new process <u>by May 2020.</u>
Lack of process and support, to resolve non-supportive GRIP6 assessments	<p>[6] NR should develop a process which project teams can follow, in the event of non-supportive NoBo/DeBo assessments at the end of GRIP6.</p> <p>This should consider factors including, but not limited to:</p> <ul style="list-style-type: none"> A process map for obtaining evidence to close out non-compliances and conditions; A list of contacts for specialists within the Region and NR central functions; A methodology for contacting other project teams which dealt with similar issues; 	NR (RIR-AIG / Exec to oversee development of process and briefings to project staff)	ORR will require evidence of the new process <u>by May 2020.</u>



	<ul style="list-style-type: none"> • A list of stakeholders who need to be informed (funders, ORR, operators). 		
Ineffective stakeholder engagement on delays/impacts	<p>[7] Further to Rec. 6 above, NR should develop protocols for project teams to provide updates to operators, while non-compliances and conditions are being resolved.</p> <p>This should consider factors including, but not limited to:</p> <ul style="list-style-type: none"> • Timescales for resolving TSI compliance issues; • Clarity on which infrastructure components are/are not available to operators while issues are being resolved; • Options and mitigations for delays; • Consistency of any public comms. 	NR (RIR-AIG / Exec to oversee development of advice and briefings to project staff)	ORR will require evidence of the new process by May 2020.