



OPERATING REVIEW, ENGLAND AND WALES

Network Rail operates across seven routes in England and Wales. This devolved structure promotes competition and enterprise, faster decision making and effective benchmarking. Above all, it places our business units close to the customers and communities they serve.

While we continue to operate the safest railway in Europe and overall safety performance improved across Network Rail during the year, we still have more to do. Initiatives such as regular safety hours ensure that more safety conversations are taking place across each Route, and close call reporting and the close out of subsequent investigations increased significantly over the year.

Train operating performance improved on some Routes, but overall we are still not where we need to be. Adverse weather caused landslips and significant flooding across a number of locations, negatively impacting our performance and causing disruption to fare paying customers.

On a brighter note, our controls and planning for major engineering over weekends and bank holidays improved significantly as a result of the lessons learnt from the 2014 Christmas period. It is pleasing to report that no overruns occurred in working over the 2015/16 bank holidays, Easter and Christmas.

A number of major projects were delivered and brought back into use, and significant track renewals were also delivered.

Following the Bowe, Hendy and Shaw reviews, the Routes are now forming closer and clearer working arrangements with the train and freight operating companies, based on greater levels of devolution and autonomy.

Further details of individual Route performance, enhancements and plans can be found in the Route reviews below.

Whilst 2015/16 was a tough year, 2016/17 will provide more challenges as we seek to accommodate more passengers and freight on our network, and continue to invest in network upgrades. All this while continuing to provide a safe and reliable railway for all our customers.

P. Hufton

Phil Hufton
Managing director, England and Wales
30 June 2016

ANGLIA

Introduction

Anglia route comprises the railway from London Liverpool Street to Norwich, Cambridge, Hertford, Southend and Stansted Airport; services into Essex from Fenchurch Street; and overground services from Stratford to Richmond. Our main train operating customers running passenger services are Abellio Greater Anglia (including the Stansted Express), c2c, TfL Rail and London Overground. London Liverpool Street station, the capital's third busiest station, is owned and managed by Network Rail.

Safety

Anglia has had a challenging year. Close call reporting is now well embedded across the Route. Over 5,700 close calls to eliminate potential accident hazards were made in 2015/16, with 62 percent of these closed within 28 days. However, this has not delivered the anticipated reductions in lost time injury frequency rate with the highest risk areas of track worker safety being driving and slips, trips and falls. We need to address this in the coming year.

In addition to safety related activities the route is progressing health and well-being initiatives including Hand Arm Vibration (HAVs) and mental wellbeing.

Performance

Since May 2015 there have been some changes in performance for our lead operators, particularly for London Overground Rail Operations Ltd (LOROL) and TfL Rail.

TfL Rail has seen a constant level of high performing days, with the number of trains running to time above 94 percent. Improvements have in part been driven by an improved maintenance regime of the fleet.

For LOROL, we have seen some challenging performances across the East London Line and West Anglia. We are working together to improve the West Anglia services by improving the reliability of the infrastructure at critical junctions and in the approaches to Liverpool Street station.

Abellio Greater Anglia has had a challenging year, particularly during autumn 2015. The fleet reliability improvement plan and focus on rural recovery is starting to address the declining performance trend.

c2c performance has remained stable following successful joint introduction of a new timetable in December 2015, which has meant an increase of 20 percent in services running across the network each weekday, and a significant increase in Sunday services.

A significant number of freight services serve ports at Felixstowe and Thameshaven and other businesses throughout the region.

Enhancements

We made substantial progress towards delivering bigger and better passenger services and connectivity on the Route. On

the West Anglia main line we worked closely with the local council to deliver a new station at Lea Bridge, providing passengers in Waltham Forest with fast services to Stratford and Tottenham Hale. Further north, we started work on a new station at Cambridge North, providing access to Cambridge Science Park. The station is due to open in May 2017.

Work on Crossrail continued, which will transform services into and out of London from May 2017 with better stations, new trains and more frequent services. Working with the DfT and TfL, we started upgrade works to electrify the Gospel Oak to Barking line. Works will continue through to mid-2017, with TfL due to run its first longer, greener electric passenger services in early 2018.

Renewals

We continued a number of long-term renewals projects, targeting improved reliability of the Great Eastern main line. Since early 2015 the high output ballast cleaner has renewed 63km of track ballast between Shenfield and Norwich, improving the drainage on the line and providing a solid foundation for smoother journeys. We also continued renewing the overhead line electrification between London Liverpool Street and Shenfield, this year completing over 22km of new auto-tensioned cabling, improving reliability.

