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Iain Coucher  
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Network Rail Infrastructure Limited  
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Dear Iain

### **Maintenance restructuring**

As you know for several months now, we have been reviewing progress of your maintenance restructuring project (phase 2b2c). We all recognise the significance and importance of the changes you are making, described by your own project managers as “the most significant change in a generation”. I am grateful for cooperation and openness of your teams assisting our review and in particular the full exposure of your internal safety validation processes. We have also used frontline inspection to test some of the underlying issues.

As part of our work we have inspected some of your current practices, looking into relevant issues raised with us by your employees and/or their representatives. The prohibition notice we served in south Wales on 5 February concerning track-worker safety shortcomings arose directly from this work.

**I am pleased to tell you that our review has identified no reason for us to challenge the core principles of your proposed new maintenance structure. In our view these principles are sound and appropriate.**

We recognise that you are committed to operating and maintaining the railway safely and efficiently. We support your goal of introducing much greater efficiency into your maintenance practices and doing this in ways that sustain and improve on your safety record. And we agree that this will only be realised if there is also a significant change in attitudes and behaviours throughout your organisation.





Our purpose in reviewing your maintenance restructuring was for us to be assured that the safety implications of the changes were being well managed by your staff. Our work has highlighted four significant areas of concern. These are:

1. **There has been no practical test of the proposed changes.** You propose simultaneous implementation across the entire network, to a very tight timescale. We recognise that there is a legitimate case for speed to reduce the period of uncertainty for your employees. However much of the changed practices you need depend upon your series of '**how to**' guides, but they are not yet available. We are concerned that the cultural change for your maintenance employees is unlikely to be introduced safely if it is implemented nationally without proper employee engagement or before essential tools for consistently and safely changing processes are developed and have been rolled out effectively.
2. Your **London North West route** faces the most significant changes. The successful introduction of the Virgin high frequency (VHF) timetable was only made possible by significant increases in staffing. We are concerned that not all the technological and procedural changes necessary to support your new structures have been implemented. Your review of efficient engineering access, planned for June 2010, lags implementation of phase 2b2c. By then many of your current employees will have left. Also current performance on west coast mainline is erratic (and on our regulatory escalator) with some of your delivery units unable to resource the basic requirements in standards and you are yet to implement all the planned VHF maintenance improvements. All these factors in combination give us cause for concern on you London North West route.
3. Many of your **section managers** report doing significant additional hours to carry out their duties properly. Your restructuring increases their workload and decreases their support, with fewer assistants and support engineers. We are concerned that your section managers undertake safety critical work but as yet their time (and hence fatigue risks) are not recorded and appear not to be managed proactively. We agree with Steve Featherstone that resolving these issues is important and we have made it clear to him that this must be resolved quickly if you are to avoid us taking formal enforcement action.
4. Your new approach distinguishes between **productive time** (actually doing a task) and the preparation, travel, access, briefing etc. You appear to have designated lookouts and other essential safety roles as **non-productive**. Steve Featherstone has explained that your approach should help your push for more green zone working. We are concerned that it could just as feasibly encourage shortcuts in lookout provision (as we found recently in south Wales), skimping on planning and curtailed safety briefings.



We have also identified inconsistencies and gaps in your Ellipse database. This chimes with other criticisms of your asset information systems. We are pleased that the D-Quip project is progressing well but there is a long way to go. Our inspectors found examples of maintenance tasks and activity not captured in Ellipse due to interface issues, staff uncertainty and local recording systems. But in mitigating the effect of any such errors in this change, we know that your works delivery structure, and in the short term the surplus staff pool, will provide flexibility to resource maintenance tasks adequately if you have got local sizing wrong. If we find examples where shortcuts persist, or that post “go-live” reviews are not effective, we will take action.

We understand you expect targeted use of your labour-only sub-contractors and we can see the business benefit of this approach. But current employment practices in some of your labour providers are substantially different to your direct employees, with these employees having to pay for their own training, equipment, travel etc. We will intervene if we find your labour-only contractors failing to meet the requirements of health and safety law.

Of course as the duty holder, you are responsible for your safety systems and processes. We will continue to monitor and contribute to your safety validation process and we will target our inspection activity in the areas set out above.

I therefore look to you for action on the principal concerns I have highlighted in this letter before you make the go/no-go decision on your maintenance restructuring. Please can you keep me informed of the action you are taking?

I will be placing a copy of this letter on our website next week as part of the documentation supporting our next Network Rail monitor

A handwritten signature in blue ink that reads 'Bill Emery'.

**Bill Emery**