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Dear Colleague

Assessing the costs and benefits of health and safety interventions in rail

In March 2025, we published the findings and recommendations from our [review](#) of how the rail industry assesses the costs and benefits of health and safety interventions. Over the past year, we have worked closely with the rail industry to strengthen how safety decisions are made and to support investment that delivers value for money. We have seen industry take action to strengthen approaches to assessing the costs and benefits of safety interventions, supported by guidance, improved analytical tools, and RSSB's newly developed e-learning resources.

In this letter, we review the implementation of our recommendations one year on. A summary of the key findings and recommendations from our 2025 report is annexed to this letter.

Testing reasonable practicability

Our review highlighted room for greater consistency in how businesses assess the costs and benefits of health and safety interventions. To address this, the Rail Safety and Standards Board (RSSB) launched an [e-learning course](#) available to all members on its 'Taking Safe Decisions' guidance and updated its [guidance](#) and [tool](#) on Cost Benefit Analysis in July 2025. These tools should lead to greater consistency in the way that reasonable practicability is tested across the industry.

Take up of RSSB's e-learning on Taking Safe Decisions has been positive with about 400 individual registrations for the online modules since its launch.

RSSB is collecting feedback from users on the e-learning course which is helping them to identify topics where greater clarity might be helpful. Overall, the feedback is positive and the new resources are seen as supporting understanding and confidence in health and safety decision making.



Our own industry survey found good awareness of the e-learning resources, with some organisations planning to integrate it into their training systems.

RSSB will continue to promote these tools to ensure that all rail industry stakeholders are familiar with the key concepts of safety decision making and the use of cost benefit analysis.

Network Rail's approach to health and safety decision making

Network Rail introduced internal guidance in July 2025 to support greater consistency in its approach to health and safety decision making and testing reasonable practicability. Network Rail also introduced a cost-benefit analysis (CBA) tool which is mandated for how the company responds to Rail Accident Investigation Branch (RAIB) recommendations.

Since the introduction of its internal guidance, Network Rail has focused on embedding it into existing processes. This includes requiring a demonstration that reasonable practicability has been considered at investment gateways and taking account of change management considerations in internal decision-making tools. Network Rail's Technical Authority is responsible for promoting and updating the guidance, particularly among those most involved with strategic health and safety decisions.

Network Rail's CBA tool has been used for three RAIB recommendations:

- Recommendation 7 of the report into the collision between passenger trains at Salisbury Tunnel Junction, Wiltshire (Report 12/2023). The intent of this recommendation was to reduce the risk of overrunning signals at danger where there is a line speed change on the approach after the preliminary caution signal. Network Rail was asked to review the decision not to retrospectively apply changes to existing Train Protection and Warning System equipment. Network Rail applied the CBA guidance as well as re-assessing the signal calculations for optimum positioning and decided changes are not reasonably practicable and it would not mitigate the risk from adhesion as identified in the investigation.
- Recommendations regarding vegetation management following the derailment of a passenger train at Roudham Heath in Norfolk (Report 03/2025) and a collision between a passenger train and a fallen tree at Broughty Ferry in Dundee (Report 13/2024). Network Rail decided that the recommended improvements should be taken forward based on the safety benefit outweighing the cost.

Network Rail's CBA tool also includes a section for operational and maintenance costs and savings; therefore, financial benefits can also be considered. Network Rail

recognises the value this may bring in preparing for the next five-year funding period and the wider benefits of ensuring that money is spent efficiently on the correct priorities.

Network Rail processes for monitoring costs/project outcomes and governance

Through its guidance, Network Rail has also sought to improve its processes for monitoring costs and project outcomes, requiring that costs and benefits of programmes are kept under review and that significant health and safety initiatives are documented.

In our review of Network Rail's approach, we looked at the Electrical Safety Delivery (ESD) programme which is delivering a step change in compliance for the rail industry to reduce workforce electrical safety risk, enable improvements to track worker safety and provide productivity benefits. In response to our review, Network Rail has told us that the programme team has refined and clearly articulated the scope of the ESD programme to distinguish the workstreams that are mandated by *absolute legislative requirements* from those that must be justified *so far as is reasonably practicable* and requiring more information on the business case.

Network Rail processes for escalating health and safety issues and managing emerging risks

Our review also found room for improvement in Network Rail's internal process for escalating significant emerging health and safety compliance risks, particularly around the Technical Authority's awareness of issues in the regions. Since our review, Network Rail has implemented a more structured process for capturing and escalating health and safety issues and managing emerging risks at national and regional level through Business Assurance Committees, which are led by the Technical Authority, and escalation through to Executive and Board reporting.

Network Rail has told us that emerging compliance risks are now a standing item at the network Health & Safety Business Assurance Committee, which has an escalation route into an executive level Business Assurance Committee.

Looking ahead, it will be important that these processes are applied proactively to identify and escalate significant health and safety risks early. This includes risks that may require major health and safety interventions with associated investment, and which should be factored into business planning and decisions ahead of the next five-year funding period.

