



ORR Business Plan Consultation
Office of Rail Regulation
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Dear Sir/Madam

ORR Business Plan Consultation

This letter sets out TfL's response to the consultation. TfL agrees with ORR's five broad objectives and with the fact that ORR is taking a long term view of its role. Although ORR's immediate priorities are rightly focused on the current position within the five year regulatory cycle, there are issues such as the overall structure of Network Rail's finances which need a pan-cycle consideration.

The rail industry faces difficult times with the impacts of the recession and constraints on government funding. It is essential for ORR to show leadership at a time when the rail industry needs to reduce costs and yet still deliver levels of capacity and service quality that will contribute to growing passenger demand and economic growth.

TfL welcomes ORR's objective to support better service quality for customers. Experience on London Overground has shown that improved service quality with better reliability, staff visibility, customer information and improved station and train facilities has led to greatly improved customer satisfaction and passenger demand. Such enhancements deliver value for money and it is essential that social and economic benefits are taken fully into account in appraisals.

ORR has a dual role as safety and economic regulator and this is reflected in the objective to drive for a safer railway. Although the balance of the business plan is more heavily weighted towards economics than safety and TfL would like to see a slightly greater emphasis on safety regulation.

TfL, as a major funder of rail services and enhancement projects, looks forward to working with ORR in Control Period 5 and beyond. As well as being the concessioning authority for London Overground, TfL is currently funding infrastructure investment on the national rail network and train lengthening. TfL's role as a rail industry funder will increase as the Crossrail concession begins operation in 2015 and potentially also with further devolution of rail services.

Yours faithfully

Carol Smales