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Dear Joel,

Consultation on Network Rail's Schedule 8 benchmarks during CP5

This letter sets out the views of TfL and London Overground Rail Operations Limited (LOROL) on the questions raised by the consultation on Network Rail's Schedule 8 benchmarks during CP5. TfL and LOROL are content for the contents of this response to be published and shared with third parties.

Question 1: Do you agree that Network Rail should lead the work to set Network Rail Schedule 8 benchmarks for CP5? Do you have any suggestions in relation to industry engagement around this process?

TfL and LOROL agree that Network Rail should lead the process for setting the Network Rail Schedule 8 benchmarks for CP5, as they have extensive knowledge of the relevant datasets and associated issues. The industry engagement undertaken by Network Rail must be thorough and genuine to ensure that the benchmarks set are challenging and deliver significant improvements to rail performance during CP5.

Question 2: Do you agree with each of the principles set out, above? If you do not agree with any of the principles, it would be helpful if you could explain why and suggest alternatives, if appropriate.

TfL and LOROL broadly agree with the principles set out subject to there being detailed consideration of the time period used for the benchmarking

data. For some TOCs (including London Overground) this is likely to have a significant impact on the value of the benchmarks. The data used for London Overground should be drawn from the 2011/12 financial year onwards (and **not** earlier), to ensure that it reflects the better performance levels achieved after completion of the upgrading of the Overground network. The benchmarks set for CP5 should require improvements to the level of performance achieved during 2011/12.

TfL and LOROL also consider that the use of Route based PPM targets must not materially disadvantage operators that have a relatively small presence on a particular Route, as is the case for London Overground. The process must deliver challenging benchmarks for all operators using the infrastructure of a certain Route.

Question 3: Do you have any comments on engagement between Network Rail routes and TOCs in establishing PPM performance trajectories by TOC for CP5?

TfL and LOROL have no comment to make on engagement regarding the PPM performance trajectories, except to reiterate that all engagement should be genuine and lead to the creation of challenging performance benchmarks for Network Rail.

Question 4: Do you have any comments about the process for converting TOC-level PPM trajectories into Schedule 8 benchmarks?

TfL and LOROL have no comment to make on this process.

Question 5: Do you agree with our provisional proposals for timescales and processes for setting benchmarks in CP5? Do you have any further comments?

TfL and LOROL are content with the proposed timescales, provided that there is detailed and meaningful consultation with operators during the benchmark setting process.

Yours sincerely,

**Alan Smart,
Principal Planner – Forecasting,
Rail Planning team.**