
Delivering for our customers

Summary Plan 2006



Network Rail


Welcome

This year's Business Plan shows how Network Rail is delivering sustained improvements to Britain's rail infrastructure. Delays have fallen a further seven per cent this year, a drop of around 28 per cent since we took over in 2002/03, and over 86 per cent of passenger trains now run on time. At the same time, we have taken £355 million out of operating and maintaining the railway whilst improving asset quality.



An additional

£200m

for enhancements over
next 3 years

Such has been our success that I am delighted to announce that Network Rail is now in a position to put an additional £200 million towards enhancement of the network over the next three years. This money is the result of good financial management and shows that Network Rail's not for dividend structure is delivering investment to create a better railway for Britain.

We are ambitious for the railway and want it to grow to meet increasing customer demand. To do this we are working with them – the passenger and freight train operators – and government. Demand keeps on growing and the challenge of creating a world class railway remains. Working with our colleagues throughout the industry, we are confident we can create a railway of which we can all be proud.

A handwritten signature in blue ink that reads "Ian McAllister". The signature is written in a cursive style.

Ian McAllister
Chairman

Our plan for 2006

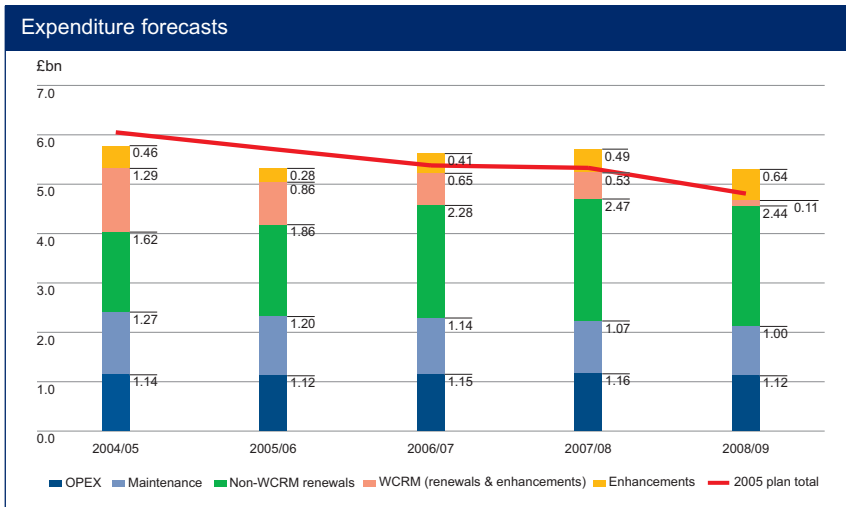
We have ambitious investment plans. This year, we will spend £5.6 billion on the network, six per cent more than last year.

We continue to drive down the unit costs of renewals. By the end of this year, we expect to have reduced unit costs by 22 per cent over the three year period.

We must be bold in catering for growth, so together with industry colleagues we will invest in increasing the capacity of our routes, across the length and breadth of the country. And we will promote strongly long term plans such as providing access for the 2012 Olympic and Paralympic Games, expanding Thameslink, redeveloping our busiest stations and improving access for freight.

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Achievements in 2005

On the way to world class performance.

Fewer delays

Last year we raised the bar by making our future performance targets even tougher. Delays this year are down seven per cent compared to last year and remain one year ahead of the target set by the Office of Rail Regulation.

Safer travel

The risks from signals passed at danger are at their lowest ever levels.

Improved assets

The condition of the network is improving. We have renewed 700 miles of rail, 500 miles of sleepers, 500 miles of ballast, and 600 switches and crossings this year.

Modernising the West Coast

Having relaid nearly 1,000 miles of track, the West Coast Main Line can now carry trains at 125 mph between London and Glasgow, slashing journey times by more than 40 minutes compared to 2004.

Smarter stations

We have launched exciting plans to redevelop some of our biggest stations, including Birmingham New Street, Euston, King's Cross, Waterloo, Victoria and Edinburgh Waverley, as well as developments at other stations across the network, such as Guildford.

Skilled people

We are investing in world class training. Our new advanced apprenticeship scheme at Gosport, the largest in the country, will be used to train over a thousand young people who are entering the industry. Westwood, our new Leadership Development Centre in Coventry, is raising the skills of 6,000 managers to improve their leadership capabilities. We have commissioned a number of purpose-built maintenance and safety training centres around the country that will start opening later this year.

Working with train operators

We have introduced more integrated control centres and seven are now operational. The Wessex route is now fully integrated as will be Western, Anglia, Scotland and Sussex over the next year.

Route Utilisation Strategies

We have started developing and publishing a set of blueprints for each route on the railway. These underpin our development plans. Seven are underway, of which one is at consultation stage and a further one has been completed.

86%
of trains are now
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Challenges we face

Improving performance

Passengers always put punctuality at the top of their list of priorities for the railway. Performance has improved with over 86 per cent of trains now arriving on time. However, we recognise that it needs to improve further still and our next target is 90 per cent punctuality.

Increased passenger numbers

Lack of capacity in some places could increase crowding and delays. Through the RUS programme, we are working with our stakeholders to develop both long and short term solutions for each line, such as more and longer trains.

This year, our challenge is to cut operating and maintenance costs by a further

£71m

Controlling costs

An efficient railway is a sustainable railway and we are determined to make improvements on our running costs. To date we have taken £355 million out of the cost of running the railway and, this year, face a big challenge to reduce controllable operating and maintenance costs by a further £71 million. Our financial targets until 2008/09 are tough. We are on course so far but we must continue to challenge ourselves to meet and, if possible, beat expectations.

Customer service

We are determined to make Network Rail an easier organisation with which to do business. A key priority is to focus on what passengers and freight train operators want, and to work with them and our other stakeholders to build an ever more thriving and successful railway.

Network Rail delay minutes

