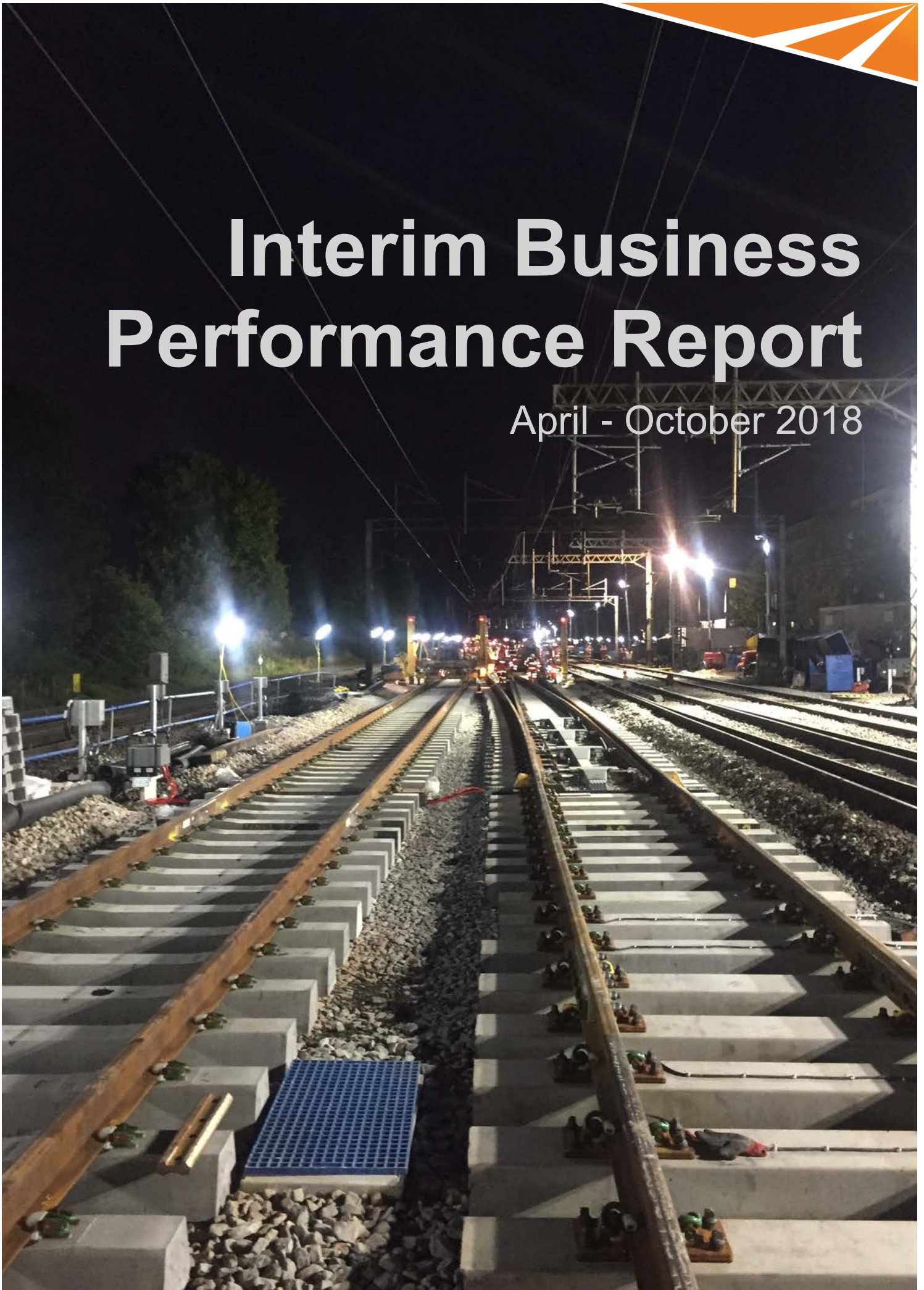


# Interim Business Performance Report

April - October 2018



# Welcome to our interim report

---

This report covers the first half of 2018/19, from April to October 2018. It is intended to provide clear information on how we are doing against our key targets.

---

## Contents

Introduction	3
Scope of the Report	4
National scorecard	5
Route comparison scorecard	6
Route performance	
Anglia	7
London North Eastern & East Midlands	10
London North Western	13
Scotland	16
South East	20
Wales and Borders	24
Wessex	27
Western	30
Freight and National Passenger Operator	33
System Operator	36
Control Period 6 Readiness	39

# Introduction



**Andrew Haines**

**Chief executive**

I have spent my first few months at Network Rail speaking to as many people as possible, both inside and outside the rail industry. I have been gathering their thoughts and feedback on the railway in general, and Network Rail in particular, finding out how they think we can change to deliver a better service for passengers and freight. In all these conversations, what has become clear is that there is a universal appetite for change.

Recent years have seen phenomenal growth in the number of passengers using the railway, presenting a real challenge to the whole industry. Today's network was never designed for the number of passengers or services we have today. And while Network Rail has successfully managed to reduce the number of disruptive incidents to an all-time low, the sheer level of congestion on the network means that each incident is causing more disruption, and delay continues to grow overall. Performance is not what it should be, the service that passengers are receiving is not what it should be and that is clearly reflected in these reports and the provisional order made by ORR on 28 November 2018 requiring us to identify and set out how we are addressing systemic issues.

Since I returned to the industry this summer, I've made no secret of my concern that our industry, including Network Rail, has become overly inward-looking. Despite the huge talent and commitment of so many of our people, we have lost sight of our core purpose. We are a service provider. We are here to move people and goods safely and efficiently. Too often the determination to deliver ambitious improvements has meant that Network Rail and the wider industry has been so focused on delivery that it has failed to see the bigger picture and to anticipate the impact of sudden and significant change on passengers.

The May timetable disruption was a good example of this. It was unprecedented in its ambition, designed to deliver huge benefits to cities and towns across the GB. But the industry became too focused on individual components and failed to anticipate the system risk to the whole network. In the collective ambition to deliver a step-change in capacity, the industry lost focus on passengers and what matters most to them.

Over the coming months we have a once-in-a-generation opportunity to, collectively, put this right and put the interests

of passengers back at the heart of all our thinking and decision-making. What passengers and freight users want more than anything else is a predictable, reliable service, and we must not lose sight of that again.

A new control period is around the corner and the ORR's Final Determination, published in October, secures more investment in the railway than ever, purely for operating, maintaining and renewing the network. This investment demonstrates confidence in our plans and allows us to focus our attention on improving the most important part of running the railway – getting passengers to their destinations safely and on time.

To ensure that Network Rail is set up in the best way possible to deliver our targets and deliver a much better service for passengers, we are carrying out a 100-day review, looking at how we work and how we must be better. We are looking at all parts of our business, without exception, to ensure that we have the structures and processes in place to deliver an excellent service for rail users and value for taxpayers. I've been very open that I am committed to deeper devolution as the best way of doing that. Through devolution, better alignment with operators and closer working with our stakeholders and the communities they service, I am confident that we can be more responsive, get more done, and work much more quickly.

Alongside, our own internal review, the Government's ongoing Rail Review offers the opportunity to set up the whole industry to collectively perform as well as possible. If we can get this right and put passenger interests at the heart of our thinking and decision making, then I firmly believe that we can reverse the seven year decline in train performance and deliver the standard of service that passengers and freight deserve.



# Scope of the report

This report covers the first half of 2018/19, from April to October 2018. It is intended to provide clear information on how we are doing against our key targets at a route and System Operator (SO) level.

The rail network is divided into nine areas, or routes, across the country, including Freight and National Passenger Operator (FNPO). Each of these routes is run locally so that we can work more closely with the train and freight operating companies (TOC/FOC) to better meet the needs of passengers and businesses.

The System Operator is a distinct but connected part of Network Rail. SO provides a whole-system, long term view informed by detailed knowledge gained from planning and timetabling the network, and from the industry-wide interfaces it has with every customer, route and infrastructure manager.

On the following pages we have included our national

scorecard. This is reported every period and shows how Network Rail is performing against six key areas and 23 measures that matter most to our customers.

The KPIs relevant to management are captured on the scorecard, but other levels of the organisation may review different KPIs that support these same performance outcome areas. The national scorecard shows the annual target, the most recent performance figures and a forecast of where the company expects to be at the end of the year.

We also include our route comparison scorecard that compares route delivery across a consistent set of measures and is monitored periodically.

The remainder of the report is focused on the route and SO scorecards with associated narrative.

We have also included a summary of how of we are preparing for CP6.



# National scorecard Period 7

Area		Performance Measure			Full Year Forecast			
Safety		PRP % Weighting	Current Period	Prior Period	Worse Than Target	Target	Better Than Target	
Workforce Safety	Lost Time Injury Frequency Rate (LTIFR)	2.5%	0.319	0.334	0.344	0.328	0.320 0.013	0.312
Workforce Safety	Close Calls Raised (between 1 April 18 - 31 March 19) (* Actual, ** YTD)	1.0%	16,032*	144,825**	153,750	205,000		256,200 269 K
Workforce Safety	YTD Close Calls Closed % Within 90 Days	1.5%	88.7%	86.9%	80%	85%	87.8% 0.3%	90%
Passenger Safety	Passenger Train Accident Risk Reduction Measures	2.5%	96.0%	90.7%	60%	80%		98.0% 0.0%
Level Crossing Risk Reduction	Top 10 Milestones to Reduce Level Crossing Risk (* Actual, ** YTD)	2.5%	0*	4**	6	8 0		10
Financial Performance		PRP % Weighting	Current Period	YTD	Worse Than Target	Target	Better Than Target	
Financial Performance Measure	Financial Performance Measure (FPM) - Gross Renewals (£m)	2.5%	(3)	(2)	£(160)m	2 1	£160m	
Financial Performance Measure	Financial Performance Measure (FPM) - Gross Profit and Loss (£m)	2.5%	(6)	(108)	(206) 1 £(75)m	-	£75m	
Financial Performance Measure	Financial Performance Measure (FPM) - Gross Enhancements only (£m)	2.5%	(14)	(25)	£(155)m	(38) 10 £(155)m	£155m	
Cash Compliance	Cash Compliance – Income & Expenditure	2.5%			£200m Under Spent / (£50m) Over Spent	£100m Spent / (£25m) Over Spent 122 10	£0m	
Investment		PRP % Weighting	Current Period	YTD	Worse Than Target	Target	Better Than Target	
All Delivery Plan Enhancement Milestones (%)	All Delivery Plan Enhancement Milestones (%)	5.0%	2/2	8/10	80%	90% 42/45 8.2%	100%	
Asset Management		PRP % Weighting	Current Period	Prior Period	Worse Than Target	Target	Better Than Target	
CRI	Total	2.5%	14.8%	15.4%	15.8% 0.0% 0.0%	19.0%	20.0%	
Renewals	7 Key Volumes (* Actual, ** YTD)	2.5%	106%*	109.7%**	90%	95%	100% 113% 2.7%	
Train Performance		PRP % Weighting			Worse Than Target	Target	Better Than Target	
Train Performance		10.0%			0% 23.5% 2.8%	50%	100%	
Locally Driven Customer Measures		PRP % Weighting			Worse Than Target	Target	Better Than Target	
Locally Driven Customer Measures		10.0%			0%	50% 61.8% 10.0%	100%	
Route Performance		PRP % Weighting			Worse Than Target	Target	Better Than Target	
Anglia		7.57%			0%	50.2% 2.2%	100%	
LNE & EM		6.86%			0%	47.5% 1.5%	100%	
LNW		6.28%			0%	48.3% 1.8%	100%	
Scotland		5.09%			0%	47.8% 1.8%	100%	
South East		12.33%			0%	50.2% 0.9%	100%	
Wales		2.11%			0%	50% 72.1% 9.3%	100%	
Wessex		4.06%			0%	48.2% 1.1%	100%	
Western		3.94%			0%	53.7% 0.9%	100%	
FNPO		1.75%			0%	46.4% 1.7%	100%	
National		100.0%			0%	49.5% 1.5%	100%	