We work collaboratively with local authorities on our ongoing level crossing closures programme. In autumn 2015 two public exhibitions were held to identify preferred options among local communities and we are now pursuing the closure of a number of individual level crossings, including Gipsy Lane in Suffolk, where there was a fatality in 2011.

Looking to the future

The Hendy review reset some enhancement targets in Anglia to beyond the current control period (2014–19), with schemes at Ely North junction and Bow junction scheduled to take place after 2019. This re-focuses attention on the schemes that remain in our CP5 plan. The priority now is to deliver these schemes on time and on budget.

During the year a new rail operating centre (ROC) was opened in Romford, where Abellio Greater Anglia and Network Rail route controls are co-located. Introduction of Traffic Management (TM) is in progress, with the planned go-live date of November 2016 in Essex Thameside. Anglia TM Deployment is one of the first steps of the Digital Railway vision and is intended to prove the technology, new operating model and lay the groundwork for subsequent national deployments.

Richard Schofield
Route managing director, Anglia
30 June 2016

LONDON NORTH EAST AND EAST MIDLANDS

Safety

Safety has progressed well and the Route continues to reduce lost time accidents, with the Lost Time Injury Frequency Rate (LTIFR) at 0.62 – 0.15 down from 0.77 last year.

Performance

Despite Yorkshire and the North East being hit by some of the heaviest rainfall in recent years, the Route recorded consistently good performance, with highlights including the lowest incident count recorded under Network Rail and the lowest delay minute returns during a period. This performance was delivered alongside several major events taking place across the Route and more improvement work carried out over bank holidays. This included working with train operators and regional authorities in major cities across the Route to ensure fans travelling by train reached Rugby World Cup matches safely and on time.

However, we have also faced challenges. Significant incidents along the Transpennine corridor throughout the year have led to poorer than expected performance from train operating company First Transpennine Express and subsequent reputational risks and impact on passenger satisfaction. We are working closely with our train operating customers and colleagues in the London North Western Route to take the opportunity of the new franchise, which started in April 2016, to identify where improvements can be made for our passengers.

Enhancements

In January 2016, the railway in North Lincolnshire was closed for 17 days while we replaced 60 miles of 100-year old signalling and undertook major bridge reconstructions. Improvements in power supply on the East Coast main line (ECML) and early work on the Midland main line (MML) Route upgrade continued alongside the opening of Leeds station southern entrance.

Weather impacts

During the winter, emergency works included the much-publicised landslip near Hexham. After major reconstruction work, we delivered the railway back to operators at the planned time.

Working with our customers

In January 2016, the Route signed an alliance with Virgin Trains East Coast that commits us to working even more closely together in order to deliver a safer, better and more reliable service to our customers on the East Coast main line. As part of the alliance, we will be working together on infrastructure upgrades for the new Azuma trains, digital signalling, transforming stations and managing and preventing delays.

Focusing on passengers, we are working with Northern Rail on the Customer Information Screens (CIS) 100 project to improve passenger information at some of the most remote stations on the network.

During the year we installed Customer Information Screens at 20 Northern Rail managed stations. At the same time, customer satisfaction at our own-managed station at Leeds increased to 86 percent (2014/15: 79 percent), as polled by the independent watchdog Transport Focus.

Overall, the Route rated four stars (out of five) against the European Foundation for Quality Management 'Recognised for Excellence' model, recognising the improvement the Route has made in leadership, strategy, people and business results since the last assessment in 2013.

Looking to the future

The Route has an investment portfolio over the next eight years that will significantly change three of its key mainline routes.

The Secretary of State for Transport has determined a high level set of outcomes for the Transpennine route comprising: provision of capacity for six fast or semi-fast inter-regional trains per hour, journey improvement times by up to 15 minutes between Manchester and York, and the completion of the electrification of the route from Manchester Victoria to Leeds and Selby/York.

A key output included in the Government's 2012 HLOS was the implementation of the Intercity Express Programme on the East Coast main line. Network Rail's obligation is to deliver the infrastructure upgrades on the ECML to enable Intercity Express Programme (IEP) (Class 800/801) train operations. IEP is proposed to operate over the ECML core and diversionary routes, bringing faster, quieter and greener trains with more seats for passengers.

