

TO: NICOLA SHAW
CC: BOARD SECRETARY, BOARD MEMBERS
FROM: RICHARD MORRIS
SUBJECT: DELAY ATTRIBUTION BOARD RESPONSE TO SHAW REPORT
DATE: 18TH DECEMBER 2015

Dear Ms Shaw

I am writing to you on behalf of the Delay Attribution Board (the Board), in response to your request for feedback on your recently published Report entitled 'The future shape and financing of Network Rail'.

Like many others across the industry, the Board welcomes the steps being taken through devolution to deliver a more responsive, customer focused and efficient organisation. There are many cases where it is the sensible course of action for many of the reasons set out in your report. However, there are some concerns in respect of national cross-network consistency, which I would like to specifically cover, that have been raised by members of the Board.

As I am sure you are aware, the Board is an Industry body responsible for publication and update of national documents relating to the performance monitoring and attribution processes contractualised through provisions in Part B of the Network Code. These documents are the Delay Attribution Guide (DAG) and the Performance Data Accuracy Code (PDAC).

The Board asserts that the different Network Rail Routes and Operators should all continue in a devolved world to work to a number of national and complimentary frameworks to maintain the benefits of the railway system. This includes processes such as delay attribution, the mechanism for which is set out in the DAG and maintained to standards set out in PDAC.

This is mainly because;-

- Without national coordinating functions the overall benefits of the GB network could be lost – in terms of capacity, capability and performance.
- Network Rail has an obligation under its Licence Conditions not to unduly discriminate, i.e. to treat all Train Operators similarly under similar circumstances. A national set of guidelines reinforces this fairness, especially in the case of Freight Train Operators, and many other Passenger Train Operators that operate over a multiplicity of Network Rail Routes. A standardised approach agreed on a cross industry basis reinforces the concepts of the fairness and consistency required by all parties.
- The delay attribution process allows consistent intra-network benchmarking and supports continuous improvement including through delay cause analysis to assist in performance improvement. Consistency of measurement is therefore paramount.
- There is a requirement for appropriate, comparative measurement and accurate reporting for all Industry parties, including ORR and DfT.

For the above reasons, the Board considers that network-wide coordination processes become ever more important as a consequence of devolution.

Given the current level of devolution, it is clear to the Board that there are already opportunities for small variations entering the delay attribution process. This is apparent particularly where Operators cross Route boundaries and become subject to slightly differing approaches by adjacent Routes. This lack of consistency causes confusion and increases management and transaction costs for the Industry as a whole in delivering this process.

Members of the Board have reported that the situation appears to have deteriorated since the first steps towards devolution were taken in 2011 with various practices and behaviours being cited that are perhaps not conducive to unbiased and consistent attribution as described above.

Details of specific issues or behaviours can be provided should it assist in furthering discussions on this issue.

With an increasing number of trains running on the Network and more people than ever travelling as well as an increasing amount of goods being conveyed, the capture of accurate data to improve performance is becoming more, not less important, in order that the causes of delay are understood and data is available to underpin performance improvement schemes.

It is the Board's view that attribution should be carried out in an unbiased way to nationally set rules and guidelines. The Board provides one layer of assurance that these principles are not lost in any further moves toward devolution.

It would therefore make sense, in the Board's view, for the current attribution management processes, and application thereof to be reviewed in light of any further devolution and for the establishment of clearer system operation activity with the centre of Network Rail, to deliver benefits including:

- Consistent attribution processes and application nationally
- Improving efficiencies in the process (time and resource)
- Reducing risk to individual Operators and indeed to Network Rail

Therefore, on behalf of the Board, it is suggested that devolution is an appropriate approach in many areas but within any plans for further devolution, protections need to be put in place to maintain certain activities that should be carried out, or appropriately monitored at, a national level. This includes delay attribution which should remain centrally led and controlled within Network Rail on behalf of the Industry.

I would advocate therefore that you bear these points in mind when looking to develop devolution to Network Rail's Routes – certainly don't lose the principle, but remember there are some things that must have central foundation and which cannot be ignored by devolved Routes in Network Rail.

Yours faithfully,

Richard Morris
Chairman
Delay Attribution Board