# Route comparison scorecard Period 7

AREA		PERFORMANCE MEASURE	FULL YEAR FORECAST							
		PRP % Weighting	Wales	Western	Anglia	South East	LNW	Wessex	Scotland	LNE & EM
Safety		Route Target	0.339	0.372	0.524	0.407	0.482	0.412	0.345	0.509
Workforce Safety	Lost Time Injury Frequency Rate (LTIFR)	5.0%	0.327	0.372	0.448	0.407	0.482	0.488	0.423	0.445
		Route Target	7,300	7,600	7,300	6,500	18,200	4,700	8,600	19,000
Workforce Safety	Close Calls Raised (between 1 April 18 - 31 March 19)	2.0%	8,225	9,500	11,404	8,125	22,750	5,976	12,000	23,750
		Route Target	85%	85%	85%	85%	85%	85%	85%	85%
Workforce Safety	YTD Close Calls Closed % Within 90 Days	3.0%	94%	97%	85%	90%	90%	90%	91%	88%
		Route Target	80%	80%	80%	80%	80%	80%	80%	80%
Passenger Safety	Passenger Train Accident Risk Reduction Measures	5.0%	93.8%	100.0%	98.8%	100.0%	100.0%	100.0%	100.0%	80.0%
		Route Target	8	8	8	8	8	8	8	8
Level Crossing Risk Reduction	Top 10 Milestones to Reduce Level Crossing Risk	5.0%	10	10	10	8	10	8	10	10
Financial Performance & Investment		PRP % Weighting	Wales	Western	Anglia	South East	LNW	Wessex	Scotland	LNE & EM
		Route Target	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m
Financial Performance Measure (FYF)	Financial Performance Measure (FPM) - Gross Renewals (£m)	5.0%	£5.6m	£12.5m	£-3.8m	£-13.2m	£4.8m	£0.5m	£10.7m	£-2.9m
		Route Target	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m
Financial Performance Measure (FYF)	Financial Performance Measure (FPM) - Gross Profit and Loss (£m)	5.0%	£1.6m	£-30.0m	£-4.0m	£-5.7m	£-52.6m	£-26.0m	£-4.2m	£-33.9m
		Route Target	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m	£0.0m
Financial Performance Measure (FYF)	Financial Performance Measure (FPM) - Gross Enhancements only (£m)	5.0%	£-20.2m	£-84.1m	£3.0m	£-1.3m	£-24.3m	£0.0m	£-3.2m	£1.1m
		Route Target	FOR INDIVIDUAL ROUTE CASH COMPLIANCE TARGETS, PLEASE SEE ROUTE SCORECARDS							
Financial Performance Measure (FYF)	Cash Compliance – Income & Expenditure (£m)	5.0%	£27.5m	£28.7m	£10.1m	£-38.3m	£-13.8m	£-0.9m	£-9.9m	£75.4m
		Route Target	90%	90%	90%	90%	90%	90%	90%	90%
Top IP Renewals & Enhancement Milestones	Top Investment Passenger Milestones	10.0%	100.0%	88.9%	100.0%	89.5%	92.3%	71.4%	100.0%	95.0%
Asset Management		PRP % Weighting	Wales	Western	Anglia	South East	LNW	Wessex	Scotland	LNE & EM
		Route Target	1,149	2,227	2,510	2,818	5,330	2,070	2,387	5,796
Number of Service Affecting Failures	Number of Service Affecting Failures	5.0%	1,145	2,576	2,632	2,954	5,532	2,335	2,500	5,983
		Route Target	95%	93%	95%	95%	95%	95%	95%	95%
Renewals (7 Key Volumes)	Weighted volumes	5.0%	100.0%	100.0%	100.0%	100.0%	98.1%	99.8%	100.0%	99.2%
Customer Measures		PRP % Weighting	Wales	Western	Anglia	South East	LNW	Wessex	Scotland	LNE & EM
		Route Target	50%	50%	50%	50%	50%	50%	50%	50%
Train Performance	Total Achievement	20.0%	41.8%	8.0%	6.0%	37.9%	18.3%	37.3%	9.0%	13.5%
		Route Target	50%	50%	50%	50%	50%	50%	50%	50%
Locally Driven Measures	Total Achievement	20.0%	74.4%	66.0%	42.8%	77.5%	60.8%	52.9%	48.9%	54.3%
Bonus			Wales	Western	Anglia	South East	LNW	Wessex	Scotland	LNE & EM
Route Scorecard Performance			72.1%	53.7%	50.2%	50.2%	48.3%	48.2%	47.8%	47.5%



# Route performance Period 7

## Anglia

Safety - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Lost Time Injury Frequency Rate (LTIFR)	5.0%	0.668	0.550	0.524	0.498	0.448	↓	0.448	100%
Close Calls Raised (between 1 April 18 - 31 March 19)	2.0%	10,405	5,475	7,300	9,125	6,065	↑	11,404	100%
YTD Close Calls Closed % Within 90 Days	3.0%	86%	80%	85%	90%	86%	↓	85%	53%
Passenger train accident risk reduction measures	5.0%	100%	60%	80%	100%	97%	↑	99%	97%
Top 10 Milestones to reduce level crossing risk	5.0%	10	6	8	10	3	↔	10	100%
Financial Performance - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Financial Performance Measure (FPM) - Gross Renewals (£m)	5.0%	N/A	-9.5m	0.0m	9.5m	-1.6m	↑	-3.8m	30%
Financial Performance Measure (FPM) - Gross Profit and Loss (£m)	5.0%	N/A	-4.3m	0.0m	4.3m	-6.6m	↓	-4.0m	4%
Financial Performance Measure (FPM) - Gross Enhancements only (£m)	5.0%	-38.7m	-1.9m	0.0m	1.9m	2.1m	↑	3.0m	100%
Cash Compliance – Income & Expenditure (£m)	5.0%	-14.7m	10.9m -2.9m	5.4m -1.5m	0.0m	-14.3m	↑	10.1m	7%
Investment - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Top Investment Passenger Milestones	10.0%	100%	80%	90%	100%	100%	↑	100%	100%
Asset Management - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Number of Service Affecting Failures	5.0%	2,512	2,560	2,510	2,485	1,531	↓	2,632	0%
7 Key Volumes	5.0%	99%	90%	95%	100%	100%	↑	100%	100%
Train Performance - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
c2c On Time to 3	0.0%	N/A	95.3%	95.7%	96.0%	94.2%	↓	94.2%	0%
c2c On Time	4.0%	N/A	83.1%	83.9%	84.3%	80.9%	↓	81.1%	0%
Greater Anglia On Time to 3	0.0%	N/A	85.7%	86.1%	86.4%	84.2%	↓	84.7%	0%
Greater Anglia On Time	5.0%	65%	65.7%	66.1%	66.6%	63.3%	↓	64.2%	0%
Arriva Rail London On Time to 3	0.0%	N/A	90.1%	90.8%	91.1%	91.6%	↑	90.0%	0%
Arriva Rail London Time to 3	5.0%	N/A	90.6%	91.4%	91.8%	90.3%	↓	90.6%	0%
TfL Rail On Time to 3	0.0%	N/A	91.1%	91.5%	91.9%	92.2%	↑	91%	13%
TfL Rail On Time	4.0%	80.1%	71.4%	72.4%	73.4%	76.6%	↑	71.5%	5%
Freight Delivery Metric (FDM-R)	2.0%	93.1%	91.3%	93.0%	93.6%	91.8%	↓	93.0%	50%
Locally Driven Customer Measures - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Passenger Satisfaction (All Anglia Route National Rail Passenger Survey - NRPS)	1.5%	83%	85%	87%	89%	81%	↔	83%	0%
Number of Railway Works Complaints	1.5%	N/A	495	450	405	170	↑	364	100%
Your Voice Action Plans Completed	1.0%	N/A	70%	80%	90%	71%	↑	90%	100%
MTR Crossrail Customer Scorecard	4.0%	N/A	0%	50%	100%	100%	↑	6%	6%
c2c Customer Scorecard	4.0%	N/A	0%	50%	100%	100%	↔	60%	60%
Greater Anglia Customer Scorecard	4.0%	N/A	0%	50%	100%	63%	↔	48%	48%
Arriva Rail London Customer Scorecard	4.0%	N/A	0%	50%	100%	55%	↓	38%	38%

# Anglia



Meliha Duymaz

Route managing director

It has been a difficult first half of the year for Anglia route. Whilst there have been encouraging improvements in safety, with our Lost Time Injury Frequency Rate (LTIFR) steadily coming down, train performance is below expectations. The prolonged and hot summer has been a challenge, disrupting our maintenance and renewals plans, but this was not the only factor. The underlying assets have not performed to the standard that we and our customers expect, whilst our train operator colleagues have also experienced problems with their rolling stock; be it the late delivery and implementation of new trains or the reliability of older stock. Joint plans are in place with all our lead operators to ensure that performance recovers and we are determined to do better for our passengers.

## Successes and looking forward

The project to electrify the Gospel Oak to Barking Line completed and we have been working hard with our partners to facilitate the introduction of a new train fleet for the Greater Anglia franchise and the opening of the Elizabeth Line. In May, the redeveloped Hackney Wick station was opened and the first Anglia Railway Board was held. The Railway Board consists of senior representation from Network Rail, passenger and freight operators in the Anglia region and Transport Focus. The board's aim is to facilitate a 'one-railway' approach for the passenger, helping operators and the infrastructure owner plan and deliver excellent performance and service. Enhancements to the Felixstowe Branch and Lee Valley are progressing well and our renewal plans are largely on track. There is a great deal of investment and change planned for the Anglia route both this year and into the next Control Period. It is a challenging but exciting time for Anglia.

## Safety

Anglia route has delivered strong leadership and engagement with our staff, our route and Infrastructure Project (IP) contractors and our trade unions. By working together we can make a significant improvement for the safety of our staff.

We have steady sustained improvement in keeping staff safe. Our LTIFR Rate is better than our stretch target for the year. Currently our LTIFR is 0.448. This joint working has led to three periods this year where all our staff went home safe everyday.

During this time we have focused on creating one safety leadership team for the Anglia region so we help everyone to learn and improve. We have trained over 300 staff regarding first aid, held two health and safety weeks in collaboration with our trade unions as well as developing and trialling a one page safe work pack for when staff access the lineside environment. We have also launched our Mental Well Being

Champions programme as we tackle this difficult workplace subject.

## Level Crossings

Our work continues to drive down level crossing risk and we achieved three of our four planned milestones to reduce level crossing risk. We are confident of achieving all 10 by year end. We have continued to work with Greater Anglia to evaluate the improvements that are required at crossings for when new timetable changes are introduced next year.

## Financial performance

Financial Performance Measure (FPM) for profit and loss was below target at £6.6 million. Higher Schedule 4 and 8 costs (compensation paid to train operators for planned and unplanned disruption), were the main reasons. An under provision in 2017/18 for costs associated with the emergency timetable implemented during the exceptionally cold weather in March 2017 drove the high Schedule 4 costs whilst high Schedule 8 costs were linked to our train performance.

We have seen some cost pressures on our renewal programmes and are anticipating a full year forecast of £3.8 million. This is in contrast to a more favourable position on Enhancements FPM where we are anticipating a full year forecast of £3 million, driven by efficiencies on the Anglia power supply project.

## Investment

The remaining CP5 Enhancement Delivery Plan projects are progressing well. We have constructed over 1km of additional new track and civils works to support an increased frequency of freight trains from the Port of Felixstowe. This project also successfully secured Transport and Works Act powers to close a number of high risk level crossings, significantly improving public safety. This project will be fully commissioned in 2019.

The majority of track and overhead line works have now been completed for the Lee Valley Improvement Programme. This project facilitates two additional trains an hour to a



brand new station at Meridian Water. The new station and additional services will be delivered in 2019. This will provide a significant regeneration catalyst to this area.

We are on track to hit all of our investment milestones for this financial year. In this last quarter we successfully delivered a number of major track upgrades on the Great Eastern Main Line, the largest of these being in Witham.

## Asset management

### Asset Reliability

We experienced 1,531 service affecting failures against a target of 1,438 and are forecasting to miss our year end target. Driving this is a significant increase in the number of track and traction power failures. The majority of the additional track defects are as a result of the long, hot summer, with conditions impacting our ability to undertake preventative maintenance and causing shrinkage in clay embankments and peat formations. Rectification plans are underway but resultant speed restrictions have been necessary pending completion of the works. Traction power faults are in part due to the higher volume of traffic on the network. Actions are in place to increase resilience through CP6.

### Renewals

We are forecasting to deliver all the planned renewals volume for this year across all categories. The year to date targets have been met on five of the seven key volumes with Earthworks (Embankments) and OLE (Overhead Line Equipment) behind, but expected to be recovered in the second half of the year.

## Train Performance

It has been a challenging first half of the year for train performance, with three operators (c2c, Greater Anglia and London Overground) missing year to date targets; only TfL Rail has achieved its target and no operators are expected to hit the full year target. All operators experienced track issues from the sustained high summer temperatures which contributed to several high impact incidents including lineside fires, points failures and track defects. We then suffered issues with clay embankments and peat areas in the Fens which raised the number of speed restrictions causing delay. In addition, most operators have experienced fleet problems of some degree with ageing fleets and delays to the introduction of new trains. Joint performance plans have been developed to focus on key performance improvement opportunities.

## Locally Driven Customer Measures

### Passenger Satisfaction

The latest passenger satisfaction figures published by Transport Focus show that our passengers expect more from

their train service. Dissatisfaction is focused around the provision of information before and during their journey, particularly when services are affected by disruption.

### Railway Works Complaints

We have been working closely with our IP colleagues to minimise complaints resulting from railway works. Year to date, 170 complaints have been received and we are striving to do better than our target for the full year.

### Your Voice Action Plans

Anglia route develops action plans for departments based upon feedback from 'Your Voice', our employee survey. 71 per cent of our 'Your Voice' action plans were completed and we are confident of achieving all our action plans during the year.

### Customer Scorecards

We are performing well against our customer scorecards. However, we recognise that train performance is a threat to this. We are working closely with our operators on joint safety and performance initiatives as well as the introduction of new trains and timetable development.