The MML Programme is part of a rail industry programme that aims to transform travel to and from London on the Midland main line during CP5 and CP6 and improve the links between the core centres of population and economic activity in the East Midlands and South Yorkshire by creating an electrified corridor.

Combined, the improvements to the three main lines on the LNE & EM route will bring major benefits to our customers, passengers and the economies in the North and Midlands.

Rob McIntosh

Route managing director, London North East and East Midlands

30 June 2016

LONDON NORTH WESTERN

Introduction

London North Western (LNW) route stretches from London to Carlisle, covering the major conurbations of the West Midlands and North West of England. The route works closely with its four lead train operating companies (TOCs) – Chiltern Railways, London Midland, Merseyrail and Virgin West Coast – as well as other TOCs such as Northern Rail, Trans Pennine Express and Cross Country, and the freight operating companies. These close working relationships have enabled the route to deliver a number of outstanding successes in 2015/16, from the opening of the first new railway between London and a major UK city for over a hundred years, to the refurbishment and opening of a fabulous station at Birmingham New Street, which resulted in a significant improvement in passenger satisfaction of 16 percent.

Safety

Our aim is simple and aligned with our corporate vision, everyone home safe every day, whether employees, passengers or members of the public. Our people are our greatest asset and their safety, health and wellbeing is our highest priority.

We have continued to reduce risk at our level crossings, with our Fatality at Work Index (FWI) having reduced by 12 percent against our Control Period 4 (CP4) exit figure.

Close call reporting is now embedded as business as usual across our Route. Last year we made 16,807 calls, exceeding our target of 14,000, 64 percent of these close calls were closed within 28 days.

The numbers of our staff taking part in a safety hour every week continues to increase. Between periods 6 to 13 8,906 safety hours took place with 87,102 members of our team attending them. That's the equivalent of completing a safety hour to a near capacity Wembley Stadium.

LNW's community safety team proactively engages with members of the public and our lineside neighbours across our route through the provision of education and advice to people who often interact with the railway. Within the past year we have improved our delivery methods so that we can take our safety messages to people no matter what their age, interest or learning style.

Performance

2015/16 was a challenging but rewarding year for our Route. Performance highlights included Virgin Trains' Public Performance Measure (PPM) rising from 84.8 percent to 86.0 percent and London Midland's rising from 88.0 percent to 88.1 percent. Good progress was also made towards challenging Cancellation and Significant Lateness (CaSL) targets, with both Chiltern Railways and Merseyrail exceeding their respective targets against this metric. Consistent, day to day performance is improving across the board, despite increasing passenger numbers and more trains than ever running across the route.

Enhancements

After a five-year, £750m transformation, Birmingham New Street station opened in September 2015. It was a regional and national event – reflected in November 2015 when Her

Majesty the Queen formally declared the new station open. In October 2015 Manchester Victoria station was also re-opened, this time by the Secretary of State for Transport, after a £44m makeover. Both new stations have had resounding stakeholder and customer approval.

In October 2015, Chiltern Railways launched services from Oxford Parkway to London Marylebone - the first new rail connection of a major city to the capital in a century. Prime Minister David Cameron opened Oxford Parkway station.

And in May 2016, a new rail flyover at Norton Bridge, near Stafford, opened to trains. It is the final piece of a £250m upgrade including speed and capacity improvements between Stafford and Crewe. Together with new signalling, it removed a major bottleneck on the West Coast main line and marked the last significant upgrade before the capacity benefits of HS2 are realised.

Weather impacts

The LNW Route was hit by three major landslips – at Harbury (850,000 tonnes), Eden Brow in Cumbria (500,000 tonnes) and Leighton Buzzard (2,200 tonnes). These were among more than 50 landslips that affected the Route. Repeated storms caused major flooding of the railway near Carlisle and several washouts on the Cumbrian coast line.

Our engineers and contractors worked tirelessly, often in very difficult circumstances, to reinstate the railway, but services and performance suffered.

Working with our customers

Five LNW Twitter feeds are now an embedded communications channel, offering immediate passenger information and supporting our train operating company customers. In the spirit of transparency we now tweet pictures of, for example, broken rails, land slips or fallen trees, to show the problems that we face. This has been well received by train operating companies and passengers.

Looking to the future

December 2016 will see the launch of Chiltern Railways services from Oxford Station through to London Marylebone, and the first phase of a new rolling stock depot at Banbury. Work to increase capacity and improve connectivity at Bromsgrove will be delivered via an integrated electrification enhancement and signalling renewal project due to be commissioned in April 2017. Infrastructure to enable the running of electric rolling stock from Walsall to Rugeley Trent Valley is on schedule to be completed for December 2017.

