



**Department
for Transport**

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From the Parliamentary
Under Secretary of State
Andrew Jones MP

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Dear Mr Collier,

Following the severe and unacceptable disruption experienced by passengers as a result of the May 2018 timetable change, there has been much work to understand the causes of last year's failures and identify how to avoid any future repeat. The ORR's Timetabling Inquiry was at the heart of this. I am very grateful to the ORR for leading this Inquiry as well as to all those across the industry who contributed to it. The Inquiry has provided us with clear recommendations for the improvements needed for future major timetable changes, if we are to ensure that the benefits are delivered for passengers and communities.

Government agrees with the conclusions of the Inquiry's Final Report. Where recommendations are for other parties to act upon, we fully support their rapid implementation and will provide support to ensure their effective delivery. At the heart of the Inquiry's recommendations was the need for more integrated governance, assurance and decision-making, covering infrastructure, rolling stock, franchise and timetable. This is clearly of vital importance if we are to achieve the benefits of the taxpayer's investments in the rail network. We are taking actions to further embed this in our own systems and processes.

This response sets out the actions we have taken or intend to take to implement the report's recommendations.

Putting passengers at the heart of decision making

The Final Report highlighted the extent to which the problems with the delivery of the May 2018 timetable and serious disruption to services harmed passengers' confidence and trust in the railway.

Government's investments in the railway are designed to produce benefits for end users, whether passengers or freight customers. This is at the heart of the process by which we scrutinise investment options and make decisions

on priorities. It is also at the core of our franchising programme, which has brought significant benefits for passengers in terms of seat capacity and service quality, including through improvements such as the introduction of wi-fi connectivity on services.

However, I accept that during the preparations for the May 2018 timetable change, this focus on the passenger interest was obscured and the voice of the passenger was lost. As highlighted by the Final Report, this led to the accumulation of an unacceptable degree of risk for passengers, as well as a lack of planning for how to manage disruption if it occurred.

We are taking steps to ensure this failure is not repeated. We are making changes to our programme governance arrangements to ensure that passenger risks and benefits are properly assessed when plans need to change. We will ensure that future external assurance reviews of our programmes scrutinise how passenger impacts are being managed. For our largest programmes, we are taking steps to ensure that plans properly account for their "entry into service", ensuring that minimising disruption to passengers remains at the heart of our planning.

We are confident that these changes can be implemented quickly and are aiming to see the majority of them in place by the summer.

Improving programme governance

The Timetabling Inquiry identified that the programme boards established to oversee the delivery of major infrastructure works did not give due attention to wider, systemic risks to the delivery of passenger benefits. In particular, the Inquiry found that the Northern Programme Board's terms of reference were too tightly focussed on infrastructure works and that while the remit of the Thameslink Programme Board was broader, there was still insufficient consideration of systemic risks.

We accept the Final Report's recommendation that the terms of reference (and membership) of programme boards must be broadened to enable them to bring together on a more equal footing the four key strands of infrastructure, franchising, rolling stock and timetable. We will address this issue through changes to the terms of reference for our existing boards as soon as possible, with an aim to do so by the summer, and will ensure that this is reflected in the arrangements for future programme boards. We will further ensure that our Programme Boards are required to give full regard to the deadlines laid out in Part D of the Network Code, recognising that insufficient adherence to these contributed to the problems that emerged in May 2018.

We will also ensure that where appropriate, Programme Boards are supported by an Industry Readiness Board or an appropriate alternative arrangement. The nature of such arrangements will need to be flexible to the

scale and particular requirements of programmes and we are not inclined towards a "one size fits all" approach. We do, however, accept the need for such arrangements, as well as for making sure that they are appropriately empowered to procure genuinely independent assurance.

In respect of the Final Report's recommendation to establish an enhanced, system-wide advice, assurance and audit capability, we are working with the industry Project Management Office (PMO) to determine how it can best play an enhanced role in the short term. In respect of DfT's own role, we recognise that a key element of managing our diverse Rail programmes and projects is in ensuring interdependencies are effectively managed. To this end we have been introducing a portfolio approach, as previously suggested by the National Audit Office and the Infrastructure and Projects Authority. We recognise, however, that this issue may require longer-term consideration following the conclusions of the root and branch review of the rail sector currently being led by Keith Williams.

Supporting industry

Many of the recommendations in the Final Report do not fall to Government to implement. We are clear, however, that we support the full implementation of these recommendations and that we stand ready to support Network Rail and the wider industry in this process.

It is clearly vital that the proposed review of Part D of the Network Code is undertaken in a timely manner and in full consultation with industry and funders. We stand ready to participate in and support this review.

We also regard it as important that your recommendation of an industry-wide strategy to improve timetabling technology is taken forwards as soon as possible. In setting out our funding envelope for Control Period 6, we have allowed provision for Network Rail to spend £245 million across the next five years on research and development activity. We would consider it highly appropriate for a portion of this funding to be used to support work on improving timetabling technology.

We note also the Final Report's proposal that ORR should, in the short term, take up an enhanced role in respect of the monitoring of timetable change processes. We regard this as a sensible step for ensuring the delivery of upcoming timetable changes in the short term. We recognise, however, that alternative arrangements may be identified to better support timetable change processes in the longer term.

Longer term structural changes

The root and branch review of the rail sector being led by Keith Williams is expected to report in the Autumn of this year. This report could lead to significant changes to the industry's structure and processes. I have asked Keith Williams to take specific account of your recommendations and to give

them full consideration when making recommendations for the future of the rail sector. It is critical that the rail sector is clearly focussed on the interests of end-users and that any long term structural changes are designed with this in mind.

In conclusion

Having accepted the recommendations of the Final Report, it is my view that the majority of the actions which fall to Government to implement can be taken forwards quickly, the majority by the summer. Government is now focussed on ensuring that this is done.

More fundamental changes to the industry's structures and governance may take longer to implement. I have taken steps to ensure that the passenger interest remains at the heart of any such changes.

I look forward to continued engagement with you on these issues.

*Yours sincerely,
Andrew Jones*

ANDREW JONES