## Third-Party Funding

In May, we completed the £25 million redevelopment of Hackney Wick station funded by the London Legacy Development Corporation and the boroughs of Hackney and Tower Hamlets, delivering major improvements to the station and immediate area.

Work has progressed on the early development stages for Cambridge South, a new station adjacent to the Biomedical Campus, and we have received a further £9.6 million to continue the project through to production of an outline business case. Half of this funding has been provided by central government and the other half is being provided by three third parties: the Cambridgeshire and Peterborough Combined Authority, the Greater Cambridge Partnership and AstraZeneca.

## CP6 Readiness

Anglia route continues to be fully focused on CP6 readiness providing robust and thorough updates as part of the rolling business planning process and the completion of 'Self-Assessment' activity. We have, and continue to, work with all our delivery partners to gain confidence across our entire renewals work bank for CP6. In parallel all of our supporting strategies continue to be developed so that we are fit and ready to move into CP6.

Importantly our stakeholder engagement has also continued and will evolve further over the coming periods so that we continue to be a route that shares information, asks for input, listens and responds in a timely and appropriate manner.

# Route performance Period 7

## London North Eastern & East Midlands

Safety - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Lost Time Injury Frequency Rate (LTIFR)	5.0%	0.653	0.534	0.509	0.484	0.414	↑	0.445	100%
Close Calls Raised (between 1 April 18 - 31 March 19)	2.0%	2,202	14,250	19,000	23,750	15,422	↓	23,750	100%
YTD Close Calls Closed % Within 90 Days	3.0%	79%	80%	85%	90%	88%	↔	88%	75%
Passenger train accident risk reduction measures	5.0%	100%	60%	80%	100%	62%	↑	80%	50%
Top 10 Milestones to reduce level crossing risk	5.0%	10	6	8	10	4	↔	10	100%
Financial Performance - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Financial Performance Measure (FPM) - Gross Renewals (£m)	5.0%	N/A	-27.7m	0.0m	27.7m	-1.8m	↑	-2.9m	45%
Financial Performance Measure (FPM) - Gross Profit and Loss (£m)	5.0%	N/A	-11.0m	0.0m	11.0m	-39.8m	↓	-33.9m	0%
Financial Performance Measure (FPM) - Gross Enhancements only (£m)	5.0%	27.2m	-27.2m	0.0m	27.2m	1.0m	↑	1.1m	52%
Cash Compliance – Income & Expenditure (£m)	5.0%	13.2m	38.5m -9.7m	19.3m -4.9m	0.0m	52.3m	↑	75.4m	0%
Investment - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Northern Programme: Top Investment Milestones	3.3%	100%	80%	90%	100%	0%	↔	100%	100%
East Coast: Top Investment Milestones	3.3%	89%	80%	90%	100%	39%	↑	94%	70%
Midland Mainline: Top Investment Milestones	3.3%	100%	80%	90%	100%	36%	↑	91%	55%
Asset Management - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Number of Service Affecting Failures	5.0%	5,914	5,914	5,796	5,677	3,348	↑	5,983	0%
Track Plain Line (Track Km)	1.4%	195	159	168	177	73	↑	171	71%
Track S&C (Point Ends)	1.1%	242	173	182	192	119	↓	207	100%
Signalling (SEUs)	1.7%	36	430	454	478	247	↑	479	100%
Underbridges (m2)	0.5%	14869	11859	12518	13177	3532	↑	13110	95%
Earthworks (5 chain)	0.2%	3029	214	226	238	62	↑	239	100%
OLE re-wire and mid life refurb (Wire runs)	0.1%	21	17	18	19	13	↓	19	100%
Conductor rail (Km)	0.0%	0	0	0	0	0	↔	0	50%
Customer Measures - (PRP 40%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
LNER Scorecard	8.0%	48.2%	0%	50%	100%	34%	↑	25.3%	25%
Northern Scorecard	8.0%	35.2%	0%	50%	100%	26%	↓	22.4%	22%
East Midlands Trains (EMT) Scorecard	8.0%	34.5%	0%	50%	100%	66%	↓	41.5%	42%
Grand Central (GC) Scorecard	1.5%	43.9%	0%	50%	100%	43%	↓	42.9%	43%
Hull Trains (HT) Scorecard	1.5%	38.9%	0%	50%	100%	38%	↑	41.3%	41%
Nexus Performance Scorecard	0.5%	N/A	0%	50%	100%	100%	↑	79.5%	80%
CrossCountry (XC) Scorecard	1.5%	N/A	0%	50%	100%	0%	↔	0.0%	0%
TransPennine Express Scorecard (TPE)	5.0%	27.3%	0%	50%	100%	63%	↓	66.5%	67%
Govia Thameslink Railway (GTR) Performance Metric	2.0%	N/A	0%	50%	100%	0%	↓	19.0%	19%
Freight Delivery Metric (FDM-R)	2.5%	95%	93%	94%	95%	92%	↑	93%	23%
Your Voice Action Plans Completed	1.0%	N/A	70%	80%	90%	0%	↔	80%	50%
Number of Railway Works Complaints	0.5%	N/A	1.08k	1.03k	0.97k	0.49k	↑	1k	50%

# London North Eastern & East Midlands



**Rob McIntosh**

Route managing director

In the first half of the financial year the LNE&EM route continued with its safety improvement journey and in terms of LTIFR is now at a record low. Train performance has been unacceptable. Although incident count has continued to improve from February we continue to see declining Public Performance Measure (PPM) across all operators and delay minutes are above target. The three key areas of performance that have been adverse to plan are external factors, fleet and non-track assets. This has resulted in negative FPM which we are pursuing opportunities to offset.

Asset management performance has deteriorated over the year mainly due to the challenging conditions from storms and snow at the beginning of the calendar year to a hot summer which has affected mainly track assets.

Our enhancement portfolio is developing well. The Midland Main Line programme delivered the 12 week blockade at Derby successfully over the summer. The East Coast Main Line Enhancements Programme has achieved its full business case approval and is now into full delivery. Within the Transpennine Route Upgrade programme, work is progressing to submit the outline business case to the DfT.

## Safety

The number of accidents resulting in lost time on the route has reduced in the first half of the year to 0.414 which is the lowest LTIFR ever recorded on the route. The route is continuing to focus on the weekly safety communications plan and reducing manual handling and driving risk. The number of close calls raised is currently better than target and closure rate within 90 days is ahead of target at 88 per cent.

## Financial performance

Whilst operating costs have been in line with budget, both traffic volumes and income levels have been adversely affected by the May timetable changes. Performance issues across most operators and an increase in suicides at the southern end of the route has led to an adverse FPM position for operational expenditure (OPEX) and income. Renewals and enhancements FPM are below target but are expected to meet target at year end.

## Investment

We have successfully delivered all our key investment milestones due in first half of the year. The East Coast Main Line Enhancements Programme achieved final business case approval in June and is now funded through to delivery in CP6. Milestones delivered include completion of gauging for the new Intercity Express Programme (IEP) fleet and energisation of the Sheffield Tram Train system allowed vehicle testing to commence. The Midland Main Line (MML) programme successfully delivered all planned scope within a 12 week slow line block of the MML to time and budget. This was a key milestone within the wider London to Corby project.

We have a secured agreement to scope and outcomes for the Transpennine route upgrade across the complex range stakeholders and are now developing the business and outline designs to commence implementation in 2019.

## Asset management

A rapid transition from extreme winter to extreme summer has been the biggest influence on assets during the year. The beginning of 2018 started with snow on the ground and transitioned rapidly into a very warm spring and summer which has been sustained throughout. This has impacted assets in the short term affecting performance but is also likely to particularly affect track and earthwork assets moving forward due to drying out and re-hydration of formations.

### Key Volumes

The route has a large volume plan to deliver in the latter half of the year and this will bring our volumes back to target.

## Train performance

This is the route's biggest challenge across all operators, with the exception of Govia Thameslink Railway (GTR) who continue to perform well, and improve, on the southern ends of both East Coast Main Line and MML.

The year started with performance on a declining trend as the network and the operators continued to recover from extreme weather.

One of our biggest sources of delay relates to external causes. This makes up around 30 per cent of the overall delay on the route. Period 2 saw the difficult introduction of the May 2018 timetable. Reduced planning timescales led to a base timetable plan with high levels of errors and operator resource issues. This has led to a significant drop in performance across all operators on the route since its



introduction. The unforgiving nature of the timetable means that incidents are exacerbated and reactionary delay has reached record levels which previously would only have been seen in autumn periods. Reactionary delay has increased by 30 per cent since the May 2018 timetable change.

The route has focussed on reducing external impact through the formation of a route strategic steering group and local tactical delivery groups as well as plans to increase contracted patrollers across the network. There are industry readiness control rooms and working groups set up to focus on timetable issues and recovering the current situation in the December 2018 timetable change. The route is also focussing heavily on right time performance in line with its customer scorecards. Right time observation days have already taken place at King's Cross, Leeds and Newcastle and further dates will be held at these and other stations throughout the year to help understand the root cause of right time performance issues.

## Locally driven customer measures

At the start of the year, the route made significant investment so we can better support our train operating company (TOC) customers. We have created a new Customer Relationship Management function made up of customer experience professionals with a blend from inside and outside the rail industry. The team sees significant opportunity to improve the way we work with our TOC colleagues. They have been tasked with creating customer engagement and communication strategies for the next 12 months which will be supported by a number of local TOC — specific activities with the objective of improving passenger experience. In order to track progress, periodic "Pulse Surveys" will be conducted and the insight from these will be used to create joint action plans to address issues and concerns but also to ensure that we understand what we do well so we can share best practice across the business.

## Third-party funding

Some important milestones have been achieved on potentially large third-party investments. We achieved approval in principle with London Borough of Barnet for the outline design of a new station within the wider Brent Cross development. The contract is now in place to start detailed design. Consultants have been appointed to prepare an umbrella strategic outline business case for the future development plans for "Leeds Integrated Strategic Masterplan" which has been jointly funded by partners including Leeds City Council, West Yorkshire Combined Authority and Network Rail. An outline planning application has been jointly submitted by Network Rail and Homes England for York Central. The proposed development would enable 2,000 homes and one million square feet of commercial property on brownfield railway land close to the city centre. Funding has been allocated to North Yorkshire County Council by North Yorkshire Local Enterprise Partnership to facilitate a capacity improvement scheme

enabling two trains per hour to operate between York and Harrogate. Development of capacity improvements at Darlington are being supported and progressed in collaboration with the recently elected mayor and Tees Valley Combined Authority and a contract has been signed with East Midlands Gateway to deliver a rail connection to the new multi-modal SEGRO Logistics Park.

## CP6 Readiness

Following the Final Determination, the route continues to develop its plans for CP6, with investment papers being authorised for a large amount of the work in year one. We continue to develop our efficiency plans, which include the rollout of our safe and effective working project across the whole route. This project aligns work with our access requirements. One of the main challenges for the route will be the delivery of the improved performance trajectory given the current levels of performance across the route.

# Route performance Period 7

## London North Western

Safety - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Lost Time Injury Frequency Rate (LTIFR)	5.0%	0.536	0.506	0.482	0.458	0.532	↑	0.482	50%
Close Calls Raised (between 1 April 18 - 31 March 19)	5.0%	21,277	13,650	18,200	22,750	10,785	↑	22,750	100%
YTD Close Calls Closed % Within 90 Days	5.0%	76%	80%	85%	90%	88%	↑	90.0%	100%
Passenger train accident risk reduction measures	2.0%	100%	60%	80%	100%	79%	↓	100%	100%
Top 10 Milestones to reduce level crossing risk	3.0%	10	6	8	10	2	↑	10	100%
Financial Performance - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Financial Performance Measure (FPM) - Gross Renewals (£m)	5.0%	N/A	-24.0m	0.0m	24.0m	-0.2m	↑	4.8m	60%
Financial Performance Measure (FPM) - Gross Profit and Loss (£m)	5.0%	N/A	-12.3m	0.0m	12.3m	-47.9m	↑	-52.6m	0%
Financial Performance Measure (FPM) - Gross Enhancements only (£m)	5.0%	-78.6m	-21.0m	0.0m	21.0m	-21.1m	↓	-24.3m	0%
Cash Compliance – Income & Expenditure (£m)	5.0%	-72.7m	34.6m -8.7m	17.3m -4.4m	0.0m	88.3m	↑	-13.8m	0%
Investment - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Top Investment Passenger Milestones	10.0%	75%	80%	90%	100%	50%	↓	92%	62%
Asset Management - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Number of Service Affecting Failures	5.0%	5,387	5,387	5,330	5,279	3,093	↓	5,532	0%
7 Key Volumes	5.0%	97%	90%	95%	100%	100%	↑	98.1%	81%
Locally Driven Customer Measures - (PRP 40%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Freight Delivery Metric (FDM-R)	2.0%	94.1%	92.3%	93.9%	94.4%	93.1%	↓	93.3%	31%
Caledonian Sleeper Right Time Arrivals	1.0%	75.1%	79.0%	80.0%	81.0%	76.1%	↑	81.7%	100%
Arriva Rail London T3 Moving Annual Average (Euston-Watford Service Group)	1.0%	N/A	93.3%	94.2%	95.1%	92.8%	↔	92.9%	0%
Diversity Training - elearning module for those who have access to oracle	0.5%	N/A	70%	80%	90%	68%	↔	100%	100%
Your Voice Action Plans Completed	0.5%	N/A	70%	80%	90%	37%	↑	100%	100%
Number of Railway Works Complaints	1.0%	N/A	1,357	1,285	1,099	676	↑	1,285	50%
National Passenger Survey Results for Network Rail Managed Stations	2.0%	88%	84%	86%	88%	86%	↔	86%	50%
Chiltern Railways Level 2 Scorecard Achievement	5.5%	54%	0%	50%	100%	49%	↓	40.5%	40%
Merseyrail Level 2 Scorecard Achievement	5.5%	100%	0%	50%	100%	50%	↑	60.4%	60%
TransPennine Express Level 2 Scorecard Achievement	5.5%	50%	0%	50%	100%	75%	↓	50%	50%
Virgin Trains Level 2 Scorecard Achievement	5.5%	55%	0%	50%	100%	55%	↓	29.4%	29%
West Midlands Trains Level 2 Scorecard Achievement	5.5%	17%	0%	50%	100%	70%	↑	41.9%	42%
Northern Level 2 Scorecard Achievement	3.5%	45%	0%	50%	100%	42%	↓	34.6%	35%
CrossCountry Right Time Arrivals (BNS)	1.0%	30.7%	33%	37%	39%	32%	↓	33.5%	6%

