



Ian Williams,  
Senior Executive, Track Access,  
ORR,  
1 Waterhouse Square,  
LONDON,  
EC1N 2TQ

Tony Crabtree,  
Access & Planning Manager,  
Wessex Trains,  
2nd Floor Broadwalk House,  
Southernhay West,  
EXETER, EX1 1TS.

01392 473133  
07860 835903

31st January 2002.

Dear Ian,

#### THE POSSESSIONS REVIEW – SCHEDULE 4

Thank you for your consultation document of December 2001.

In summary, the document is a good improvement on what went before and, even where the proposals do not seem right yet, the movement is in the right direction.

#### LIQUIDATED DAMAGES

I note that it is not the intention to compensate for bus costs and other costs associated with the disruptive events. While it is true that the costs are more under the control of the operator than the revenue losses, in general, the cost will be in direct proportion to the amount of work being scheduled by Railtrack and those costs are quite considerable in many cases. The same can be said of revenue. I think that the decision to exclude these costs from the algorithm has more to do with the difficulty of calculating them than anything else. To say that the costs can be factored into franchise bids sounds more like an excuse than a reasoned argument. Nevertheless, if that is the preferred way forward, for the sake of expediency and achieving implementation by June, I would reluctantly concentrate on other issues.

#### THE SOCIETAL ELEMENT

Provided the SRA's TCIP money-go-round is also deactivated in respect of properly implemented possessions, it seems eminently sensible for the Schedule 4 algorithm to exclude the societal element too.

#### ABOLITION OF FREE POSSESSIONS

The abolition is likely to improve the incentives towards efficient working and should be encouraged.

#### USE OF "T-x" Etc

Throughout the template references to dates and milestones etc should be by reference to defined terms in the Access Conditions and train planning processes rather than any further derivatives. This makes the intent clearer and ensures that in the event of changes to the access conditions or small actual variations from year to year, the template is still valid. It should be noted that the planning milestones are consulted and published each year in the National Rules of the Plan. They often vary by a week or so to take account of clashes and variables such as Easter.

In any event, the milestones should be such as to encourage good process. For example, Railtrack are required to publish possessions by T-26 (sic) and confirm their effect by T-22 (sic) ready for bids to go off at T-18 (sic). Any discount threshold should reflect the requirement to meet these timescales. I agree that "Notification" by T-22 is thus not satisfactory.

I do not accept that Railtrack will “..invalidate work...” if this above alteration is made. 3.18. I should hope that the level of possessions “Notified” by “T-22” is not materially different from the number “Notified” by “T-26”. Given that a few crucial phrases in the old template were utterly meaningless, I fail to see that Railtrack can have achieved an accurate modeling anyway.

#### DEFINITION OF “POSSESSION”

The name would ideally be changed to “Restriction” or some similar descriptor. The word “possession” is better left to describe a real time event on the track with the same meaning that has always applied.

For the purposes of schedule 4, the traditional meaning is not wide enough so a new descriptor is needed to avoid confusion between the physical and the contractual.

In any event, the definition should not contain any reference to T-26, PCD-26 or any other imaginary event. Only real events or milestones should be referenced. However, in line with other issues, it is wise to concentrate on outputs rather than inputs. The effect on the timetable is what counts to an operator in this context. I believe that subsequent drafting has got to the right answer anyway.

#### FIRST WORKING TIMETABLE

The existing convoluted definition must be swept away. The FWTT should be that which is produced at the end of the main TT iteration (and is printed in boxes shortly afterwards) without any artificial adjustment. “Possession” similarly then needs no reference to 26 weeks before PCD etc.

#### RECOVERY ALLOWANCE / (ENGINEERING ALLOWANCE)

This needs to be redefined to allow for the fact that the allowance may include true engineering allowances as agreed in RoR/RoP plus other items related to degradation. Also the engineering portion may be heavily inflated because of particular circumstances. Time is money to an operator, and excessive time inserted should be compensated. The only element that should remain non-compensatable should be the traditional “engineering” part.

Performance allowances such as “diamond time” etc have no place in this issue but are certainly there to “...allow a train to regain time....”. These allowances would not normally appear in the RoR/RoP.

It should be noted that the introduction 1.10 refers to “Engineering Allowances”. However, the definition in the template and later text (4.4, 4.6) is widened to the less satisfactory “Recovery Allowance”.

#### NOTIFICATION

This needs to relate to the effect on the timetables rather than the time that a particular train planning office found out the details of the planned works. Discounts should relate to revenues. Revenues come from passengers and passengers read timetables, not the internal workings of TOC/Zone planning offices!

Railtrack is presently developing a system for recording differences between TTs. Therefore there should be no problem in identifying the difference between the First Working TT, the Informed Traveller TT (at T-12) and the Applicable TT. Discounts should be based on these.

There is the vexed question of assessing the T-12 TT. TOCs have no easy or reliable way of knowing if the upload was compliant at the due date or not. The only way is to make TT enquiries and see if the results reflect known possession plans. Railtrack should be asked to provide a certificate of compliance of some description to prove to TOCs that the agreed train plans were in fact uploaded to TSDB at T-12. I believe that this is possible

#### BESPOKE / EXEMPT ARRANGEMENTS / GENERAL APPROVALS

The proposals to allow exceptions to the template are most welcome.

The Template relies heavily on the use of Schedule 8 Monitoring Points for much of its calculations. These are not suitable and were never designed to be used by Schedule 4. In many instances of clear disruption, the Monitoring Point driven methodology deduces compensation of £0.00 or a similarly trivial sum.

However, the criteria for bespoke arrangements need to be clear. I suggest that in order to have a regulated bespoke arrangement that the compensation produced by the template should be more than (say) 20% short of that which the TOC believes a sensible algorithm would produce.

I do not understand why ORR needs to approve all one-off informal local deals. These are, and would continue to be relatively few and far between. The sums would also be relatively small. I am not sure what value ORR would add by approving such deals. If the only worry is a subsequent failure by one party to honour the deal, I suggest that is a non-issue. The parties will not risk future relations by agreeing and then renegeing on deals.

#### THE SPEED ALGORITHM

The algorithm makes no allowance for diversions over high speed routes where up to an hour may be added, but the actual speed may rise. This hits Wessex regularly. However, provided we can agree special arrangements for our regular cases, I suggest that this well established, if daft algorithm is left in place for those instances on the Network where it happens to work.

#### CORRESPONDING DAY

There still seems to be concern over the Corresponding Day definition. In the event of there being difficulty finding a day, then in the last resort, one needs to be invented for the purposes of calculating compensation. This has been done quite adequately by ADRC in order to solve the problem before them. It is the very nature of weekend services that they have such a chequered history (because of engineering) and that the desired timetable may never have existed. All that the TT is needed for is to produce a few journey times or some similar output and I see no particular problem with this.

#### MAJOR WORKS

As stated in the document, a threshold is needed to trigger special arrangements where the work proposed is clearly exceptional but falls short of a Major Project. There would be logic in keeping the trigger as given in vague terms in the document. The intent is quite clear. If the parties were unable to agree on invoking Major Works, then a suitably early appeal process would surely sort the issue.

I suggest that this matter need not hold up the template but could be added later if necessary.

#### IMPLEMENTATION

The proposal for an Interim review to get the Template implemented by 2<sup>nd</sup> June is a good idea.

Tony Crabtree.

Access & Planning Manager,  
Wessex trains.

