

## **ORR/OPPPA Cooperation and information exchange**

1. The Board has agreed that there are mutual benefits in cooperation and exchange of information between ORR and the Arbiter for the London Underground Public Private Partnership Agreements (the PPP Arbiter). We have agreed the arrangements set out in the attached exchange of letters. This note summarises what this means for us.

2. Under the Greater London Authority Act 1999, the PPP Arbiter gives guidance to the PPP Parties (London Underground, Tube Lines and Metronet - Metronet is currently in administration) on any aspect of the PPP Agreements and gives directions on matters specified in those Agreements. He has further powers to prepare for such references. He can be asked to give guidance and directions on matters which require him to carry out analysis similar to that which we undertake in relation to Network Rail, for example on the efficiency of costs incurred or on cost estimates for delivery of future outputs. There is further information about the Arbiter on his website <http://www.ppparbiter.org.uk/output/Page1.asp>.

3. In order to do his job effectively, the Arbiter and his staff meet regularly with senior executives from each of the PPP Parties, and receive regular information from them on their activities relevant to the PPP. He also employs external advisers to review different aspects of performance of the infrastructure companies which maintain and upgrade London Underground's infrastructure and trains.

4. We have agreed with the Arbiter that

- we will advise the Arbiter if we obtain information which we consider may affect, or be of value to, him in the exercise of his functions. Generally we will not provide information on specific incidents, unless they are of particular importance, but will provide information on trends and emerging issues;
- we will inform the Arbiter about current and proposed activities where information from ORR appears to us to be of relevance to Arbiter in the exercise of his functions;
- we will inform the Arbiter when we exercise any formal regulatory functions in respect of the London Underground. Where appropriate we will give him forewarning of any significant formal action.

The Arbiter has agreed to do similar things for us, recognising in particular our health and safety, and competition, responsibilities covering the London Underground.

5. We and the Arbiter are subject to statutory rules which govern our ability to disclose information that we have received from third parties in the exercise of statutory functions. In our case the key provisions are contained in section 28 of the Health and Safety at Work etc Act 1974, section 145 of the Railways Act 1993 and part 9 of the Enterprise Act 2002. In the case of the Arbiter the relevant provisions are section 235 of the Greater London Authority Act and section 115 of the Railways and Transport Safety Act 2003. These provisions enable us to disclose information to the Arbiter that we have received in the exercise of our economic and safety functions and the Arbiter

to disclose information to us. If you would like to understand more about this, you should contact Lynsey Garnett in the Legal Services Directorate.

6. We will advise the Arbiter of the confidentiality status of any information we provide.

7. Each directorate will implement these arrangements in its areas of responsibility to deliver the commitment we have made.

8. I will meet the PPP Arbiter formally every twelve months to review the working of this arrangement, and to identify upcoming issues.

9. Currently Chris Bolt is both Arbiter and our Chairman. We will review the arrangements if at any time the posts are held by different people.

10. Current areas of collaboration include assessment of best practice approaches to asset management, cost benchmarking, and how quickly infrastructure companies can be expected to improve their performance and efficiency. Our Inspectorate's London Metro team keep the Arbiter informed of any significant safety developments.

11. In addition, while Chris holds both posts, we recognise that ORR may have high level issues we want to raise with TfL/LUL/Infracos and that Chris's high level contacts may be the best way to do so. If so, Ian Raxton, our stakeholder adviser for London Underground and Transport for London, will coordinate any briefing.

**Bill Emery**  
**July 2007**

**Bill Emery**  
**Chief Executive**  
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OFFICE OF RAIL REGULATION

30 July 2007

Chris Bolt Esq  
PPP Arbiter  
Office of the PPP Arbiter  
One Kemble Street  
London  
WC2B 4AN

Dear Chris

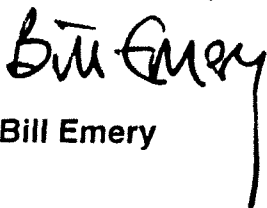
### **ORR/PPP Arbiter Cooperation and Information Exchange**

1. I am writing following the Board's agreement that we should promote cooperation and exchange of information between the Office of Rail Regulation and you in your role as PPP Arbiter.
2. Subject to the confidentiality provisions of the Railways Act 1993, the Health and Safety at Work etc. Act 1974 and the relevant competition legislation, we will:
  - advise you if we obtain information which we consider may affect, or be of value to you in the exercise of your functions. Generally we will not provide information on specific incidents, unless they are of particular importance, but will provide information on trends and emerging issues;
  - inform you about current and proposed activities where information from us appears to us to be of relevance to you in the exercise of your functions;
  - inform you when we exercise any formal regulatory functions in respect of the London Underground. Where appropriate we will give you forewarning of any significant formal action.

We will advise you of the confidentiality status of any information we provide.

3. I suggest we meet formally every twelve months to review the working of these arrangements.

Yours sincerely

  
**Bill Emery**



# Office of the PPP Arbiter

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30 July 2007

Bill Emery Esq  
Chief Executive  
Office of Rail Regulation  
One Kemble Street  
London WC2B 4AN

*Dear Bill*

## **ORR/OPPPA COOPERATION AND INFORMATION EXCHANGE**

Your letter of 30 July refers. As PPP Arbiter, I agree that there are benefits in cooperation and exchange of information between our two organisations.

As set out in the Greater London Authority Act 1999, my functions are to give guidance to the PPP Parties (London Underground, Tube Lines and Metronet) on any aspect of the PPP Agreements and to give directions on matters specified in those Agreements. I also have further powers to prepare for such references.

In order to carry out these functions effectively, I meet regularly with senior executives from each of the PPP Parties, and receive regular information from them on their activities relevant to the PPP. I also employ external advisers to review different aspects of Infracore performance.

I confirm that as PPP Arbiter I will

- advise ORR if I obtain information which I consider may affect, or be of value to, ORR in the exercise of your functions;
- inform ORR about current and proposed activities where information from ORR appears to me to be of relevance to ORR in the exercise of your functions;
- inform ORR when I receive references from the PPP Parties.

I will advise ORR of the confidentiality status of any information I provide.

I agree that we should meet formally every twelve months to review the working of these arrangements.

Yours sincerely,

*Chris Bolt*

**Chris Bolt**  
PPP Arbiter

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