# London North Western



**Martin Frobisher**

Route managing director

LNW's half year highlights include: the transformation of Liverpool Lime Street; a brand-new station at Maghull, built by us for Merseytravel; and the completion of our Bromsgrove and Blackpool to Preston electrification schemes. There has been significant progress on the energisation of the Bolton corridor and a complete junction renewal on the West Coast Main Line (WCML). Services will improve for customers and bring lasting economic benefits. Our significant challenge was the May timetable change. Passengers, particularly Northern's, were badly impacted. Services should have improved. Instead they got worse. Our late delivery of electrification between Manchester and Blackpool was among several contributing factors. The findings of Part 1 of the Glaister Review are being incorporated into the planned timetable changes in December 2018 and May 2019. Meanwhile, we have apologised to passengers. We tried to bring in too many improvements too quickly. We have reduced the scale of December's timetable change to retain reliability of existing services. Train punctuality up to the end of Period 7 was below target for Chiltern, Merseyrail, Virgin, West Midlands Trains, TransPennine Express and Northern due, in part, to external incidents, notably trespassers at North Wembley and a landslip at Heywood. .

## Safety

We are confident that we will deliver our lowest LTIFR in LNW with the Period 7 figure at 0.532 versus 0.482 year end target (lower is better). This is just one dimension of safety performance delivered through our six point strategic plan for managing our key risks.

Sadly, one of our colleagues was seriously injured in Period 7 and a full and independent investigation is underway. We learn from accident investigations to prevent reoccurrence and focus on the greater challenge of embedding a consistent safety culture across a diverse workforce.

LNW is being made safer through an increase in the close out rate of potential safety hazards as identified through our close call system, removing 88 per cent (85 per cent target). Our staff have identified over 10,700 potential safety hazards against a target of 9,800 year to date. We have targeted actions to ensure that our workforce has the ability to recognise hazards and knowledge of how to report and manage hazards. The "Think RISK" campaign has been launched addressing the need to help all employees develop an understanding of their risks and how to manage them more effectively.

Public safety is measured primarily by performance in route crime, suicides and the management of level crossing risks. Route crime, which includes trespass and vandalism, is reducing. The number of suicides on the route is still increasing, having an adverse effect on both safety and train performance. LNW works with industry partners to manage the risk and drive local actions. Level crossing safety improvements are progressing to schedule with the planned key milestones met.

We work in partnership with the British Transport Police and our customers to deliver joint passenger safety and it is monitored and measured collaboratively with our customers.

## Financial performance

LNW turnover was £47.5 million adverse to budget by the end of Period 7. Train delay compensation (Schedule 8 payments), mostly caused by external factors and weather, has amounted to £30.9 million in the year to date. There have been several suicide incidents which, aside from the financial impact, are hugely upsetting to all concerned. The route continues its commitment to reduce these incidents by increasing the safeguarding presence at stations and improving fencing along the track. There have also been a range of other performance affecting issues, the largest of which was the Period 7 power failure at Willesden Junction costing £2.4 million. Further investment has been committed during the remainder of this year to our focused performance improvement programme.

Renewing and upgrading the railway is costly. For the first seven periods, railway access fees amounted to £32.7 million — significantly more than was budgeted. The costs have arisen in relation to long planned pieces of must-do work at North Wembley, Weaver Wavertree, Liverpool Lime Street, Birmingham New Street and between Manchester and Blackpool.

Our renewals programme has experienced some slippage against the plan and shows a current underspend. However, we are anticipating catching up in the remainder of the year and spend the available budget on improving asset conditions. Operating costs continue to be well managed and are marginally under budget for the year to date.

## Investment

Liverpool Lime Street closed for eight weeks for a £160 million package of work to increase platform capacity and upgrade signalling to meet future passenger numbers. This is part of a £340 million Liverpool City Region investment and the Great North Rail Project. Blackpool to Preston and Bromsgrove electrification schemes were commissioned and new electric timetables are now running. Maghull North, built by Network Rail for Merseytravel using



£13 million Local Growth Funding, opened on time. Further third-party funded projects in the Liverpool city region include the upgrade and expansion of Newton-le-Willows station, the completion of the Halton Curve and work to enable the introduction of the new Merseyrail rolling stock.

Birmingham New Street resignalling (Phase 6 International) was commissioned on time. Overhead wires are now installed along the 25 miles of the Manchester-Preston route (Phase 4 of the Great North Rail Project), and the project is making good progress towards the December 2018 commissioning milestone. Walsall to Rugeley Trent Valley electrification programme is on schedule to achieve its December 2018 commissioning date. The Secretary of State has approved the Transport and Works Act Order for the Hope Valley Capacity and Journey Time Improvement Project. Development work has re-commenced on this CP6 scheme to improve capacity between Manchester and Sheffield. We are supporting DfT, Transport for the North, Cumbria County Council and Cumbria Local Enterprise Partnership, with the development of an outline business case for the delivery of a programme of infrastructure interventions necessary for the enhanced capacity requirement on the Cumbrian Coast Line in CP7.

## Asset Management

We have deployed a new approach to visualise our strategies, tactics and measures and show alignment between the different elements to cover over 20 areas in the next two years. This will see a step change in many areas from asset resilience, performance, capability and competence within the team.

The team continues to deliver on the welfare and compliance promises committed to by our executive leadership team with new welfare units due in early 2019 in order to bring compliance with standard provision to 100 per cent by December 2019, from its current 72 per cent level. We will continue to focus on this and also look at how to improve access points in LNW over CP6 in order to reduce the route's LTIFR rate. The LNW Composite Reliability Index (CRI) result is currently showing a 12 per cent improvement over the CP5 baseline. We are progressing several performance schemes and initiatives which will be delivered before the end of the Control Period.

## Train Performance

Performance in the first half of the final year of CP5 has deteriorated for a number of LNW lead operators. This has predominantly been down to four key factors: the impact following the May 2018 timetable change; the ongoing impact from significant external events including suicides; an increase in reactionary impact associated with our joint service recovery following disruption; and infrastructure performance following the prolonged period of hot weather. The route is further developing its performance strategy to ensure we can improve performance and are working closely with each operating company to develop our plans so we can achieve our CP6 year 1 targets. We have introduced a dedicated performance recovery team who have developed a

number of targeted improvement workstreams and projects.

## Locally driven customer measures

Train performance measures across the rolled-up Level 2 scorecards for our leading train operators (Chiltern, Merseyrail, TransPennine Express, Northern, Virgin West Coast Trains, and West Midlands Trains) are behind target at the end of Period 7 and remain the biggest risk to the year end result. Freight performance stands at 93.1 per cent against a target of 93.7 per cent. In response to this, LNW route has launched an initiative to identify problem areas and has seconded experts to a specialist hit team to address the issues at pace. A senior point of contact has been aligned to each of the TOCs to ensure a strategic focus on performance. The scorecard is driving some really positive changes in other areas of the business including safety, property and commercial processes. This is reflected in achieving the target, and in some cases the stretch targets for these measures. Railway work complaints from line-side neighbours are ahead of target at the end of quarter (676 complaints against a target of 738).

## CP6 Readiness

The CP6 renewals workbanks, maintenance models, efficiency plans, and other elements of our CP6 Plan, are being updated to align with the additional efficiency challenge and asset sustainability expenditure introduced by the ORR for CP6. Renewals efficiency targets have been disaggregated to delivery teams for years 1 and 2 and robust efficiency plans, where needed, are being developed. We are in dialogue with lead operators regarding CP6 performance trajectories with a view to agreeing Year 1 targets. The first iterations of CP6 policy deployment action plans have been received from route teams and are being checked for consistency with commitments in our CP6 Plan before being included in the updated plan.

The possession planning system is fully populated with access requirements for the 2019 timetable year and is now being populated with access requirements for the 2020 timetable year. LNW Route participated in System Operator workshops with non-industry stakeholders in October to outline the latest position on planning for CP6. A workshop has been held with the LNW supply chain to appraise contractors of the CP6 efficiency challenge and other objectives for CP6.

# Route Performance Period 7

## Scotland

Safety - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Lost Time Injury Frequency Rate (LTIFR)	5.0%	0.383	0.362	0.345	0.328	0.431	↑	0.423	0%
Close Calls Raised (between 1 April 18 - 31 March 19)	2.0%	13,228	6,450	8,600	10,750	7,007	↑	12,000	100%
YTD Close Calls Closed % Within 90 Days	3.0%	81%	80%	85%	90%	90%	↓	91%	100%
Passenger train accident risk reduction measures	5.0%	100%	60%	80%	100%	66%	↓	100%	100%
Top 10 Milestones to reduce level crossing risk	5.0%	9	6	8	10	1	↔	10	100%
Financial Performance - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Financial Performance Measure (FPM) - Gross Renewals (£m)	5.0%	N/A	-20.9m	0.0m	20.9m	5.6m	↓	10.7m	76%
Financial Performance Measure (FPM) - Gross Profit and Loss (£m)	5.0%	N/A	-4.7m	0.0m	4.7m	-11.4m	↓	-4.2m	5%
Financial Performance Measure (FPM) - Gross Enhancements only (£m)	5.0%	-36.8m	-24.7m	0.0m	24.7m	-7.7m	↓	-3.2m	43%
Cash Compliance – Income & Expenditure (£m)	5.0%	-2.3m	25.8m -6.4m	12.9m -3.2m	0.0m	92.7m	↓	-9.9m	0%
Investment - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Top Investment Passenger Milestones	10.0%	83%	80%	90%	100%	100%	↑	100%	100%
Asset Management - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Number of Service Affecting Failures	5.0%	2,427	2,403	2,387	2,354	1,442	↑	2,500	0%
6 Key Volumes - (this is a consolidation of the below 6 volumes)	5.0%	100%	90%	95%	100%	93%	↓	100%	100%
Train Performance - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Abellio ScotRail PPM	8.0%	89.5%	90.0%	90.5%	91.0%	81.8%	↓	89%	0%
Abellio ScotRail Right Time Departures	1.0%	84.6%	80.0%	82.5%	85.0%	83.0%	↓	0.84	80%
Abellio ScotRail Cancellations	3.0%	2%	1.4%	1.2%	1.0%	3.5%	↑	0.03	0%
DPI Reduction	2.0%	-20%	5.0%	10.0%	15.0%	-42.9%	↔	0.0%	0%
Caledonian Sleeper Right Time Arrivals	2.0%	75.1%	79.0%	80.0%	81.0%	76.1%	↑	80.0%	50%
Freight Delivery Metric (FDM-R)	2.0%	94.6%	94.0%	94.5%	95.0%	91.6%	↓	93.3%	0%
Abellio ScotRail On Time to 3	0.0%	N/A	87.7%	88.6%	89.2%	83.5%	↓	88%	0%
CrossCountry right time departures from Edinburgh Waverley	2.0%	N/A	82.0%	84.5%	87.0%	78.4%	↓	79.3%	0%
Locally Driven Customer Measures - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Increase in Abellio ScotRail Passenger Numbers	3.0%	N/A	2.0%	4.0%	6.0%	0.4%	↓	-3.0%	0%
Passenger Satisfaction %	5.0%	87.5%	86%	87%	88%	85%	↔	0.84	0%
Annual Stakeholder Survey	2.0%	59.0%	40%	50%	60%	59%	↔	59%	95%
Complaints per 100k Customer Journeys	2.0%	30	30	28	26	30.56	↑	27	69%
Number of Railway Works Complaints	2.0%	N/A	758	720	682	426	↑	720	50%
Staff Engagement	3.0%	N/A	58%	59%	60%	0%	↔	60%	100%
Abellio ScotRail %age improvement in average minute per mile travelled	2.0%	N/A	0.5%	1.0%	1.5%	0.0%	↔	2.0%	100%
Your Voice Action Plans Completed	1.0%	N/A	70%	80%	90%	2%	↔	80%	50%

# Scotland



Alex Hynes

Route managing director

Scotland has seen a challenging start to the year with safety and train performance lower than anticipated for the first half of 2018/19.