North West electrification phases 3–5 continue to progress through development and implementation, with commissioning dates from December 2016 onwards.

An integrated renewals, enhancement and third-party funded portfolio of projects totalling some £350m and including new stations, capacity improvements and new rolling stock enabling works will be delivered to the Liverpool City Region.

Martin Frobisher

Route managing director, London North Western
30 June 2016

SOUTH EAST

Safety

Getting everyone home safe every day is a priority for the organisation and for our Route. Our focus on embedding a safety culture has increased awareness around safety from trackside to the office. This has contributed to a reduction in Lost Time Injury Frequency Rates (LTIFR) from 0.857 to 0.812 at the end of 2015/16.

The prevention of accidents is a key focus for the Route with 5,645 close calls reported in 2015/16. Each close call is a potential accident avoided thanks to our people taking decisive action to highlight safety risks.

Performance

The South East Route is Network Rail's busiest and most congested, connecting London with Kent, Surrey, East and West Sussex and Continental Europe.

Passenger numbers have grown by 40 percent and 32 percent in the past five years, for Thameslink and Southern respectively. This growth is set to continue, with a peak forecast of 20 percent growth in the next ten years.

2015/16 has been a very challenging year on the South East Route with the performance of both train operating companies, Govia Thameslink Railway (GTR) and Southeastern Railway declining from the previous year. GTR achieved 81.5 percent Public Performance Measure (PPM) in 2015/16 (compared to 83.8 percent in 2014/15) and Southeastern PPM achieved 86.9 percent (compared to 89.3 percent in 2014/15).

We acknowledge that current performance on the Route is unacceptable. We are determined to improve our performance and are working closely with our train operating companies to do so. Network Rail are focusing on predicting and preventing incidents rather than reacting and responding when things go wrong. We are committed to improving the reliability of the railway infrastructure across the Route with more robust maintenance planned, particularly in critical key locations. We are also working closely with both GTR and Southeastern on joint performance improvement plans.

Enhancements

To meet demand, we are providing extra capacity on many routes by extending platforms and upgrading power supplies to accommodate longer trains.

The Thameslink Programme, part of the Railway Upgrade Plan, is a once in a generation transformation of the railway. Once complete, the programme will deliver more capacity into and through London Bridge, and the capital itself. This will see a maximum of 24 trains per hour in each direction at peak times between London Blackfriars and St Pancras International. In addition, passengers will enjoy improved connections with new travel options to more destinations.

Journeys will be more frequent with trains every two to three minutes in each direction through central London at the busiest times.

There will be new modern trains and stations including the rebuilding of London Bridge. However, a transformation of this scale, while operating the busiest Route, does cause disruption.

During the year, passengers have experienced considerable disruption at London Bridge. While we rebuild the station we have continued to run the same volume of trains on a reduced number of tracks which has created a very tight timetable. This limits our ability to recover the service from any delay so small problems can quickly snowball, which has had a negative impact on performance.

Looking to the future

August 2016 will see the first half of the new concourse opening at London Bridge. When complete it will be the size of a football pitch and will significantly improve the overall customer experience at the station.

Over Christmas 2017 the brand-new Bermondsey dive-under will be complete, untangling the tracks approaching London Bridge from South East London, Croydon and Kent. This will give more flexibility to improve reliability and reduce delays for passengers with more frequent longer trains and more connections.

This is both an exciting and equally challenging time for the Route and we continue to work hard to improve our performance and deliver better, more reliable journeys for our passengers.

Alasdair Coates

Route managing director, South East
30 June 2016

WALES

Safety

Safety is always our first priority. The Wales route continued to reduce lost time accidents, with the Lost Time Injury Frequency Rate (LTIFR) at 0.51, down from 0.88 at the beginning of Control Period 5 (CP5). Passenger and public safety also continued to improve, with train accident risk events seeing a 20 percent reduction since the start of CP5. Close call reporting is now well embedded across the Wales route. Over 4,000 proactive close calls to eliminate potential accident hazards were made by our people in 2015/16, with a closure rate within 28 days of over 60 percent.

Performance

Arriva Trains Wales (ATW) train performance has improved significantly since the start of their franchise, with 92.2 percent of trains arriving 'on-time' in 2015/16.