Network Rail recognises the challenges inherent in balancing regional autonomy with the need for consistent identification, escalation and management of health and safety risks across the organisation. It also recognises the need for improved



corporate level insight into emerging health and safety risks and their ownership and continues to work on improving its processes. ORR has clear expectations about how Network Rail manages and escalates safety concerns. We will continue to monitor this as part of our business-as-usual activity through regular liaison, inspection work and structured senior engagement.

Engagement between ORR and Network Rail

Following our review, ORR and Network Rail have strengthened engagement on major health and safety issues. Senior-level discussions on safety performance and emerging risks have become more effective, with an increased focus on proactive and forward-looking matters.

This approach is already supporting clearer, faster responses to complex issues. For example, Network Rail has established a joint Network Rail-ORR Occupational Health Risk Interface Meeting to consider key occupational health challenges. This meeting is already providing the forum for increased understanding of occupational health issues and controls, exploring practical experience and challenges in achieving legal compliance to implement practical solutions (for example management of the health risks associated with welding fume and hand-arm vibration exposure). This supports future planning and continuous improvement.

We have also created forums for senior discussion on early business planning for the next five-year funding period, including identification of significant health and safety issues.

Health and safety considerations in train operators' business planning

Our review found that the assessment of costs related to health and safety interventions by train operating companies (TOCs) was limited during their annual business planning process. TOCs are required by legislation to manage their own health and safety risks and apply their safety management systems.

DfT recognises that health and safety is a key priority for the rail industry and considers it essential that initiatives to meet necessary health and safety requirements are included in TOCs' baseline costs. It has reviewed policy options above the baseline, taking into account usual health and safety principles when completing that review. We have shared relevant aspects of our annual risk profile with DfT to support business planning for TOCs and also discussed health and safety risks relating to the railway with Transport Scotland.

Procurement of new trains

In our review, we recommended that TOCs should be involved in the procurement of new trains at an early stage to ensure that health and safety issues relating to



planned use and maintenance are considered and understood by all parties and to limit costly late design changes.

We engaged with TOCs that have either recently completed procurement of new trains or are going through the process, and the Department for Transport Operator (DfTO) and Scottish Rail Holdings to understand how the current procurement process works. This confirmed that in these cases TOCs are leading the procurement, with varied approaches depending on their operations and chosen manufacturers.

Operators being involved in the procurement process should allow for operational health and safety risks to be taken into consideration and understood by all parties to ensure they are designed out or effectively controlled at the earliest opportunity.

Scottish Rail Holdings and ScotRail lead a collaborative approach to TOC procurement, by developing business cases prior to procurement, with approval from Scottish Ministers. This enables a whole-system approach and reduces the risk of issues being identified later.

The development of the rolling stock and infrastructure strategy (expected to be published later this year) and the creation of Great British Railway (GBR) present valuable opportunities to embed health and safety by design principles into procurement and business planning to establish a strong health and safety culture and unlock the benefits of integrating track and train.

Safety by Design

We promote the application of safety by design principles in our routine engagement with duty holders and, where appropriate, across major projects and new railway proposals. We have updated our public messaging on [health and safety by design](#). Our focus is on ensuring health and safety considerations are incorporated in designs and addressed at the earliest stages of project development, which reduces the need for potentially costly changes at a later stage. We also engage in a range of programmes and working groups to ensure that the rail industry's changes are subject to rigorous safety scrutiny and independent oversight.

GBR can support safety by design by driving best operational practices, sharing learning, maintaining continuous and structured engagement in the procurement process and clarifying roles and responsibilities.

Review of industry standards

Our review highlighted that the process to deviate from an industry standard is reasonably well understood but deviating from a standard is not always straightforward. We did not make recommendations on standards given that several



programmes were due to start or were already underway to improve the efficiency and functioning of the standards framework.

We have been working with RSSB on its review of the standards framework and the updated Railway Standards Code which reflects changes to governance arrangements. This includes the creation of a new Industry Leadership Group (ILG), which will have a remit to provide strategic oversight and leadership in the development and interpretation of industry standards, using streamlined governance to balance industry needs with public interests.

DfT has also indicated that it will be undertaking a fundamental review of the regulatory framework for standards in preparation for GBR, starting in 2026. We will be working with both RSSB and DfT as this develops.

Network Rail's Control Period 7 (CP7) delivery plan included plans to streamline standards to improve operational performance and achieve significant financial efficiency for Network Rail and the wider rail sector. The plans set out the opportunity to take a more pragmatic, value-based approach to standards alongside a joined-up approach across the industry to deliver efficiencies without compromising safety and performance. Network Rail forecasts efficiencies of £52 million in years 1 and 2 of CP7, with a future workbank of opportunity that is expected to drive further efficiency in CP7 with the aim of achieving or exceeding the target set of £156 million in the periodic review (PR23). An example is Standard TRK/2102 which reduced the need for manual inspections of track through the use of automated technology.

ORR ways of working

Through our monitoring of Network Rail's delivery during the current control period, we seek to understand how it is addressing ongoing and emerging health and safety risks within its funding settlement. This includes the sharing of intelligence on new health and safety risks that could influence CP7 delivery or future funding needs to ensure funders are better informed. We have also strengthened working practices through staff training, including how we assess cost benefit analysis across our economic and safety teams.