The fatal accident of one of our contractors in June saddened everyone in the route and prompted the roll out of a national campaign 'Hold the Handrail' to raise awareness of how to spot everyday risks and work safely.

Slips, trips and falls remain our number one accident risk in the route, so we have implemented mitigation measures including better lighting and safer trackside access. And while our Lost Time Injury Frequency Rate (LTIFR) rate has started to improve in the last quarter, a very poor start to the year means it will be a considerable challenge to achieve our year end target.

Train performance was affected by weather related issues including record - breaking hot summer weather which led to some heat related speed restrictions

during June and July. The hot weather also affected asset performance and we are currently 18 percentage points worse than target.

We asked independent industry expert, Nick Donovan, to look at how we could improve train performance within the ScotRail Alliance and after a comprehensive review he provided us with 20 recommendations which we are currently implementing.

Despite our challenges, some significant milestones have been achieved including the successful completion of a 14-week blockade between Aberdeen and Dyce to lay six miles of new track that will benefit passengers through the reduction of journey times and increased frequency.

The introduction of ScotRail's Class 365 trains earlier in the year has seen the Edinburgh to Glasgow route operated with all electric trains for the first time. Roll out of the Hitachi Class 385 train fleet began more recently increasing capacity and modernising the service for customers who will benefit from improved acceleration and reliability. High Speed Trains have also been introduced on services between Aberdeen and the central belt increasing capacity and comfort.

Electrification and the introduction of ScotRail's new fleet take the route another step closer to building the best railway Scotland has ever had.

## Safety

Our LTIFR rate has started to improve although poor performance in the first quarter has made the end of year target extremely challenging.

Slips, trips and falls remain the largest cause of accidents in the route so several workstreams have been launched to help combat this trend including site visits by Steitz, our safety footwear supplier, to undertake individual fit checks, improvement in site lighting and safer trackside access. We are also trialling remote monitoring equipment such as critical temperature monitors and intelligent warning boards which could reduce the need for our people to access the track.

Our new automatic full barrier local monitored level crossing at Ardrossan continues to give reliable performance and this has now been joined by similar crossings at Dingwall Middle and Dingwall N°1. A number of heavily used pedestrian foot crossings in the Pitlochry area are due to be provided with miniature warning lights as part of the Highland Mainline improvement programme.

Our poor first quarter rate of Signals Passed at Danger without authority (Category A SPADs) has continued into the second quarter with a total of 18 SPADs year to date.

## Financial performance

Our Financial Performance Measure (FPM) has been trending positively due to a strong performance in operational and renewal costs, partly offset by the negative impact of overall train performance and the impact of exceptionally high temperatures. It is forecast that FPM for 2018/19 overall will achieve target.

The new cash compliance measure is currently missing target, but this is due to a change in the phasing of renewals and enhancement spend during the year. We anticipate that we will achieve this target by year end.

We are continuing to progress the delivery of the CP5 Operational Expenditure (OPEX), renewals and enhancements programme with significant increases in project numbers, authority and delivery in 2018/19.

## Investment

Our programme of enhancements and expansion continues with progress made across many key projects. On 1 August we achieved a fully electric service on the main Edinburgh-Glasgow route for the first time in its 176-year history.

The key focus for this year is our Rolling Programme of Electrification (RPE) and the Highland Main Line project as



well as delivery of key stages of the Aberdeen-Inverness project. This will support ScotRail's Revolution in Rail timetable and provide customers with much improved train services including faster, greener trains running at greater capacity and frequency.

The RPE delivered a milestone with the electrification between Greenhill and Polmont Junctions via Falkirk Grahamston providing a key diversionary route to the main Edinburgh - Glasgow via Falkirk High line to improve performance and provide additional capacity. It also represented a key stage in delivering the Stirling Dunblane Alloa electrification phase later this year.

The Motherwell North resignalling scheme has been commissioned in time to deliver a successful December 2018 timetable change.

The Edinburgh—Glasgow Improvement Programme works at our managed stations continue. At Edinburgh Waverley works to extend platforms 5 and 6 for longer trains will be completed in March 2019. The Glasgow Queen Street station redevelopment is also progressing well with the demolition of the old structure now complete. Work is now focussed on strengthening ground conditions to support an extended station.

The Aberdeen-Inverness project completed a 14-week blockade between Aberdeen-Dyce, to deliver six miles of new track, which will be introduced to the network in summer 2019. We have worked collaboratively across the ScotRail Alliance to minimise disruption for customers and lineside neighbours alike.

Infrastructure works have begun at Aviemore and Pitlochry as part of the Highland Main Line project which will allow improved journey times and more trains between Inverness and the central belt.

## Train performance

ScotRail Public Performance Measure (PPM) has been lower than expected, which has caused the Moving Annual Average (MAA) to drop by 1.1 percentage points from 89.5 per cent in Period 13 to 88.4 per cent in Period 4. The hottest Scottish summer on record led to several heat related speed restrictions to be put in place in June and July causing disruption over many days.

The hot weather also affected asset performance and year-to-date asset failures are 18 per cent worse than target with the Glasgow area worse affected. To improve asset reliability in the area we have created a 'Glasgow Plan' with an additional £5 million investment to improve asset reliability and response times.

An independent industry expert, Nick Donovan, reviewed how we manage train performance within the ScotRail Alliance with the aim of delivering sustainable high performance of 92.5 per cent PPM MAA. The review made 20 recommendations which form the basis of our Performance Improvement Plan. The Donovan recommendations are being implemented and a number are already delivering short term benefits including the removal of skip stopping, improving right time starts at Whifflet and

the biggest autumn programme ever seen in Scotland.

We're revolutionising Scotland's railway through capacity enhancements, modernisation and the introduction of new trains. In the first three weeks performance of the new Hitachi Class 385 train on the busy Edinburgh - Glasgow route has been 3.5 percentage points above the average for this service. We expect the improved acceleration and reliability of these trains to deliver further customer benefits as the remainder of the new fleet is introduced. In addition, the introduction of Class 365 trains earlier in the year means that, for the first time ever, the Edinburgh - Glasgow route is fully operated by electric trains.

Caledonian Sleeper performance continues to improve with the right time MAA rising from 75.1 per cent in Period 13 to 76.8 per cent in Period 4. This has largely been driven through timetabling and fleet reliability improvements.

Freight performance in Scotland is 0.1 per cent behind target year-to-date due largely to heat related speed restrictions in the summer. However, we expect to return to target by year end.

## Asset Management

In the second quarter Scotland met or exceeded target for five of the six key renewal volumes on the scorecard. As the renewal plan for Switches and Crossings (S&C) was reprioritised some deliverables are delayed until later this year, however our full year forecast is to meet all six measures. Most notable was the successful delivery of the final phase of the Motherwell North signalling renewal.

The number of service affecting asset failures remains adverse to target at 18 per cent over year to date (YTD) target. This was mainly due to the impact of the adverse weather in P7 with storm Ali bringing 80mph winds over two days and the general poor reliability of signalling assets. Track circuits, axle counters and signalling systems remain the focus for maintenance delivery unit improvement plans including the use of intelligent infrastructure, which is key to identifying potential failures and interventions prior to failures occurring.

## Locally driven customer measures

Customer satisfaction in our managed stations remains high. Edinburgh Waverley achieved an overall satisfaction figure of 85 per cent, ranking it tenth in the Network Rail Managed Stations Portfolio.

The station has also seen the number of accidents decrease, with slips, trips and falls down by 17 per cent and the overall number of accidents reduced by 50 per cent across all categories.

The number of 'Railway Work' complaints received has increased mainly because of the increase in the amount of work taking place. So far this year we have had 533 complaints which means we are unlikely to hit our year end target of 729.

The route is running a 'Your Voice' pulse survey during November 2018 which will give us an engagement score to measure against our 2018/19 target of 60 percent and enable us to create additional engagement strategies to supplement our programme of 'Your Voice' action plans, guidance and support we have implemented during the first half of the year.

## Third-party funding

---

The refurbished Dundee station opened to the public in early July. This represents a substantial third-party investment in improving rail facilities in Scotland. Also, in July we built a new bridge over the Edinburgh — Glasgow Line on behalf of Glasgow City Council utilising city deal money. Works to connect the new bridge into the local roads network will be undertaken separately by Glasgow City Council. Planning is also underway for a freight connection at the Highland Spring plant in Blackford, with work expected to begin in Spring 2019.

## CP6 Readiness

---

Following the final determination, the route continues to develop its plans for CP6, with a focus on year one schemes, securing investment authority, access and delivery frameworks to ensure a seamless transition between control periods. One of the main challenges for the route will be the performance trajectory given our current levels of performance. We continue to develop and track our efficiency plans with our delivery partners to instil confidence in our programme delivery. Another key element in our preparation for CP6 is the recruitment of up to 200 new staff, particularly to strengthen our off-track and electrical power capabilities.

# Route performance Period 7

## South East

Safety - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Lost Time Injury Frequency Rate (LTIFR)	5.0%	0.517	0.427	0.407	0.387	0.482	↑	0.407	50%
Close Calls Raised (between 1 April 18 - 31 March 19)	2.0%	10,199	4,875	6,500	8,125	6,299	↑	8,125	100%
YTD Close Calls Closed % Within 90 Days	3.0%	87%	80%	85%	90%	89%	↔	90%	100%
Passenger train accident risk reduction measures	5.0%	100%	60%	80%	100%	92%	↑	100%	100%
Top 10 Milestones to reduce level crossing risk	5.0%	8	6	8	10	1	↔	8	50%
Financial Performance - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Financial Performance Measure (FPM) - Gross Renewals (£m)	5.0%	N/A	-19.2m	0.0m	19.2m	-6.1m	↑	-13.2m	16%
Financial Performance Measure (FPM) - Gross Profit and Loss (£m)	5.0%	N/A	-8.2m	0.0m	8.2m	7.6m	↓	-5.7m	15%
Financial Performance Measure (FPM) - Gross Enhancements only (£m)	5.0%	43.1m	-3.3m	0.0m	3.3m	-1.0m	↑	-1.3m	31%
Cash Compliance – Income & Expenditure (£m)	5.0%	26.2m	16.2m -5.8m	8.1m -2.9m	0.0m	16.0m	↑	-38.3m	0%
Investment - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Top Investment Passenger Milestones	10.0%	100%	80%	90%	100%	50%	↑	89%	47%
Asset Management - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Composite Reliability Index (CRI)	2.0%	N/A	22%	26%	28%	23%	↑	23.1%	14%
Number of Service Affecting Failures	4.0%	2,876	2,934	2,818	2,761	1,679	↓	2,954	0%
7 Key Volumes	4.0%	100%	90%	95%	100%	100%	↑	100%	100%
Train Performance - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Right Time MAA - final destination only (LSeR)	2.0%	N/A	61.9%	64.9%	65.4%	67.7%	↓	64.9%	50%
Right Time MAA - final destination only (GTR)	2.0%	N/A	52.7%	55%	55.9%	54.4%	↓	55.2%	73%
CaSL MAA (LSeR)	2.0%	N/A	3.3%	3.0%	2.7%	3.5%	↓	3.6%	0%
NR contribution to CaSL MAA (GTR)	2.0%	2.8%	2.6%	2.3%	2.1%	2.8%	↓	2.5%	17%
Delay Minutes affecting LSeR	2.0%	N/A	1.1m	0.9m	0.9m	0.6m	↓	1.1m	0%
Delay Minutes (GTR) (NR and TOC/FOC caused)	2.0%	1.6m	1.8m	1.6m	1.5m	0.8m	↑	1604658	68%
The number of performance impacting TSR in place YTD average (LSeR)	1.5%	N/A	9.0	8.0	7.0	8.4	↔	8.0	50%
The number of performance impacting TSR in place YTD average (GTR)	1.5%	N/A	4.3	3.4	2.3	3.0	↔	3.4	50%
East London Line T-3 performance (South East Route - MAA by year end) (ARL)	2.0%	N/A	87.9%	88.9%	89.9%	90.5%	↑	89.0%	55%
Freight Delivery Metric (FDM-R)	3.0%	90.0%	88.8%	91.0%	91.7%	89.0%	↑	90.0%	27%
On Time - 3 (LSeR)	0.0%	N/A	86.8%	88.5%	89.1%	86.5%	↑	87.3%	15%
On Time - 3 GTR	0.0%	N/A	80.4%	81.8%	82.8%	80.5%	↓	81.8%	50%
Locally Driven Customer Measures - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
FWI - Passenger and public safety on trains and stations - LSeR & NR joint measure	2.0%	N/A	17%	15%	14%	4%	↑	14%	100%
FWI - Passenger and Public safety on trains and stations - GTR & NR joint measure	2.0%	N/A	16.5%	15.0%	13.5%	4.4%	↑	13.5%	100%
2 performance and development conversations per year for all Bands 1-8 employees	2.0%	100%	80%	90%	100%	40%	↑	100%	100%
Your Voice Actions	1.5%	N/A	70%	80%	90%	25%	↓	100%	100%
% of planned worksites taken and cancellations (LSeR & GTR)	1.5%	N/A	85%	90%	95%	95%	↓	93%	75%
% of possession overruns whether service affecting or not (LSeR & GTR)	1.5%	N/A	5%	3%	1%	3%	↓	3%	50%
NRPS LSeR - Overall passenger satisfaction - Joint Measure	1.5%	N/A	79%	81%	85%	75%	↔	79%	0%
CSS - LSeR and NR - Overall passenger satisfaction - Joint Measure	0.0%	N/A	79%	81%	85%	80%	↑	81%	45%
NRPS GTR - Overall passenger satisfaction - Joint Measure	1.5%	75%	79%	81%	83%	75%	↔	81%	50%
CSS - GTR and NR - Overall passenger satisfaction - Joint Measure	0.0%	N/A	79%	81%	85%	84%	↑	83%	72%
GTR and NR Pulse Check Survey - Joint Measure	1.0%	N/A	3.6	4.0	4.4	4.2	↑	4.10	62%
LSeR and NR Pulse Check Survey - Joint Measure	1.0%	N/A	3.6	4.0	4.4	4.5	↔	4.40	100%
Capacity Provision in Peak against Plan LSeR	1.5%	N/A	2.0%	1.9%	1.8%	2.1%	↑	1.9%	50%
Thameslink Readiness Milestone Plan GTR & NR	0.0%	N/A	n/a	100%	n/a	88%	↔	100%	50%
LSeR Financial Performance	1.0%	N/A	0	1	1	1	↔	100%	100%
Shared efficiencies identified - LSeR & NR	1.0%	N/A	75%	90%	100%	67%	↑	100%	100%
Shared efficiencies identified - GTR & NR	1.0%	N/A	75%	90%	100%	50%	↑	100%	100%



