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OFFICE OF RAIL REGULATION

2 October 2012

Mr Nigel Jones  
Head of Planning & Strategy  
DB Schenker Rail (UK) Limited  
2nd floor, McBeath House  
310 Goswell Road  
London  
EC1V 7LW

Mr Robin Gisby  
Managing Director, Network Operations  
Network Rail Infrastructure Limited  
Kings Place  
90 York Way  
London  
N1 9AG

Dear Nigel and Robin

### **Freight performance**

1. I am writing to confirm our view that Network Rail has met the terms of the freight performance order we made on 19 January 2012 (and later amended on 23 April 2012). The order required Network Rail to establish a recovery board of its freight customers with a remit to agree reasonably practicable steps Network Rail should take to remedy the licence breach we found last December.
2. The recovery board was set up, under Nigel Smith's chairmanship, in February 2012 and has met five times. Whilst Network Rail was not a formal member of the board, we were pleased to see that it engaged fully and positively with the recovery board and, in practice, operated as if it were. Consequently the board was able to develop and agree with Network Rail a detailed freight performance recovery plan with milestones across a range of areas, including better data, management of assets and incidents and timetabling, and a focus on strategic freight corridors.
3. On ORR's behalf I would like to express my thanks to you and your colleagues for the time and energy you have put in to making the recovery board idea work so well. This was an innovation for us and we agree it has resulted in positive



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collaborative engagement across the sector and a welcome new cross-company focus on the key corridors and on freight performance issues.

4. We see Network Rail caused delay to freight services has improved markedly over recent months; in the most recent period it was ahead of where it needed to be for the company to meet this year's regulatory target. This improved performance will, we believe, result in real benefits to freight users.
5. We welcome your intention to build on the recovery board experience. We also welcome the freight companies' intention to monitor and challenge the continued delivery of the agreed recovery plan monthly, as well as reporting progress quarterly to the National Task Force, and twice a year to a senior forum on performance and other freight issues. We will of course continue to keep the issue under review and would expect and encourage freight operators to alert us to any serious delivery concerns.
6. I am copying this letter to those listed below and will be placing a copy on our website.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Michael Beswick', written in a cursive style.

**Michael Beswick**

Copy to:

Paul Plummer, Tim Robinson – Network Rail  
Nigel Smith – DB Schenker  
Paul Smart, Adam Cunliffe, Lindsay Durham – Freightliner Group  
David Knowles, Ian Kapur – GB Railfreight  
Jeff Marshall – Direct Rail Services  
Stephen Haynes – Colas  
Tony Berkeley – Rail Freight Group  
Theo De Pencier – Freight Transport Association