Our action on Network Rail's management of structures, where we found a backlog of structural assessments, demonstrates how we work across our rail safety and economic teams in assessing risks and, where necessary, escalating concerns. Our [intervention](#), following significant dialogue with Network Rail for some time, dealt with both immediate and longer-term sustained compliance considerations which, if left unaddressed, may lead to train performance and public safety risks.

We set a deadline for all assets where there was no recorded structural capacity to be structurally assessed by 28 February 2026. We have been monitoring progress

with these assessments over the last 12 months and will now follow up to secure compliance by Network Rail on the 3% (27) sites outstanding.

Internally, we are providing further CBA training for staff and exploring options to embed CBA training more routinely into inspector training. We are also looking at how our Enforcement Management Model (EMM) might use CBA to support professional judgement when no established benchmark for managing risks is available.

Next steps

We remain committed to providing independent and constructive oversight that supports continuous improvement in health and safety outcomes across the railway. We will embed continued monitoring of this work into our regulatory activity, working with industry to strengthen the consistency and quality of safety decisions across the railway.

The engagement of industry colleagues throughout this review has been instrumental in shaping its direction and we look forward to the benefits these initiatives will bring for users, funders and the wider public.

Yours faithfully

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Markets

Richard Hines

HM Chief Inspector of Railways and
Director of Railway Safety

Annex A – Summary of key findings and recommendations

Key findings	Recommendations
<p>There is a lack of consistency in how reasonable practicability is tested.</p>	<p>Recommendation 1) Industry should enhance its understanding of how to test reasonable practicability. RSSB has confirmed that it is developing further training to support its guidance – ‘Taking Safe Decisions’ – to be rolled out to industry, including senior decision makers. We encourage industry leaders to engage with RSSB’s work. ORR supports this new training and will engage with RSSB on the content prior to the launch.</p> <p>Recommendation 2) Network Rail should continue to develop and implement its approach and guidance for determining reasonable practicability, including a tool for cost-benefit analysis in line with RSSB’s industry guidance. Network Rail, RSSB and ORR should ensure that the approaches to testing reasonable practicability for industry and Network Rail are aligned as far as possible.</p>
<p>The process to deviate from an industry standard is reasonably well understood but deviating from a standard is not always straightforward.</p>	<p>No recommendation: RSSB has already embarked on a review of the deviation process in relation to its standards framework. ORR supports this review. This work is scheduled to take place during 2025 - 2026.</p>
<p>Assessment of costs related to health and safety interventions is limited during the annual business planning process for train operators funded by DfT.</p>	<p>Recommendation 3) ORR and DfT should work together to improve DfT’s awareness of priorities for health and safety. We will engage with DfT and other rail funders on how we can share perspectives and provide advice to enhance their assessment of health and safety interventions.</p>
<p>There is opportunity to improve the identification and inclusion of solutions to manage health and safety risks with trains earlier in the design process.</p>	<p>Recommendation 4) When new trains are being considered, the party acting as the lead on procurement should ensure engagement, where possible, with the future operator to ensure that health and safety issues relating to the planned use of the train are considered and understood by all parties before the design is finalised. ORR also has a role to promote the principles of health and safety by design and clarify the limitations of the interoperability process in relation to operational safety.</p> <p>Recommendation 5) The Government’s rail reform programme should consider how health and safety by design can be improved when new trains are being procured. This will realise a benefit of integrating track and train under rail reform.</p>

Key findings	Recommendations
<p>Network Rail's internal process for escalating emerging health and safety risks should improve.</p>	<p>Recommendation 6) Network Rail should develop a more robust process for capturing significant health and safety compliance issues and escalating these within the organisation.</p>
	<p>Recommendation 7) Network Rail should consider ways to improve how regional and national approaches to address emerging risks are managed, which will allow for effective decision making at corporate level.</p>
<p>The progressive monitoring of costs, project outcomes and governance within Network Rail on significant health and safety initiatives should be improved.</p>	<p>Recommendation 8) For major health and safety interventions, Network Rail should improve its monitoring of cost and project outcomes to ensure that costs are controlled and test that intended benefits are realised. This should include re-evaluating reasonable practicability when there are significant changes in costs and/or the means to realise health and safety benefits.</p>
	<p>Recommendation 9) Network Rail should improve its governance, and documentation of decisions on major health and safety initiatives to improve transparency and to support Recommendation 8.</p>
<p>There is scope for improved consistency of approach in raising awareness and escalating health and safety issues between Network Rail and ORR.</p>	<p>Recommendation 10) Network Rail and ORR should explore opportunities to further strengthen existing engagement on significant health and safety issues. As individual organisations, we will ensure that when novel or complex initiatives arise, there is timely engagement to ensure that issues are being discussed through the appropriate channels. We will continue to have structured engagement with Network Rail (and in future GBR) and industry at a senior level on health and safety matters that could significantly shape future funding requirements.</p>

The Table above summarises all findings and recommendations, some of which relate to wider industry (in blue), some of which are specific to Network Rail (in orange) and one for both Network Rail and ORR (in red).