# South East



**John Halsall**

**Route managing director**

The first half of the year has been one of the most challenging times I have experienced in my time working on the railway. The industry's collective failure to adequately plan and implement the May timetable change has resulted in significant disruption to our passengers across the south east and major reputational damage.

We've worked hard with GTR in particular, to bring stability to the train service. I'm pleased that the interim GTR timetable brought in on 15 July has delivered tangible improvements for the hardest hit passengers. It's clear we have a long way to go to rebuild trust and deliver the full benefits of the Thameslink Programme to passengers.

We are now seeing a steady improvement in train performance and passenger service, recently resulting in us delivering the best ever Right Time (RT) train performance for Southeastern since the franchise began and for GTR the best in four years. As the new timetable becomes more familiar, more attention will be given to Cancellations and Significant Lateness (CaSL) which, particularly for GTR, remains a cause of concern and a source of passenger dissatisfaction.

The unusually hot dry weather we've experienced in summer has not had the detrimental impact on train performance that might be expected but has affected underlying infrastructure performance with a significant increase in service affecting failures and fall in CRI. A crisis management team was put in place in July to coordinate the route's response to the risk of clay desiccation in embankments. With strong support from Southeastern, both teams have done well to keep control of the situation. However, this is a significant risk for the remainder of the year reflected by the continued increase in unplanned temporary speed restrictions.

Our safety transformation programme is making a real difference in terms of our leading indicators, workforce safety and I've been particularly heartened by the growing awareness of mental health issues among our frontline workforce.

We saw fantastic results in the National Rail Passenger Survey (NRPS) for London Victoria station, which recorded a 13 percentage points improvement in passenger satisfaction compared with last year, thanks to some great initiatives to improve customer service, station facilities and passenger information.

Our full year forecast scorecard position at Period 7 is on, or ahead of target, for 25 out of our 37 weighted metrics, with a full-year forecast weighted score of 50.16 per cent, positioning us fourth out of eight routes.

We had the distinct honour of welcoming HRH The Duke of Cambridge to officially open the new London Bridge station. Work will continue throughout the year to bring all the new facilities into use, but we now have a multi-award winning station of which we can all be incredibly proud.

And finally, we aimed very high with our CP6 submission, our first as a devolved route. We recently learned our funding settlement for CP6 is almost £4 billion, which will help us to achieve our vision of being 'proud to be running the UK's most successful metro-style railway'.

## Safety

At Period 7, our LTIFR was the lowest it has been for 20 months at 0.482. However, we are mindful that it has been a relatively poor start with regards our level of staff accidents. Our regular workforce safety maturity surveys do indicate more positive behaviours and the Safety Improvement Plan, launched a year ago, is starting to have an impact. We continue to increase our usage of new technology (remote controlled track circuit operating devices and line-side early warning systems) and improve planning processes to protect our staff on track, with trials having started in our Brighton Delivery Unit.

Working closely with train operators, we have improved our Joint Fatality Weighted Index (JFWI) scores, although we have still seen five fatalities so far this year due to trespass. We have implemented a trespass prevention programme which includes raising awareness through roadshows and school visits. We're addressing a slight increase in pedestrian near misses on level crossings through our Level Crossing Risk Reduction Programme, as well as longer-term

strategies and, where feasible, level crossing closure. An example is the installation of Red Light Safety Equipment cameras at 34 locations over the next 12 months.

Over the last couple of periods we have also seen a concerning increase in 'near misses' and we have drafted a 'Near Miss Improvement Strategy' to present nationally in November. The actions will be based on reinforcing rule-following rather than changing processes.

A successful self-referral physiotherapy pilot has seen a significant increase in uptake of physio services. Our dedicated health and wellbeing clinic at London Victoria station, due to open at the end of November, will revolutionise the route's occupational health service. We have also trained over 200 staff in mental health first aid and are about to launch a series of further training courses across the route.

## Financial performance

The FPM is the single biggest downward driver on our scorecard. Some improvement in the full-year forecast

position is expected as confidence builds with Southeastern and GTR performance and a reduction in associated Schedule 8 payments can then be built into our financial forecasts.

Risk remains with respect to renewals expenditure caused by project cost increases on four signalling projects, which will not be recovered from.

Enhancements are showing negative financial performance due to cost escalation on power supply related schemes.

Action is being taken to address some of the issues causing negative financial performance, but it is unlikely that we will fully mitigate the adverse year-to-date performance by the end of the year.

## Investment

Investment activity in the first half of the year has seen the major commissioning of new signalling equipment in the south London area as part of the multi-stage Victoria area re-signalling project. An essential bridge replacement project took place at Bellenden Road in Peckham, south London, to enable safe and reliable continuation of the train service in the area with Network Rail working closely with the London Borough of Southwark to manage road closures with as little local impact as possible in this busy area. There were also significant upgrades to track drainage at Sevenoaks Tunnel in Kent resulting in a material improvement to the asset system which was suffering from regular flooding issues in the tunnel area.

Two projects are being deferred. Driven by an industry decision, Balcombe Tunnel Junction switch & crossing renewal has removed the October 2018 blockade on the Brighton Main Line and will now be delivered in February 2019. The New Cross Grid HV project, a combined renewal and enhancement, has faced challenges with tunnelling due to ground conditions, so a revised programme is progressing through the DfT and ORR change control process.

Following the introduction of the new Thameslink service in May 2018, the Thameslink Programme and facilitated timetable implementation continues to recover from the challenges faced since implementation, with focus now turning to the next stages of implementation such as completion of London Bridge station works and traffic management system/automatic route setting development and implementation.

## Asset Management

Two of our key asset management measures, service affecting failures and CRI are behind target. This mainly reflects the fall in track performance over the summer. The prolonged dry weather has resulted in a high soil moisture deficit, which has caused localised instability of the track bed, particularly in north Kent. The fluctuations in the other asset areas are not statistically significant.

We are on, or ahead of plan with our renewals programme in all key areas with the exception of structures, which is due to the slippage of Mitre Bridge following loss of access. We are

forecasting to deliver this year's volumes in full by year end. We are managing a significant overplan to the end of the Control Period, to mitigate loss of delivery on individual projects, and to take advantage of additional funding coming into the route from elsewhere in the business.

## Train performance

### Govia Thameslink Railway

The well documented challenges from the introduction of the May 2018 timetable have severely affected train performance. However, we are now seeing improvements; in Period 6 we recorded the highest level of train performance in the last four years; in Period 7 our three core measures of Right Time, CaSL and Delay Minutes were all better than target. We have jointly developed a data led 'One Performance' plan with GTR targeting both Network Rail and train operator causes of delay with a four weekly performance board governance structure. Jointly funding additional platform dispatch staff at East Croydon to reduce station dwell time is an example of how we are working with GTR to reduce delay from the network.

### Southeastern

Train Performance is improving with Period 7 experiencing 67.8 per cent Right Time achievement, the third period in a row and just ahead of the year to date target. Period 6 also saw the best ever right time performance since the franchise was formed. The base Southeastern 'One Performance' plan has been enhanced through the joint development of additional workstreams to tackle the type of high impact incidents which have occurred. Examples include jointly funding a dedicated security presence at six high impact stations on the approach to London to deter trespass and fatalities, additional drainage works and a flooding mitigation plan and specific focus on the afternoon peak through the #PerfectPMPeak campaign, which we've extended to cover the autumn period 'AwesomeforAutumn', with 30 October being the best autumn weekday performance for eight years with right time of 73.5 per cent.

## Locally driven customer measures

Our people are vital to the successful running of our railway. We have used our employee engagement survey, 'Your Voice', to develop action plans across our teams; and will be sharing some of our 'you said, we did' across the route in the coming periods. The South East People Strategy is focused on making the route a great place to work. As part of this we have delivered long service events for those that have dedicated much of their career to Network Rail, recognised hundreds of employees for going the extra mile and upskilled over 150 frontline managers to be even better at their jobs. Our 'Trusted to Lead Programme' is a great example of how we are strengthening our management and leadership capability. Finally, we have committed to all employees having at least two performance and development

conversations per year. We expect to meet our full year target.

Both our access planning metrics are better than target and show an improving trend, which is key as access is such a precious resource. We are on course to deliver our full year targets, with a number of initiatives underway to support planning improvements and delivery, including the route wide planning improvement programme.

Passenger satisfaction for both Southeastern and GTR was below target in the spring wave of results and remain an area of focus. We continue to work collaboratively with our customers to improve the travel experience for our passengers. We saw an unprecedented rise in scores at Victoria station of 13 per cent with the successful creation of 'Team Victoria' providing exceptional customer service for passengers.

We recognise that train performance is a key driver of passenger satisfaction. This autumn, we are collaboratively communicating with passengers to share the reasons why our autumn preparations are key to performance and why we implement a revised timetable. We have held autumn related events to highlight that the safety of our passengers is of paramount importance.

We have committed to the continued analysis and translation of insights information to ensure that improvements are made collaboratively to benefit our passengers. The Stations Transformation Team has now formed, and their focus is solely to raise passenger satisfaction levels at our stations.

Our 'pulse check' franchise engagement survey is used to gain feedback on how well we are working with our train operator partners to drive improvements. Scores for both GTR and Southeastern remain above target and reflect a strong relationship.

have scheduled follow-up deep dives at the end of November.

There remains a high level of uncertainty around the CP6 performance trajectory for both GTR and Southeastern due to the impact of the Thameslink timetable. It is therefore still considered necessary to re-open the performance forecast for GTR and Southeastern early in CP6 and we will review annually with each customer.

## Third-party funding

---

The business development team has now been formally embedded within the route structure and supports the large and growing portfolio. Interest in our 'Open for Business' pipeline is high with a large number of initial meetings with CEOs and directors from FTSE250 companies and consultancy firms with an interest in transport led development projects.

We are currently leading a world-class London Victoria station redevelopment project and working with the Coast to Capital Local Economic Partnership to help realise ambitions for using the railway corridor for digital infrastructure to enable 5G across the area. We continue to work with local authorities, developers and other partners to progress plans for station improvement schemes.

