

ORR guidelines on Route Utilisation Strategies

1. These are the Office of Rail Regulation's guidelines issued under condition 1.8 of Network Rail's network licence. They should be read in conjunction with condition 1 of the licence.
2. These guidelines apply to all Route Utilisation Strategies (RUSs)¹. Where a RUS is already in progress it should comply with any new or revised aspects of these guidelines to the extent that it is reasonably practicable to do so.

Overall objective and purpose of RUSs

3. The purpose of a RUS is to promote the route utilisation objective which is defined in condition 1 of the network licence. An established RUS allows Network Rail, train operators, suppliers, funders and other stakeholders to plan their businesses with greater clarity and certainty.

Scope

4. A RUS should address:
 - network capacity and railway service performance;
 - train and station capacity including crowding issues;
 - the trade-offs between different uses of the network (e.g. between different types of passenger and freight services);
 - rolling stock issues including deployment, train capacity and capability, depot and stabling facilities;
 - how maintenance and renewals work can be carried out while minimising disruption to the network;
 - opportunities from using new technology; and
 - opportunities to improve safety.

¹ Network Rail's RUS programme is available at - <http://www.networkrail.co.uk/aspx/4449.aspx>

RUS time period

5. RUSs should cover a ten year forecast period in detail. Where reasonably practicable, RUSs should also contain scenarios looking forward a further 20 years, that is, a total of 30 years from the commencement of the RUS.

Statements from funders

6. In developing RUSs Network Rail should take account of statements published by funders on available funding and the key outputs being sought, and of the options they would like to see tested.

Assumptions

7. Each RUS should be based on well reasoned demand forecasts for both passengers and freight. As well as developing a strategy based on a central forecast, RUSs should illustrate the impact of a strategy based on delivering lower or higher forecasts.
8. Each RUS should reflect the commitments made in Network Rail's Delivery Plan², having regard to any relevant amendments or changed circumstances since publication.
9. Each RUS should have due regard to Network Rail's contractual commitments such as track access agreements, including any mechanisms for output variation, and any other constraints such as franchise agreements.
10. Network Rail should use the Department for Transport Appraisal Guidance³ and, in Scotland, Transport Scotland's Scottish Transport Appraisal Guidance⁴ as the initial basis for appraisal.

Process

11. Network Rail should establish governance arrangements for the overall RUS process, including an appropriate industry planning group of relevant stakeholders⁵.

² Delivery plan obligations in condition 1 of Network Rail's network licence.

³ Department of Transport's *Transport Analysis Guidance*, August 2007 available at - http://www.webtag.org.uk/webdocuments/3_Expert/13_Rail/index.htm.

⁴ Transport Scotland's *Scottish Transport Appraisal Guidance*, May 2008 available at - <http://www.transportscotland.gov.uk/reports/publications-and-guidance/corporate/j9760-00.htm>

12. Network Rail should also establish governance arrangements for individual RUSs⁶ to include the stakeholders affected by any particular RUS.
13. Network Rail should produce, publish and maintain a RUS manual. This should clearly set out the administrative and technical processes it will follow in developing a RUS, and identify the role of the stakeholders in these processes (for example the information stakeholders are expected to supply).

Programme for development and maintenance of RUSs

14. In developing and maintaining RUSs, Network Rail should propose a RUS programme which must be approved by ORR.
15. The approved RUS programme should be reviewed every six months and tabled at an appropriate industry planning group for consideration. Any subsequent revisions to the programme must be submitted to ORR for approval.
16. In developing a RUS programme for approval by ORR, Network Rail should give due priority to the relevant constraints on the rail system. For example, those routes where there are capacity constraints and where Network Rail may have to prepare a capacity analysis and enhancement plan in accordance with EC Directive 2001/14/EC⁷, and links to exogenous factors such as the franchising programme, or forthcoming opportunities such as major resignalling schemes.

Process for establishing a RUS

17. Network Rail should comply with the RUS programme. It must ensure that each RUS meets the criteria set out in condition 1 of the network licence and any further requirements set out in these guidelines.
18. Network Rail should develop a first draft RUS in conjunction with relevant stakeholders. It should then publish this draft RUS,

⁵ Currently fulfilled by the Rail Industry Planning Group.