2015/16 saw a reduction in the knock-on impact of incidents during the year specifically on the Valleys network, indicating improvements in our capability to manage the train service during disruption.

The Cancelled and Significantly Late (CaSL) year-end target was achieved, with 2.71 percent of trains either cancelled or significantly late against the target of 2.74 percent. Cancellations due to flooding was lower than previous years, this despite rainfall levels being considerably higher than average, indicating that recent flooding mitigations are now delivering benefits.

Working with our customers

The Wales route is working increasingly closely with our stakeholders – Arriva Trains Wales, our other train and freight operating companies, Welsh Government, passenger groups and community rail groups.

We also have a regular dialogue with Transport for Wales, the organisation formed by Welsh Government to lead on the development of the South Wales Metro concept. The Welsh Government's aspiration is to improve integrated public transport services in South East Wales and we are working closely with Welsh Government and Transport for Wales to help achieve this.

The focus of the route has been to improve customer satisfaction. An action plan has been devised in conjunction with our customers who provided feedback through both official and local channels. The actions target a number of improvement areas and feedback is provided to ensure the targets and aspirations are met.

A strong example of customer collaboration was the Rugby World Cup, held across England and Wales in autumn 2015. A number of warm up and tournament games were held in the Principality Stadium in Cardiff. The stadium is located very close the Cardiff Central station and a high percentage of fans arrived and departed by rail. With tens of thousands of passengers using rail, plans needed to be drawn up and executed with the help of all industry parties.

While there was a great deal of focus at Cardiff Central, there was also attention given to other Route stations and key locations, along with other forms of transport. We also collaborated with stakeholders, including Rugby World Cup, train operating companies and Cardiff Council to ensure that rail passengers received timely messaging.

As part of the Railway Upgrade Plan, the Wales route is seeing an almost unprecedented level of investment. The route has worked closely with our train operating company partners to communicate the impact of the work and the benefits that it will deliver, including faster, more frequent and more reliable journeys. We have also been working with local authorities across South Wales to facilitate the bridge reconstructions necessary to deliver electrification.

Looking to the future

The railway in Wales has seen a decade of unprecedented growth, with a rise in passenger journeys of almost 50 percent. Our forecasts suggest that passenger growth levels will continue to be strong during the next three decades, particularly in the south east of Wales and in the north east of Wales.

Demand for rail freight is expected to change to reflect global market conditions, which is likely to see a decline in the volumes of coal and steel traffic in Wales, and continued growth in intermodal container traffic.

Every day the railway supports economic growth, reduces the environmental impact of the transport sector and improves the quality of life for people and for communities. Wales relies on a safe and punctual railway.

In March 2016, we published the Welsh Route Study, which sets out the industry's plan to meet future demand so that the railway continues to make a positive difference to the economy, to the environment and to people's lives. The Route Study explains how demand will grow and the choices that exist for governments, franchise specifiers and other funders to meet this continued growth. The redevelopment of Cardiff Central to create a station that is fit for a capital city, as well as the modernisation of the North Wales coast line in readiness for HS2 to Crewe, are examples of these choices. The study sets out how the Digital Railway will improve capacity and connectivity in the medium to long term.

Paul McMahon

Route managing director, Wales

30 June 2016

WESSEX

Safety

Safety continues to be our number one priority and our aim is to get everyone home safe, every day. Workforce accidents resulting in time away from work remains stable. The Lost Time Injury Frequency Rate (LTIFR) at the end of 2015/16 was worse than target, although it did improve in comparison to the prior year. The Route continues to deliver a series of safety workshops aimed at improving our safety culture and thus reducing workforce harm.

Reporting of close calls provides an opportunity to eliminate an unsafe act or an unsafe condition before it results in an accident. 4,352 close calls were reported in the year and 57 percent of these were closed within 28 days, exceeding the target of 3,776 close calls reported with 50 percent closed within 28 days.

Risk reduction at level crossings is being achieved by delivering level crossing closures, renewal schemes and enhancements. In order to meet targets for risk reduction, while also balancing the needs of the local communities, we are increasingly seeking to involve local stakeholders in the selection of level crossing sites for closure. At the end of 2015/16, level crossing risk reduction was ahead of Route target.

Performance

Apart from arriving safely, we know that passengers value punctuality most of all. The Route continued to deliver performance improvement throughout 2015/16, notably, infrastructure reliability improved by 12 percent compared with 2014/15 and we saw a reduction in the number of infrastructure failures.

