

HOW WE PERFORMED IN 2015/16

Performance measure	Bonus weighting	Full-year Actuals		
		Worse Than Target	Target	Better Than Target
Safety				
Workforce Safety – Lost Time Injury Frequency Rate (LTIFR)	5.0 %	0.540	0.511	0.492 0.483
Workforce Safety – close calls	3.0 %	70,000	80,000	90,000 140,021
Workforce Safety – close calls closed within 28 days (%)	2.0 %	40 %	50 %	58.0 % 60 %
Passenger Safety - Train Accident Precursor Indicator Model (PIM)	5.0 %	1.986	1.942	1.899 1.776
Level Crossing Risk Reduction - Level Crossing Risk Indicator Model (LCRIM)	5.0 %	1.262	1.893	2.524
Train Performance				
Public Performance Measure (PPM)	12.0 %	89.1 % 89.7 %	90.0 %	91.0 %
Cancellation and Significant Lateness (CaSL)	6.0 %	3.1 % 2.9 %	2.8 %	2.4 %
Freight Delivery Metric (FDM)	2.0 %	92.5 %	94.3 % 94.5 %	95.0 %
Financial				
Financial Performance Measure (FPM) – Total Efficiency Generated (£m) excluding Enhancements	15.0 %	-£200m -149	0	+£200m
Financial Performance Measure - Enhancements (£m)	5.0 %	-210 -£100m	0	+ £100m
Investment				
Top Ten Infrastructure Projects Renewals and Enhancement Milestones	5.0 %	6	8	9 10
All Delivery Plan Enhancement Milestones (%)	5.0 %	60 %	80 %	81 % 100 %
Asset Management				
Composite Reliability Index (CRI)	7.5 %	7.5 %	8.4 %	9.3 % 14.6 %
Renewals (Seven Key Volumes)	7.5 %	90 %	100 %	101 % 110 %
Satisfaction				
Customer – Survey Results	5.0 %	3.05 3.15	3.32	3.49
Passenger – Survey Results	5.0 %	81.0 % 81.5 %	83.3 %	86.0 %
Lineside Neighbours - Survey results of NR favourability amongst Lineside Neighbours who experience work	5.0 %	51.0 % 52.0 %	53.0 %	55.0 %

● Below 'Worse Than Target'
 ● Between 'Worse Than Target' and 'Target'
 ● Between 'Target' and 'Better Than Target'
 ● Above 'Better Than Target'

Safety

Workforce Safety

Lost Time Injury Frequency Rate (LTIFR): Means time lost to injuries and fatalities among Network Rail staff and contractors employed by Network Rail per 100,000 hours worked. A lower figure represents a better performance against target.

We exceeded our ten percent LTIFR reduction target of 0.511 although we did not meet our stretch target of 0.483. There were 684 lost time injuries over 2015/16, compared to 674 in 2014/15.

Close Calls: Means the number of close calls reported for any occurrence that has the potential to cause injury or damage – this can be an unsafe act or an unsafe condition. A higher number represents a better performance.

140,021 close calls were reported. This exceeded both the target of 80,000 in the year and the scorecard maximum of 90,000. 58 percent of these calls were closed out within 28 days, exceeding the target of 50 percent but not meeting the scorecard maximum of 60 percent.

Passenger Safety: This measure is based on the number of high-risk events that happen that are identified as precursors to a passenger safety incident.

In 2015/16 the target reduction in the passenger component of train accident risk – where Network Rail is the risk controller – was a further ten percent. We exceeded our target and the stretch target. This measure is particularly affected by wet and windy weather that causes incidents such as trees on the line, landslips and flooding.

OUR PERFORMANCE CONTINUED

Level Crossing Risk Reduction (LCRIM): *A measure of benefits achieved through closures of level crossings, downgrade in status and crossing enhancements.*

Safety at level crossings remains a priority area for Network Rail. In 2015/16 we closed 76 level crossings and continued to develop and deploy risk reduction measures to enable and encourage safe use. However, the scorecard target was not achieved largely due to an increase in near-misses with pedestrians. Pedestrian safety continues to be a cause for concern.

Train Performance

Public Performance Measure (PPM): *Means the percentage of all passenger train journeys that arrive on time. For long distance journeys 'on time' means within ten minutes of scheduled arrival time, and for Regional and London & South East within five minutes of it. A higher figure represents a better performance.*

At the end of 2015/16 PPM stood at 89.1 percent, below our target of 90 percent.