## CP6 Readiness

---

We held two days of executive deep dives in September to review our CP6 readiness. Both days saw a significant step forward towards a 'Team South East' approach with collaborative working between our route asset managers, maintenance delivery unit teams and work deliverers. We



# Route performance Period 7

## Wales and Borders

Safety - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Lost Time Injury Frequency Rate (LTIFR)	5.0%	0.377	0.356	0.339	0.322	0.307	↑	0.327	86%
Close Calls Raised (between 1 April 18 - 31 March 19)	2.0%	8,595	5,475	7,300	9,125	4,825	↓	8,225	75%
YTD Close Calls Closed % Within 90 Days	3.0%	90%	80%	85%	90%	97%	↓	94%	100%
Passenger train accident risk reduction measures	5.0%	79%	60%	80%	100%	92%	↑	94%	85%
Top 10 Milestones to reduce level crossing risk	5.0%	9%	6	8	10	5	↓	10	100%
Financial Performance - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Financial Performance Measure (FPM) - Gross Renewals (£m)	3.8%	N/A	-7.1m	0.0m	7.1m	2.7m	↓	5.6m	89%
Financial Performance Measure (FPM) - Gross Profit and Loss (£m)	3.8%	N/A	-2.2m	0.0m	2.2m	1.0m	↓	1.6m	87%
Financial Performance Measure (FPM) - Gross Enhancements only (£m)	3.8%	0.0m	-17.1m	0.0m	17.1m	-18.0m	↓	-20.2m	0%
Cash Compliance – Income & Expenditure (£m)	3.8%	2.7m	10.5m -2.6m	5.3m -1.3m	0.0m	24.1m	↓	27.5m	0%
Forecast Accuracy (Operating & Expenditure)	2.5%	N/A	4.0%	2.0%	1.0%		↑	1.1%	97%
Efficiency Delivery (Opex) £m	2.5%	N/A	4.2m	4.8m	6.0m	0.0m	↑	6.3m	100%
Investment - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Top Investment Passenger Milestones	10.0%	100%	80%	90%	100%	100%	↑	100%	100%
Asset Management - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Composite Reliability Index (CRI)	2.5%	14.2%	7.4%	10.6%	13.8%	17.7%	↔	18.8%	100%
Number of Service Affecting Failures	2.5%	1,149	1,178	1,149	1,120	644	↑	1,145	56%
7 Key Volumes	5.0%	N/A	90%	95%	100%	99%	↑	100%	100%
Train Performance - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
TfW PPM	7.0%	92.2%	91.3%	91.8%	93.0%	91.1%	↓	91.1%	0%
TfW CaSL	3.0%	3.0%	3.1%	2.9%	2.4%	3.5%	↓	3.10%	0%
TfW On-time to 3	0.0%	N/A	80.1%	80.8%	82.7%	82.2%	↓	80.8%	51%
GWR Wales PPM	1.0%	N/A	78.0%	80.0%	82.0%	70.2%	↓	68.7%	0%
GWR services departing Severn Tunnel on-time	1.0%	44%	40.0%	44.5%	49.0%	47.6%	↑	48.6%	96%
Consistent Route Measure - Performance	5.0%	N/A	1.63	1.55	1.37	1.44	↓	1.39	95%
Freight Delivery Metric (FDM-R)	2.0%	95%	93.0%	94.0%	94.8%	94.3%	↓	95.1%	100%
CrossCountry - On Time Departures from Cardiff	1.0%	N/A	67.0%	72.0%	77.0%	70.0%	↑	73.3%	63%
Locally Driven Customer Measures - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Stakeholder perception survey	2.0%	N/A	60%	70%	75%	87%	↑	70%	50%
Working together with industry partners	3.0%	N/A	65	104	143	107	↓	155	100%
Number of Railway Works Complaints	2.0%	N/A	336	300	266	145	↓	256	100%
Passenger satisfaction (NPS) % improvement YOY	2.0%	N/A	-1%	1%	2%	-2%	↔	-1%	13%
Joint strategic events with TOC/FOC's	4.0%	N/A	4	6	8	5	↑	11	100%
Joint employee recognition	3.0%	5	1	3	5	4	↑	4	71%
Your Voice Actions	2.0%	N/A	70%	80%	90%	42%	↑	100%	100%
Operational Property helpdesk % of faults closed	1.0%	N/A	70%	80%	90%	82%	↓	80%	50%
Continuous improvement - Total PPS's instigated in 18/19	1.0%	100	30	50	70	42	↓	44	35%



Bill Kelly

Route managing director

# Wales & Borders

Network Rail Wales & Borders route saw a positive first half year. Overall, scorecard delivery was better than target. We consistently achieved strong delivery across most scorecard categories. Train performance was below target mainly as a result of fleet-related issues and operational incidents.

Highlights of the period included the start of the new 15-year rail services contract which began operating as Transport for Wales Rail Services in October 2018. This contract includes plans to maintain, operate and transform the Core Valley Lines network. Early positive engagement with Transport for Wales meant the route contributed to a smooth transition.

The route launched its 'Transport Leaders' Forum, bringing together public and private sector leaders from across the route to drive and influence the transport debate across Wales and Borders.

## Safety

To date the route has had nine accidents that have led to lost time, including two specified as RIDDOR's (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations). This is three less compared to the same time last year. To achieve the year-end LTIFR target of 0.339 the total number of accidents across the year must be no more than 15. Whilst challenging, this is still achievable, particularly following zero lost time accidents in Periods 5 and 6.

We continue to develop our bespoke route "Home Safe Plan" which will include our strategy to reduce LTIFRs and our continued focus on the golden hour for incident response. Rail Safety Week in the first week of July saw senior managers out on the network focusing on improvements to access points and on injuries which happen while employees are accessing the railway.

We continue to focus on close calls to improve the safety and wellbeing of our workforce and to help keep our passengers and the public safe. To date (Periods 1-7) we have raised 4,825 close calls and we have closed 97 per cent in 90 days. Both measures are better than target.

There has been an increase in operational close calls with three potentially significant events taking place on the route. These are being investigated and findings will be shared on completion of the investigations.

Work is ongoing to reduce risk at level crossings as part of our level crossing risk reduction programme. We have achieved five of the key milestones for the year and remain on target to achieve our 10 milestones for year-end.

Route crime, trespass and vandalism continue to raise concerns, and the route has developed mitigation plans, holding community safety events and placing deterrents on the route to tackle these issues.

## Financial performance

We have positive financial efficiency delivered to date of around £4 million. This positive trend is forecast to continue for the remainder of the year and we have managed to secure additional renewals funding for increased volume delivery particularly focused on areas that impact staff welfare and train performance improvements.

Profit and loss financial performance is within one per cent of budget year to date and is forecast to outperform our year-

end target by £1.6 million through additional efficiency delivery. This figure includes additional costs due to the earlier deployment of the rail head treatment train to support performance improvements through the autumn.

The financial performance of enhancements is adverse against budget due to increased costs on the South Wales Electrification Programme caused by programme delays.

Cash compliance is adverse on the scorecard and this is not expected to be recovered by year-end again due to the electrification delays. Forecast accuracy and operating efficiency delivery have been added to the scorecard this year, both of which are on target. Detailed reviews are underway to plan and own the efficiency targets for CP6, with a revised governance process now in place.

## Investment

Station refurbishments at Bridgend, Colwyn Bay and Shrewsbury were completed along with new level crossing workstations in the Wales Rail Operating Centre.

Major renewals work at several stations on the North Wales Coast Line is underway including at Bangor Llandudno Junction and Rhyl.

A major resignalling project to improve the resilience and reliability of the railway between Newport and Shrewsbury was delivered in October, and the first phase of the Port Talbot West Resignalling Project is on target to complete in spring 2019.

Discussions continue with train and freight operators and a possession plan has been agreed to enable the next phase of the electrification project to Cardiff to be completed during Christmas and New Year.

## Asset Management

Delivery during the first half of the year was strong with Asset Management continuing to perform well across all measures. Key volumes of renewals remain in a good place at end of Period 7, with earthworks, switches & crossings (S&C) and track missing their targets. We have re-planned the work required and all key volumes are on course to exceed the full year targets.

Despite the hot summer affecting Periods 4 and 5, CRI continues its trend of being above target; the Period 7 position of 17.7 per cent is a 4.2 per cent improvement on the close of CP4. Service affecting failures are currently

behind target. However, these are forecast to recover their position over the next half and meet the full year target. Both are forecast to achieve the reliability commitments set out in the current CP5 Strategic Business Plan. The first few periods saw system issues affecting the closure rates of non-emergency faults affecting our lead train operator. These have now been rectified with recent periods seeing significant improvements, with year to date standing at 2 per cent above target.

Wales and Borders' proactive work-bank management over the last four years means the route consistently achieves a 2 per cent maintenance backlog. This success is built on ensuring the right resources are in the right place at the right time, with the right equipment and engaged teams involved in contributing to this and other critical KPIs. Reliability improvements are an output of investment, a robust asset renewal strategy and on-time maintenance.

## Train performance

Public Performance Measure (PPM) for previous lead operator Arriva Trains Wales declined in the first half. Moving Annual Average (MAA) has dropped by 1.1 percentage points since Period 13 (2017-18) to 91.1 per cent. This is currently 0.7 percentage points below the year-end target of 91.8 per cent.

The decline in performance is primarily due to an increase in fleet related failures (technical and non-technical) coupled with an increase in station delays, traincrew issues, signalling incidents, animal incursions and bridge strikes.

The arrival of autumn and extreme weather meant a challenging second quarter. During Storm Callum our Route Control recorded 34 separate weather-related incidents over a 48-hour period. Following flooding near Llandeilo on the Heart of Wales Line, our teams replaced 300 tonnes of ballast which had been washed out by floodwater. Services on the line were restored as quickly as possible for passengers.

The specialist treatment trains work through the autumn to clear leaves and other debris from the surface of the track. The trains will complete 3,360 hours of treatment on the Wales and Borders route this autumn, as part of a targeted approach agreed with train drivers at locations where the impact of autumn conditions is most severe.

The route is working with Transport for Wales to support implementation of a fleet improvement plan focused on the key causes of delays. The route focus on reducing the number of infrastructure incidents continues and we are working with colleagues from Transport for Wales to deliver robust morning and evening peaks, focusing on getting it right for the customer

## Locally driven customer measures

The route saw a positive first half surrounding lineside neighbour engagement, holding a series of resident drop-in events in advance of railway work and employee briefings around considerate behaviour. This has resulted in better than target numbers of railway work complaints. We

exceeded our target for the number of collaborative 'working with our partners' statements used in the public domain. The route held three Transport Leaders' Forums (April, July, September). The route commissioned ComRes to carry out the first route-wide stakeholder audit to measure the effectiveness of the route's engagement with stakeholders and identify areas for improvement. The first round of results in October saw an overall satisfaction rate of 87 per cent in stakeholders' relationship with Network Rail Wales and Borders and an 81 per cent satisfaction rate with performance, an improvement on the 40 per cent target.

### People

Good progress has been made against delivering employee engagement actions plans. The route continues to be ahead of target for the number of joint strategic events and joint employee recognitions made.

The route is targeting an increased number of apprenticeships for March 2019 with a continued focus on increasing the number of female apprentices in line with Network Rail's 20:20 initiative aimed at seeing the workforce comprised of 20 per cent women by 2020.

## Third-party funding

Transport for Wales schemes for a new station at Bow Street are progressing, with track work taking place in November, ahead of station and platform work.

Discussions on the development of Cardiff Central station continue, involving Welsh Government, Cardiff Council and third-party developers.

## CP6 Readiness

The route responded positively to the ORR's Draft Determination in June by generating renewals work banks to improve sustainability and proposing solutions to the ORR's efficiency challenge. The route has also focused on improving visibility of scorecard delivery across the business through a user-friendly guide and regular inclusion in a range of staff communications channels. Over the summer, the executive team were out on the route briefing teams about our plans for the next five-year funding period. In all, around 700 people took part in the briefing sessions.

In October, the ORR confirmed our plan to operate, maintain and renew rail infrastructure in Wales & Borders between 2019 and 2024. The plan includes a significant increase in funding against CP5 and has been directly developed by the Wales & Borders route team. Our plan has the support of the Welsh Government and Transport for Wales and is the result of regular engagement with passengers, stakeholders and/or train and freight operating partners. We are developing a joint performance strategy with Transport for Wales focusing on the introduction of new rolling stock, as well as tracking more passenger focused metrics such as average passenger lateness.



# Route performance Period 7

## Wessex

Safety - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Lost Time Injury Frequency Rate (LTIFR)	5.0%	0.500	0.433	0.412	0.391	0.597	↑	0.488	0%
Close Calls Raised (between 1 April 18 - 31 March 19)	2.0%	6,223	3,525	4,700	5,875	3,019	↓	5,976	100%
YTD Close Calls Closed % Within 90 Days	3.0%	89%	80%	85%	90%	91%	↑	90%	100%
Passenger train accident risk reduction measures	5.0%	100%	60%	80%	100%	94%	↑	100%	100%
Top 10 Milestones to reduce level crossing risk	5.0%	10	6	8	10	3	↑	8	50%
Financial Performance - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Financial Performance Measure (FPM) - Gross Renewals (£m)	5.0%	N/A	-8.5m	0.0m	8.5m	0.2m	↑	0.5m	53%
Financial Performance Measure (FPM) - Gross Profit and Loss (£m)	5.0%	N/A	-4.4m	0.0m	4.4m	-17.8m	↓	-26.0m	0%
Financial Performance Measure (FPM) - Gross Enhancements only (£m)	5.0%	-6.4m	-1.1m	0.0m	1.1m	0.0m	↑	0.0m	50%
Cash Compliance – Income & Expenditure (£m)	5.0%	0.0m	8.6m -2.1m	4.3m -1.1m	0.0m	3.1m	↓	-0.9m	61%
Investment - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Top Investment Passenger Milestones	10.0%	100%	80%	90%	100%	100%	↔	71%	0%
Asset Management - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Number of Service Affecting Failures	5.0%	2,091	2,164	2,070	2,018	1,330	↑	2,335	0%
7 Key Volumes	5.0%	100%	90%	95%	100%	97%	↑	100%	98%
Train Performance Measures - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
SWR Right time (right time departures Waterloo)	2.0%	N/A	69%	75%	78%	74%	↓	75%	52%
On time to 3 (SWR)	0.0%	N/A	79.4%	83.7%	86.4%	80.4%	↑	80.6%	14%
NR Wessex Delay Minutes (affecting SWR on Wessex route)	6.0%	N/A	1,302,687	1,034,534	858,118	507,841	↑	1,001,316	59%
Freight Delivery Metric (FDM-R)	2.0%	95.6%	91.8%	93.6%	94.4%	95.2%	↓	94.4%	100%
PPM (SWR)	2.0%	84.4%	83%	87%	89%	84%	↓	83.7%	13%
CaSL (SWR)	2.0%	4.4%	4.7%	3.7%	3.1%	3.5%	↑	4.2%	25%
GWR Measure (PPM North Downs line)	1.0%	N/A	78.6%	82.6%	84.6%	72.0%	↑	75.8%	0%
CrossCountry Measure (right time arrivals at Reading)	2.0%	N/A	25%	30%	35%	31%	↑	33.3%	83%
GWR Measure (Portsmouth - Cardiff)	1.0%	N/A	65%	70%	75%	61%	↓	60.0%	0%
GTR Measure (NR delay minutes Wessex)	2.0%	N/A	94,810	87,810	80,810	28,717	↑	58,649	100%
Locally Driven Customer Measures - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Performance Management	2.0%	90%	60%	80%	100%	60%	↓	90.0%	75%
Number of Railway Work Complaints	2.0%	N/A	328	298	268	159	↑	298	50%
Your Voice Action Plans Completed	2.0%	N/A	70%	80%	90%	58%	↑	90%	100%
Level 2 Scorecard Achievement	14.0%	N/A	0%	50%	100%	67%	↔	51%	51%

# Wessex



Becky Lumlock

Route managing director

Train performance continues to be our biggest challenge on Wessex. While we had an encouraging start to the year, extreme hot weather and the subsequent speed restrictions put in place have had a significant impact on train performance. We are investing in more resources, employing state of the art technology and working closely with South Western Railway (SWR) every day so we can provide the railway service our passengers expect and deserve.