Overall train performance on the Wessex Route remained static relative to 2014/15, at an average of 90.1 percent. That is some 90.1 percent of South West Trains (SWT) services ran on time as measured by the industry performance measure and 66.7 percent of trains arrived at their destination within 59 seconds of their scheduled arrival time.

Enhancements

The Wessex Route is one of the busiest and most congested in the country, with over 230 million passenger journeys per year. The number has doubled in the last 20 years and further growth of 40 percent by 2043 is forecast. London Waterloo is the UK's busiest station, with over 99 million passengers in 2014/15 and a train arriving or departing virtually every minute during peak times. As demand on the network grows, it is important that we collaboratively develop both short- and long-term solutions to provide extra capacity for our customers.

The Wessex Capacity Improvement Programme is an investment of over £800m to boost peak time capacity at London Waterloo by 30 percent by 2018, improve the reliability of services and pave the way for future improvements to long-distance routes into London Waterloo.

This major investment programme started in late December 2015 and will increase significantly in 2016. It involves the former Waterloo International Terminal reopening to new commuter services; lengthening of platforms to allow new ten-car services with more passenger space on suburban routes from 2017/18; and new trains with 150 new carriages with more space for passengers on the Windsor lines from 2018/19.

Working with our customers

The Route continues to work more collaboratively with customers, stakeholders and interested parties. South West Trains (SWT) is the largest train operator customer and during the year we have restructured the alliance arrangements between Network Rail and SWT to retain and strengthen the critical elements of joint working, including train planning. This allows us to focus our efforts on improved performance across the entire Route. The alliance has also enabled new technologies to be utilised. For example, between Basingstoke and Eastleigh the overnight high output ballast cleaning and track relaying machines have been used for the first time on a third rail network, enabling large stretches of 30 year old track to be renewed and maintained without passengers being disrupted by weekend line closures.

Customer satisfaction at our own-managed station at London Waterloo was above average at 89 percent, as polled by the independent watchdog Transport Focus.

Looking to the future

The Wessex Capacity Improvement Programme will make a significant contribution towards meeting the capacity challenge, but the predicted future growth in demand will require further investment in the network, in particular the use of new train movement technology (the Digital Railway) and Crossrail 2.

John Halsall

Route managing director, Wessex
30 June 2016

WESTERN

Safety

The Route continued to reduce lost time accidents, with the Lost Time Injury Frequency Rate (LTIFR) at 0.579, 0.207 down from 0.786 at the beginning of CP5. Passenger and public safety also continued to improve; train accident risk events have reduced by 20 percent during 2015/16 since the end of 2014/15.

Close call reporting is now well embedded across the Route. Over 6,600 Close Calls to eliminate potential accident hazards were made in 2015/16, with over 51 percent of these closed within 28 days.

A renewed focus on public and staff safety saw safety performance improve dramatically towards the end of the year. Work to replace the Ufton Nervet level crossing with a bridge began with the relocation of the memorial garden to those who died in 2004's rail crash on this site.

Performance

After a poor start to the year, a new performance improvement plan started to show real benefits in the second half, with performance targets being hit and surpassed. The Route ended 2015/16 with a moving annual average Public Performance Measure figure of 89.5 percent for Great Western Railways and 91.8 percent for Heathrow Express.

During autumn 2015 extra resources were mobilised specifically to manage passengers for the Rugby World Cup, which was handled successfully by joint working with our train operators and other agencies.

Enhancements

Progress continued on Great Western Electrification with major advances in the construction of overhead line equipment, including the first wire installations. Preparing Brunel's railway for electric power was a major feature of the year with bridge reconstructions and track lowering taking place across the region – all done while we provided an ever more reliable daily service for our train operators and passengers.

The Great Western Electrification Programme by the end of 2015/16 has now installed nearly 3,500 piles and 11 of the 26 transformer stations needed. Summer 2015 saw a successful 45-day blockade at Bath for work at Box Tunnel, Sydney Gardens in the city centre and elsewhere. The £50m work package involved partial or complete closures for the whole period and required extensive preparation with local stakeholders and train operators. The project was delivered on time, to budget, with minimal complaints from lineside neighbours and passengers and no injuries, despite having to work on a World Heritage Site, many listed structures and one Scheduled Ancient Monument.

Work to build the western section of Crossrail, around the existing rail lines continued, with the 1,500 tonne Stockley Flyover installed over the main line in November 2015, six weeks ahead of schedule.