Cancellation and Significant Lateness (CaSL): *Means the measure of how many passenger trains are cancelled or are significantly late (more than 29 minutes late). Our scorecard target is 2.8 percent; a lower figure means better performance against target.*

At the end of 2015/16 CaSL stood at 3.1 percent, 0.3 percentage points worse than our scorecard target.

Freight Delivery Metric (FDM): *Is our indicator of how many freight services have arrived at their destination on time. A higher figure represents better performance.*

We outperformed our regulatory target for 2015/16 of 92.5 percent but did not meet our internal target for the year of 94.5 percent.

Financial Performance Measure

Total Efficiency Generated (excluding Enhancements): *This measures our financial stewardship of the day-to-day running of the railway network by comparing income, operational expenditure and renewals expenditure to the baseline set at the start of the year. The baseline is adjusted to reflect the capital works actually delivered in the year to create a like-for-like comparison.*

Our net financial performance in 2015/16 was £149m lower than planned, mainly due to higher renewals costs across Signalling, Track and Civils projects, lower than planned efficiencies in Network Operations and higher compensation to operators following weather events, which were partly offset by additional income generated from our commercial property team. As agreed with the ORR, higher renewals and enhancement costs score for the Financial performance measure at broadly 25 percent of the difference between actual costs and the baseline.

Enhancements: *This measures our financial performance in delivering enhancement programmes by comparing expenditure to the baseline set at the start of the year. The baseline is adjusted to reflect the progress made in delivering programmes during the year to create a like-for-like comparison.*

Our net financial performance in 2015/16 was £210m lower than planned, with significant increases in costs across a range of key programmes, notably Great Western Electrification, leading to underperformance being recognised. The baseline used to assess performance this year is significantly lower than the baseline set by the Hendy review and since adopted for regulatory reporting purposes. This means that enhancements performance is lower in this measure than that used to calculate the regulatory asset base, on which the railway network valuation is based.

Investment

Infrastructure Projects Renewals and Enhancement Milestones: *Relates to the top ten renewals and enhancements milestones of our Infrastructure Projects (IP) work.*

We have achieved nine of our top ten milestones, exceeding our target for this measure. The milestone we did not meet, the introduction of first deployment traffic management simulators, is now forecast to complete early in 2016/17.

All Enhancement Milestones: *Means the milestones at stages three and six of the eight-stage project process. This process is used to manage and govern all our investment projects.*

We exceeded our target of achieving 80 percent of our Enhancement Milestones. The majority of delays to milestones were during project development rather than project delivery and therefore did not affect project completion dates or rail services. The only project completion milestone that was delayed was a project rebaselined as part of the Hendy review.

Asset Management

Composite Reliability Index: *This is a measure of the short-term condition and performance of our assets including track, signalling, points, electrification, telecoms, buildings, structures and earthworks. A higher figure represents a better performance.*

We achieved 14.6 percent, exceeding our target of 8.4 percent and our stretch target of 9.3 percent.

Renewals (Seven Key Volumes): *This measures our delivery of our seven key volumes for renewals plain line track; switches and crossings; signalling and equivalent units; underbridges; total earthworks; wire runs; and conductor rail.*

We achieved our overall target. Some key volumes, including our renewal of conventional plain line track and earthworks, performed strongly but we faced challenges in the delivery of other key volumes including switches and crossings and signalling. These were respectively caused by resource constraints and delays to major work in a number of locations.

Satisfaction

Customer Satisfaction: *This is a measure of how well we engage with our key customers, principally the passenger and freight operating companies in each of our eight Routes. It is measured through the third party 'customer satisfaction survey'. A higher figure represents a better performance.*

At 3.05, customer satisfaction fell short of both our target of 3.32 and the scorecard minimum of 3.15.

Passenger Satisfaction: *This is measured through the National Rail Passenger Survey commissioned by Transport Focus, which provides a network-wide picture of passenger satisfaction with rail travel. The survey runs twice a year. The year-end result is the average of the two surveys. A higher percentage represents a better performance.*

We did not meet our target of 83.3 percent, but exceeded the scorecard minimum of 81 percent.

Lineside Neighbour Favourability: *This measures Network Rail's reputation among lineside neighbours who have experienced work by Network Rail near their home or place of work in the past 12 months. We ask them "how favourable/unfavourable are you towards Network Rail?" A higher percentage represents a better performance.*

At 51.0 percent, lineside neighbour favourability did not meet our target of 53 percent or our scorecard minimum of 52 percent.