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Dear *Bill*

Maintenance restructuring

Thank you for your comments on our Maintenance restructuring and the opportunity to formally respond to the issues you have raised. We were pleased to note your comments on our sound and appropriate approach to the restructuring and that the safety implications have been well managed by our people.

You highlighted some areas of concern prior to our go / no go decision. We have addressed these issues below; however, as part of the Safety Validation process we have already reviewed the option of a single go live or a phased go live. The go live options have been reviewed by the Safety Validation panel, with a single go live implementation being considered the preferable option. The final go/no-go decision will follow an extensive review involving all 40 Delivery Units and the 10 Routes before the final certificate for the Maintenance function is approved.

Practical testing of the proposed changes

We can assure you that we would not ask our people to do anything that they were not trained and competent to do. Many of our people already undertake activities involving overlapping skills for which they have been trained and deemed competent. We envisage our "how to" guides to be an *aide memoir* and not a substitute for training, coaching, mentoring, or master classes, etc. The phase 2b/c changes provide us with the foundations to change our practices and processes over time and we intend to make these changes only when it is safe to do so.

All of the key changes – with one exception cross boundary faulting - have been in use for many years in different parts of the country. For example team size by task, overlapping skills and rosters with 65 weekend shifts already exist and have been practically tested.

However, cross boundary faulting is new and we will pay extra attention to this change. An example of this would be to reduce the current eight Signalling & Telecoms (S&T) fault teams to four in London termini overnight. We have analysed this from a response perspective and we are confident that given the reduced number and nature of the faults that occur during this period we are able to appropriately and adequately respond to operational issues that arise. Of course we recognise that there are initial safety risks whilst our people become familiar with the wider faulting geography and the safe systems of work that are appropriate for different locations. As a result, we have given ourselves a transitional period of up to a year to provide additional support and familiarisation training to the faulting teams.

Significant changes on the London North West route

With the benefit of experience, we now have a better understanding of what is required to maintain the very high frequency railway; in particular, what the access availability is and how this translates into resource requirements to utilise the access to maintain the infrastructure.

As you are aware, the reliability challenges on the West Coast are well documented together with the improvement programmes such as junction lighting and remote condition monitoring that are discussed regularly at the West Coast Board. If we need to continue to provide additional faulting resources whilst the reliability of the West Coast infrastructure is stabilised, then we will do that; however, we consider this to be additional to the core organisational design and for a limited time period only.

However, it is important to note that the London North West route is considerably more extensive than the West Coast – covering urban areas of Liverpool, Manchester, Birmingham etc.

Section Managers' duty hours

We understand the concerns which have been expressed regarding hours worked by our Section Managers. Following our discussion with your colleagues, we have issued instructions to our Delivery Unit managers to introduce additional monitoring and controls on the working hours of the section managers and supervisors.

The standardised model will help us to define everybody's job role and allow us to focus on the Section Managers role and the hours worked. To date we have implemented a number of improvements to support the Section Managers and provide greater clarity on their core roles. These improvements include the clarity on work scheduling with the introduction of the section planner, section administrator and section planner / administrator posts and planning training. Further improvements will be implemented as part of the implementation of Maintenance Restructure, which includes the introduction

of a number of "How to guides" that will provide greater clarity on the roles and responsibilities of these key employees in the new organisation.

Productive time and non-productive time

We recognise that there will always be a substantial element of time and tasks which are essential but non-productive. The example of a lookout being non-productive is a good one as in order to improve productivity you could consider working without a lookout but to do this you have to work green zone. This is the behavioural shift that we want and one that also improves safety.

We want our people to start to think about productivity and efficiency and to consider what else they can do to add value to a task. For example: they could clean the signal lenses whilst they pass them rather than sending out another team. While some of this additional work is within existing skill sets, some will require overlapping skills training.

Ellipse

The Ellipse system has been in operation for at least five years and has been the main works management system for inspection and maintenance of the railway infrastructure. We have undertaken extensive system improvements and training to improve and embed the use of Ellipse into infrastructure maintenance delivery.

As you are aware we introduced a data quality improvement programme (DQIP) which has made significant progress in recent months, however, we recognise that there is still work to do to get Ellipse used consistently. AMCL your independent auditor has also carried out an audit which concluded that the DQIP programme is making extremely good progress in terms of data cleansing, data quality and consistency in using Ellipse.

The use of Ellipse for recording assets is mandated, as stated in Network Rail standards. There are documented processes as to how assets should be created and creation/issue of Ellipse works orders. Since your letter we have issued further directions on compliance to all our Delivery Units.

The design and sizing of the organisation has involved other checks including those on asset counts and works volumes. This data has been used to support the sizing of the new maintenance organisation. The sizing of the new organisation also forms a key part of the Safety Validation process.

Labour-only sub-contractors

We are working with our contingent labour providers to address the concerns over labour-only sub-contractors. We have already introduced a contingent labour safety

group chaired by our Maintenance Head of Safety and Compliance to bring the safety directors of the contingent labour suppliers together. We recognise that there is still work to do but we believe that we have the foundations in place to develop the solutions we need.

As explained above, the go-live decision will only be made following review of these and other issues. I note that you will continue to monitor and contribute to our safety validation process and I will also keep you informed of progress.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Iain', with a long, sweeping horizontal stroke underneath.

Iain Coucher
Chief Executive