Weather impacts

Work to protect the line of the Dawlish Sea Wall finished in June 2015. Shortly afterwards we launched a research consultation to determine the future resilience needs of the line from Exeter to Newton Abbot.

Working with our customers

In February 2016 we signed an Alliance Agreement with Great Western Railways. This covers operations, planning, upgrades and communications, and will formalise and improve the already strong joint working relationship to benefit all rail users.

We continued to develop customer engagement and information services during the year. The Twitter feed for the route @networkrailwest saw a huge increase in followers, hitting 10,000 during February 2016. We carried out just under 100 drop-in sessions for lineside neighbours at various locations during the year to inform neighbours of planned work.

Looking to the future

While Great Western Electrification continues, major renovation of London Paddington Station began in 2015/16 with cleaning and replacement of the roof glass and ironwork at the Grade 1 listed building. Similar work to renovate Bristol Temple Meads, also Grade 1 listed, commenced with the removal of the unused and unsightly post office conveyor bridge. When these improvements are completed, passengers will benefit at both ends of Brunel's great line with stations fit for the 21st century.

Elsewhere, major works are on the point of starting at Oxford station, while nearby at Hinksey a weather resilience programme will drastically reduce the frequent flooding at the site and will take place during 2016/17. Another major theme of the year has been the preparation and consultation for the Western Rail Link to Heathrow, which will offer significantly improved access to the airport and relieve congestion at Paddington.

Mark Langman

Route managing director, Western

30 June 2016



OPERATING REVIEW, SCOTLAND

The Scotland Route integrates a deep alliance with Abellio ScotRail, the ScotRail Alliance, and delivered excellent first year results. The new ScotRail Alliance aligns all teams and activities to focus on our customers and in so doing outperformed customer satisfaction measures.

This was a year of transformation as the route embarked on a deep alliance with Abellio ScotRail bringing Scotland's rail industry closer together and realigning our behaviours and practices to place greater focus on our fare paying customers.

Known as the ScotRail Alliance, this new joined-up way of working has led to safety, delivery, performance and financial benefits for both organisations as we adopt a 'one railway' approach.

Our overall safety performance has improved significantly across all activities through a renewed focus on safety leadership.

Our train performance also improved over the first half of the year although the effects of severe weather – including the heaviest rainfall on record through December and January – did impact our performance during autumn and winter. Internally we are emphasising the need to deliver the on-time running of services and a continuous drive to get the day-to-day basics right.

Over the year we have delivered all of our key volumes of renewals and were under budget by implementing asset management lessons from previous years, managing our work banks with little late change and closely controlling delivery agents.

Further collaboration with Infrastructure Project teams also continues to deliver success for the travelling public as the Winchburgh Tunnel blockade demonstrated. Our integrated approach to this six-week closure included extensive customer and neighbour communications, station and customer flow management, managing infrastructure and rolling stock reliability and completion of the works.

The delivery of Borders Railway was another joint success

that has contributed significantly to not only the local community it serves but also to raise wider awareness of the economic and social benefits that railway can bring.

Rewarded with a 90 percent customer satisfaction score in the autumn 2015 National Rail Passenger Survey and with excellent safety and financial performance during the year, the first year of the ScotRail Alliance has been a success; but we need to maintain this momentum and continue to focus on delivering our key measures to further improve the customer experience.

Phil Verster
Managing director, Scotland
30 June 2016

Safety

The Route continues to reduce the number of lost time accidents in Scotland with a reduction of seven major RIDDOR injuries in 2014/2015 to one in 2015/2016 and a reduction of 46 lost time causing injuries to 33. This has seen the Route's LTIFR for the past year improve from 0.884 to 0.543.

Level crossing safety performance continues to be good. Records show no collisions with road vehicles on any of our level crossings for the second consecutive year and just two near misses with road vehicles.

Passenger accidents at our two managed stations have also seen an improvement in the LTIFR at Edinburgh Waverley from 0.07 to 0.05 and Glasgow Central from 0.05 to 0.02 despite increased footfall and events.

SCOTLAND CONTINUED

The ScotRail Alliance

Network Rail Scotland Route joined with Abellio ScotRail to form the ScotRail Alliance in May 2015. Managing Scotland's Railway under a single leadership team and with a balanced scorecard, the ScotRail Alliance is operating to a common objective: to deliver the very best for our customers and to deliver 125m customer journeys by 2025.

