Opinion: EANDCB Validation

Origin: Domestic

RPC reference number: RPC-DFT-ORR-3821

Date of implementation: April 2017



Office of Rail and Road (ORR) Guidance on the Railway Safety Regulations 2017 (RSR2017)

RPC rating: Validated

Description of proposal

ORR is updating its 30 page guidance document on the Railway Safety Regulation 2017 (RSR2017) to ensure legal references are up-to-date. The regulations that the guidance supports have been consolidated and amended; a separate IA produced by DfT covers the substantive changes in regulatory requirements produced as a result. This assessment covers the impacts of the consequential changes to the guidance.

Impacts of proposal

The assessment states that the guidance will affect all train operators and infrastructure managers in Great Britain. The guidance requires no action on the part of regulated businesses, other than compliance with the regulations. Like all railway safety guidance, it is not mandatory, although railway businesses will normally pay due regard to the guidance in their activities.

45 businesses are affected by the proposals: 25 passenger train operators, 7 freight operators and around a dozen light rail or metro operators. All these business are expected to familiarise themselves with the guidance; this is deemed to be the only cost to business.

<u>Familiarisation costs</u> have been estimated based on ORR's operational experience, which suggests that a group of 5 individuals in each company will deal directly with the guidance - the head or director of safety, the head of engineering, the head of operations, a signalling specialist and a rolling stock specialist. This is a conservative estimate; for some smaller businesses some of these roles may be combined. Using ASHE data for managerial roles in the rail sector (appropriately uprated) and standard assumptions about reading speeds, ORR estimates a total one-off cost of £25,755

<u>Direct benefits</u> – The assessment states that consultation with industry has not yielded any evidence of direct benefits.

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The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of £0.0 million (rounded). This is a qualifying regulatory provision that will score under the Business Impact Target.

Quality of submission

The submission is clear, and draws appropriate attention to the fact that impacts of changes to regulatory requirements are accounted for elsewhere. It could be more concise and less repetitive.

Departmental assessment

Classification	Qualifying regulatory provision
Equivalent annual net direct cost to business (EANDCB)	£0.0 million
Business net present value	£0.02 Million

RPC assessment¹

Classification	Qualifying regulatory provision
EANDCB – RPC validated	£0.0 Million
Business impact target score	Zero

Michael Gibbons CBE, Chairman

¹ For reporting purposes, the RPC validates EANDCB and BIT figures to the nearest £100,000

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