⁶ Currently fulfilled by Stakeholder Management Groups.

⁷ Directive 2007/58/EC of the European Parliament and of the Council of 23 October 2007 amending Council Directive 91/440/EEC on the development of the Community's railways and Directive 2001/14/EC on the allocation of railway infrastructure capacity and the levying of charges for the use of railway infrastructure.

specifying a reasonable consultation period within which representations may be made. Having taken account of any representations received, Network Rail should publish and provide to ORR the RUS it proposes to establish, together with any representations received.

19. If ORR does not give a notice of objection to a proposed RUS (in accordance with the procedure set out below), each RUS will be established 60 days after the date on which the proposed RUS was provided to ORR and published.

ORR's objection procedure

20. ORR may object to a proposed RUS within 60 days of it being published. If any third parties wish to make representations to ORR in relation to a proposed RUS, they should do so within 30 days of Network Rail publishing the proposed RUS in order to allow ORR time to give adequate consideration to the issues raised.
21. ORR may object to a proposed RUS if it considers that it is deficient in either of the following ways:
 - it does not fulfil the requirements of condition 1 of the network licence or these guidelines;
 - it does not adequately promote the route utilisation objective.
22. If ORR objects, it will publish a notice of objection explaining why it has objected.
23. If ORR has given a notice of objection for any proposed RUS, Network Rail should, within 60 days (or such other time period as ORR may agree) of receiving such a notice, publish and provide ORR with a revised RUS which addresses the deficiencies which ORR has identified.
24. ORR then has a further 30 days in which to object to the revised proposed RUS by issuing a second notice of objection. In giving this notice, ORR must state that the revised proposal has failed to remedy the deficiency/deficiencies specified in its first notice or has raised a further deficiency/deficiencies. The notice must specify why in ORR's view the revised proposal is deficient. ORR will publish the second notice of objection.

25. If ORR does not give a second notice of objection under paragraph 24 above, the revised proposed RUS will be established 30 days after it was published.
26. For the avoidance of doubt, if ORR serves a second notice of objection under paragraph 24 above, the RUS has not been established for the purposes of the obligation under condition 1.16 of the network licence,

Keeping established RUSs up to date

27. For each established RUS the question will arise as to whether the RUS is out of date and should be reviewed. Such a review could involve starting the whole RUS process again, or could be a partial review of an area or topic if only part of the RUS has changed.
28. There is clearly a balance to be struck between not reviewing RUSs each and every time an assumption changes, and making sure RUSs are up to date when there are major changes which would potentially lead to a materially different strategy. There is also a balance to be struck between the benefits of a partial review which could be done quickly, and the drawbacks of having RUSs which are not fully internally consistent. However, given that RUSs are developed on a rolling basis, it is unlikely that there will ever be perfect consistency across all RUSs. Network Rail needs to make a judgement on this and ORR may also have a view.
29. Network Rail should therefore, every six months, state with reasons whether there have been material changes which should lead to a RUS being reviewed, and put these to the industry planning group for consideration, before submitting any updates to the RUS programme to ORR.

Adapting the RUS process

30. ORR expects RUSs to be developed in a rigorous way and for the process to involve relevant stakeholders. RUSs have so far taken around two years to establish from initial scoping. ORR sees benefits from allowing Network Rail to adapt the process according to circumstances, provided this is clearly justified.
31. Hence the Network Rail RUS manual should explain how the process may work in different circumstances. The process that a particular RUS is following should be clearly set out in the proposed RUS

programme which is sent to the industry planning group, and it should be explained to ORR as part of any proposed update of the programme. Provided that Network Rail could clearly demonstrate the benefits of changing the process or programme, and such changes were supported by the relevant stakeholders (including the industry planning group), then ORR would be unlikely to object.

Keeping track of RUS recommendations

32. For RUSs to play their full role in providing a basis for planning the industry, stakeholders need to know the status of RUS recommendations.
33. Therefore Network Rail should develop and maintain an electronic database with details of all RUS recommendations. Network Rail should do this in consultation with operators, funders and other relevant stakeholders.
34. The database should show what, if any, action has been taken as a result of those recommendations, and show the reasons for any delay or inaction.
35. Network Rail should publish the database on its website and update it at regular intervals.