With newly formed, integrated teams overseeing all parts of the business, the ScotRail Alliance is focused on improving customer experience, workforce engagement and development, continuous improvement and delivering benefits for Scotland.

Performance

2015/16 was a year of significant success and significant challenges. Our relentless customer focus was rewarded with a record equalling score of 90 percent satisfaction in the autumn 2015 National Rail Passenger Survey.

While train performance was below target for the year for both ScotRail and Caledonian Sleeper, we ended our first year as the ScotRail Alliance 0.2 percent ahead of the public performance measure (PPM) recorded in April 2015. This was despite facing the wettest December on record, several severe storms and the unexpected closure of the Forth Road Bridge. During the closure, we completely remodelled the timetable and increased our rail capacity for Fife by 60 percent and 8,000 extra seats per day, but to the detriment of around 0.5 percent on our annual PPM figure.

We delivered our ScotRail Alliance financial objectives and made improvements in our route operational expenditure and cost base. We did not achieve all of our objectives but have implemented a cost efficiency programme that will deliver £83m of savings over the remainder of CP5.

Train service performance and customer satisfaction remained strong during the 44-day Winchburgh Tunnel blockade on the main line between Glasgow and Edinburgh. Affecting hundreds of thousands of passenger journeys, the integrated approach of the Edinburgh Glasgow Improvement Programme (EGIP) and the ScotRail Alliance teams delivered this high profile project on time - while making sure that the impact on our customers was minimised throughout.

Enhancements

Scotland's rail network was transformed during the year when Her Majesty The Queen opened the Borders Railway. Seven new stations and 30 miles of new track made this the longest domestic railway built in Britain for 100 years. Borders has been an extraordinary success. Passenger journeys have exceeded initial projections, with 500,000 journeys completed by January 2016, while businesses and tourist destinations are reporting record turnover since the line opened.

As integrated teams we are taking an entirely different approach to what, previously, would have been difficult and time-consuming decisions. Working collaboratively on projects has given better and more access to our project teams – allowing work to take place at a time that has the least impact on our customers, while maximising the deliverability of the enhancement programmes that will benefit those customers.

A significant beneficiary of this new approach was the Edinburgh-Glasgow Improvement Programme (EGIP). This complex programme will continue to face challenges until its completion in 2019. Significant progress continues at pace with the recent completion of route clearance works involving 61 structures along the line of route(s) and ongoing construction of Edinburgh Gateway Interchange due December 2016.

The successful completion of the slab track renewal works and electrification of Glasgow Queen Street station will also be the most significant, visible and high profile work on Scotland's railway in a generation. This 20-week project, which started in March 2016, is progressing well with minimal impact on customers and is due to end in August this year.

While our total asset reliability was 2.8 percent below target, during the year, we achieved a composite reliability index score of 13.1 percent and exceeded this target by 3 percent. By adopting pragmatic approaches to stable work banks, clear plans and collaborative relationships with our suppliers, we exceeded all key renewal volumes, at a cost £12.8m below budget.

We also enhanced our customer service offering through the introduction of a new SMART card solution to replace paper tickets and to improve the ease of transactions and travel.

Weather impacts

Even for a country used to severe weather, this has been an extraordinary year for Scotland. The storms over New Year affected all parts of Scotland Route, but none more so than at Lamington Viaduct on the West Coast Main Line.

Despite extensive flood damage, months of disruption on the main artery between Glasgow and London was avoided through the efforts of our Network Rail Infrastructure Projects team. Adopting a 'one railway' approach, we displaced ScotRail services on the Glasgow South and West (GS&W) route in order to provide Virgin Trains West Coast a diversionary route.

Looking to the future

Phase 1 of the Aberdeen to Inverness Improvement Project is underway and will deliver more capacity on what is a fast-growing section of the network. This is a challenging project and given the infrastructure interventions required to deliver the outputs significant stakeholder engagement is underway to determine the most effective and least disruptive delivery strategy. The infrastructure improvements will transform the number of services that can be run across the North and North East of Scotland.

Similarly, the Highland Main Line programme will benefit significantly from our 'one railway' approach to optimise infrastructure interventions on the route, given the choice of high speed train (HST) rolling stock for future services.

Our biggest opportunity lies in maximising customer satisfaction through the improved decisions and better actions we can take as an aligned ScotRail Alliance team. Investing in our people and doing the basic things right will transform our railway and deliver for our customers and for Scotland.