

Annex B: Terms of Reference

ORR Inquiry into May 2018 timetable disruption

Terms of Reference

Purpose

The inquiry will:

- i. Identify factors that contributed to the failure to develop and implement an effective operational timetable in May 2018;
- ii. draw conclusions about the management of operational risks created by major timetable changes, based on evidence about the causes and consequences of the disruption in May 2018, and its subsequent management; and
- iii. where appropriate, make recommendations to the industry and government in advance of future major network changes for the benefit of passengers, other users and railway staff.

Scope

The inquiry will consider why the railway system as a whole failed to produce and implement a satisfactory operational timetable in May 2018.

It will gather evidence to draw conclusions and make recommendations as it sees fit, including but not limited to:

- The **impact on passengers**, both in advance of and following the timetable change, especially in the areas served by Northern and Govia Thameslink Railway;
- how well the industry's overall **network planning processes** worked in preparation for May 2018 to identify and manage risks; particularly the coordination between Network Rail and train operators;
- the strength of industry **assurance and accountability** prior to major network change, especially where multiple companies and authorities are involved, and including the role of ORR;
- the role and capability of Network Rail as the **system operator** in the planning process, and in managing subsequent disruption;
- Network Rail's role in delivering the **network enhancements** underlying the timetable changes; and the Department for Transport's role in planning these enhancements;
- the Department for Transport's approach to planning network changes through **franchise specifications and rolling stock management**, and the department's role in managing risks around major network changes;
- the role of **train operating companies** in preparing for the timetable changes;
- the **readiness of train operating companies** to implement the timetable changes, including in assessing and mitigating risks and preparedness for disruption;
- the incentives created by **industry structures and culture** in identifying, managing risks and reporting risks; and
- how the industry works together to **resolve network disruption** when it happens.

The Inquiry will be conducted in addition to and alongside ORR's existing monitoring and investigation activity that began in February 2018. This is looking into the compliance of Network Rail and the train operating with the terms of their licences in relation to the timeliness of the

provision of timetable information to operators and passengers. This investigation is specifically examining:

- The effectiveness of **Network Rail's recovery plan** to get back to a position where it is able to provide future timetable information to operators twelve weeks in advance of changes being made.
- The timeliness and accuracy of the **communication with passengers** from train operating companies in advance of the timetable changes, and the **information provided to passengers** during the subsequent disruption.
- The **root causes** of the problems in Network Rail's role in planning and delivering the timetable changes, and the longer-term lessons to be learned.

For the avoidance of doubt, the Inquiry will also include in its analysis the role of ORR as the **independent regulator** in the approach to the May timetable changes, and may also make recommendations in this regard.

Structure & process

The Inquiry will have three phases:

1. Evidence gathering from passengers, passenger representative groups including Transport Focus, the rail industry and government regarding:
 - a. What was planned vs what happened in May 2018;
 - i. Infrastructure development
 - ii. Timetable readiness
 - iii. Industry preparedness
 - b. How the whole-system planning processes functioned in preparation for May 2018, and when key decisions were made;
 - c. The impact on passengers from the subsequent disruption.
2. Analysis of the problems and their causes:
 - a. Gap analysis of what worked as planned; what didn't work; what was missing entirely from:
 - i. the preparedness of each party for the network and timetable changes; and
 - ii. the strength whole-industry planning, risk assessment, assurance and resolution processes.
3. Develop recommendations for change:
 - a. Conclusion's concerning May 2018 network changes
 - b. Recommendations looking ahead to planned future major network and timetable changes, to reflect the unprecedented scale of network growth planned in the next few years.

An interim report of Phase 1 and 2 will be published in September, followed by a final report including Phase 3 recommendations by the end of the year.

Governance

The ORR Board, chaired by Stephen Glaister, is responsible for the conduct of the Inquiry, which is being conducted under Section 51 of the Railways Act 2005 which permits ORR to provide information, advice and assistance to national rail authorities.

The work is in response to a request made by the Secretary of State for Transport on 4th June 2018, and will be conducted by the ORR under the statutory framework that assures its independence from government or any other authority.

Stephen Glaister will chair the project board and be supported by expert panel of independent advisers. This panel will have particular regard for whether the ORR's role as regulator of Network Rail and the train operating companies has been properly assessed by the Inquiry.