Our focus on safety on the route has led to a welcome increase in frontline close calls and the wellbeing of our employees. While the total number of accidents has reduced in comparison to last year, we have seen an increase in High Potential (HiPo) events, which we are working to address. I am pleased we remain ahead of target on railway work complaints, thanks to improved engagement with lineside neighbours and our staff.

The former Waterloo International Terminal is due to be operationally ready by the end of 2018, and with many more exciting projects being delivered across the Wessex route, we are continuing to improve our railway while supporting jobs, housing, productivity and growth across the region, bringing benefits to local communities for many years to come.

## Safety

While we are meeting four of our five targets on safety, we have had a challenging first half of the year. While the total number of accidents has fallen in comparison to last year, there has been an increase in HiPo events and lost time injuries. Line blockage irregularities have been the predominant cause of the increase in HiPo events and we have implemented a plan to address this. The first two periods of the year saw an increase in employees sustaining personal injuries resulting in time lost from work.

Action plans were developed and delivered a considerable improvement in subsequent periods, which resulted in the route going seven weeks without a lost time injury. We continue to focus on a positive safety culture through increasing health and safety awareness. This has been shown through sustained improvements on the raising and close out of close calls. We are exceeding our targets here, achieved through proactive engagement with the whole workforce, which has seen a 100 per cent increase in frontline workforce raised close calls.

Through our safety workshops we have focussed on the link between work and home, looking at topics including electricity, driving, security and mental wellbeing. Employee wellbeing has improved through raising general mental wellbeing awareness, the introduction of bespoke mental resilience training for operations, and mental health first aid training. We are also seeing an increased uptake of our physiotherapy provider, which will reduce our risk of musculo-skeletal injuries.

## Financial performance

We are in a strong position in regard to FPM on both renewals and enhancements with the route being on target for half of the year. Profit and loss FPM has been significantly affected by Schedule 8 compensation to TOCs

associated with our train performance being below target. A number of big incidents at the London end of our railway have driven up Schedule 8 costs. We expect our cash position to be broadly in line with target as the route works hard to manage its cash to offsets the adverse effects of the Schedule 8 compensation.

## Investment

Our enhancements programme continues to deliver improvements for passengers. Good progress has been made in the first half of the year, in particular with the work to bring the former Waterloo International Terminal into operation, and to support DfT's subsequent retail scheme to be introduced without further disruption to passengers. Work at Feltham station has begun which will result in the planned closure of a very heavily misused level crossing, as well as a platform extension scheme, allowing 10 car trains to operate fully at this station without further disruption to passengers.

## Train performance

The first half of the year started well, with the first two periods of the year above target PPM levels and delivering fewer delay minutes than target. However, the exceptionally hot summer weather caused notably more speed restrictions to be imposed. In some areas, these are still being managed and resolved. There have been a high volume of trespass/fatality incidents on the route which caused significant disruption to passengers. Periods 5 to 7 have been significantly impacted by ongoing speed restrictions imposed due to hot weather. This has had the effect of bringing the PPM down beneath the target. The route is delivering a speed restriction recovery plan through additional track resources within the delivery units. We have reduced speed restrictions to 59 from its peak of 66 in week 23. In total we have removed 173 speed restrictions since the beginning of the calendar year, with 202 imposed since the beginning of the financial year. We have developed a trespass and vandalism strategy with the British Transport Police.

Additionally, the route has reviewed and continues to update our performance improvement plans. The route is also delivering autumn readiness plans with SWR and implementing performance management focused on AM and PM peaks and recovery from significant incidents. An increase in platform staff at Waterloo is also seeing improvements to right time departure.

## Asset Management

Asset reliability has been unsatisfactory so far this year. Although the number of points failures and other non track asset such as signal power supplies and track circuits has continued to decrease there has been an increase in track faults. The large majority of these are temporary speed restrictions, though many do not affect passenger services. However, the overall number is unsatisfactory and additional resources are being targeted at their removal

## Locally driven customer measures

Your Voice action plans have an impressive 100 per cent submission to the online tool; actions completed will be measured by the end of March 2019. Performance reviews are currently above target 62 per cent against a target of 54 per cent at the mid-year review process. For first half of this year we have received 159 railway work complaints (RWC) against a year to date target of 172. The RWC limit set for this financial year is 298, 30 per cent lower than 2017/18.

## Third-party funding

We have continued to provide support in the development of the new station at Reading Green Park, as well as continuing to plan development with our partners at Guildford and Clapham Junction stations. We are also working on site at Twickenham, a scheme that will deliver 115 new homes, retail, and station improvements, including step-free access to the platforms.

Works started on site for our jointly funded project to close Feltham West level crossing, where we are working with London Borough of Hounslow. We also entered into contract with the Environment Agency to help develop a flood mitigation scheme and have additionally been discussing with local authorities and LEPs how a more collaborative approach can deliver better outcomes. This includes working with Woking Borough Council to develop a bridge widening scheme required to unlock significant housing development, as well as reviewing land within our ownership in the area to establish what development may be possible, to deliver even more locally needed housing. In the first half of the year £5.9 million third party funding has been invested on our network.

## CP6 Readiness

Our workbank for all assets is fully populated and has been shared with all delivery partners. Regular delivery and access planning discussions are in place. Weekend disruptive access is 95 per cent booked for year one, and

disruptive mid-week access is booked as per the engineering access schedule. Access for Feltham resignalling and all S&C renewals for all five years has been included in the long term access plan with no conflicts or resource shortages identified.

Recruitment activity has started in maintenance and is looking at campaigns of bulk recruitment rather than the traditional recruitment process. The rolling forecast process in November 2018 will give the detailed breakdown of skills and capability we need, and enable the job allocation to start.

Our latest train performance forecast is being reviewed. More work is under way in response to the Holden review to develop a joint improvement plan with SWR. Engagement on PPM forecast is ongoing.

Additional funding is being used to start developing level crossings strategy and scopes for CP6.



# Route performance Period 7

## Western

Safety - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Lost Time Injury Frequency Rate (LTIFR)	5.0%	0.413	0.391	0.372	0.353	0.452	↓	0.372	50%
Close Calls Raised (between 1 April 18 - 31 March 19)	2.0%	10,734	5,700	7,600	9,500	5,868	↓	9,500	100%
YTD Close Calls Closed % Within 90 Days	3.0%	90%	80%	85%	90%	99%	↔	97%	100%
Passenger train accident risk reduction measures	5.0%	100%	60%	80%	100%	95%	↑	100%	100%
Top 10 Milestones to reduce level crossing risk	5.0%	10	6	8	10	2	↓	10	100%
Financial Performance - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Financial Performance Measure (FPM) - Gross Renewals (£m)	5.0%	N/A	-18.2m	0.0m	18.2m	6.0m	↑	12.5m	84%
Financial Performance Measure (FPM) - Gross Profit and Loss (£m)	5.0%	N/A	-5.5m	0.0m	5.5m	-24.9m	↓	-30.0m	0%
Financial Performance Measure (FPM) - Gross Enhancements only (£m)	5.0%	-14.7m	-31.8m	0.0m	31.8m	-74.3m	↓	-84.1m	0%
Cash Compliance – Income & Expenditure (£m)	5.0%	0.0m	35.7m -8.9m	17.9m -4.5m	0.0m	31.9m	↓	28.7m	20%
Investment - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Top Investment Passenger Milestones	10.0%	90%	80%	90%	100%	100%	↔	89%	44%
Asset Management - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Number of Service Affecting Failures	5.0%	2,255	2,243	2,227	2,221	1,458	↓	2,576	0%
7 Key Volumes	5.0%	100%	90%	95%	100%	95%	↓	100%	100%
Locally Driven NR Measures - (PRP 5%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Your Voice - Deliver actions due 1st Apr 2018 - 31st March 2019	2.0%	N/A	70%	80%	90%	36%	↑	100%	100%
Diversity and inclusion - % undertaken everyone learning training	2.0%	N/A	50%	60%	70%	60%	↓	75%	100%
Bands 1-8 Objective setting, interim and final review meetings held within tir	1.0%	100%	80%	90%	100%	49%	↑	100%	100%
Locally Driven Customer Measures - (PRP 35%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Great Western Railway - Level 2 Scorecard	21.0%	55%	0%	50%	100%	50%	↑	47%	47%
Heathrow Express - Level 2 Scorecard	5.0%	38%	0%	50%	100%	50%	↓	43%	43%
Managed Stations Passenger Satisfaction (NRPS)	3.0%	88%	86%	88%	89%	86%	↑	88%	50%
Number of Railway Works Complaints	2.0%	N/A	1,285	1,185	1,085	476	↓	930	100%
Freight Delivery Metric (FDM-R)	2.0%	94%	93%	94%	95%	93%	↓	94%	50%
CrossCountry Right Time Departure at Bristol Parkway	2.0%	46%	53%	55%	58%	42%	↑	46%	0%

# Western



Mark Langman

Route managing director

In October 2018 we completed electrification of the Great Western Main Line to Swindon, a major milestone for both the Greater West Programme and the history of one of the oldest main lines in the country. We continue to work towards electrification of the routes to Bristol Parkway and Newbury in early January 2019 so that passengers can use new trains operated under cleaner electric power.

Working closely with new operator TfL Rail and Heathrow Express we have improved performance for passengers travelling between Paddington and Heathrow. We continue to work closely with our Alliance partners Great Western Railway to improve performance across the rest of the route so that we can provide the reliable services that passengers want and deserve.

## Safety

Our safety performance continues to be strong, following the best ever performance in our LTIFR Rate in 2017/18 with a 32 per cent improvement. Our workforce safety measures continue to demonstrate that safety risks are being reported through close calls and we are responding to these reports in record time.

We have a home safe and responsible railway plan which sets out the key activity we are taking to further improve our safety including a significant focus on the health and wellbeing of our employees. We are on track with our plans to protect passengers and members of the public who interact with the railway and surrounding environment.

We are also on track to improve safety and reduce risk at level crossings. Key highlights in the first half of the year include closing Stonehouse and Norton Juxta Kempsey level crossings. We installed new miniature stop lights at six level crossings in Cornwall and an optical detection enhancement at the Dolcoath level crossing, also in Cornwall.

## Financial performance

As a result of poor train performance we have paid significantly more compensation to train operating companies than we envisaged at the start of this year.

However, our operating costs are currently outperforming our expectation. This is due to tight financial control and management of our cost risks. We will maintain this focus for the rest of the year.

We have made efficiencies in our renewals portfolio where we are expecting £12.5 million of savings in the current year whilst delivering the same outputs. We have seen improved output from high output track system delivering more volume for a lower unit rate. The introduction of new technology to the railway has also delivered benefits in our renewal work at Whiteball tunnel.

Cash outflow in the first half has been lower than target. Although additional compensation payments have been made due to train performance, these have been offset by delays in capital expenditure, largely on enhancements schemes. We have significant adverse FPM (£84m) on

enhancements. Whilst the Greater West Programme anticipated final cost is on target, the FPM has been negatively affected primarily by the decision to extend the Programme to electrify to Cardiff from December 2018 to November 2019 in order to reduce the disruptive impact on passengers.

## Investment

Notwithstanding the later date for reaching Cardiff, we continue to deliver the Greater West Programme and passengers are now able to travel, from the end of October, under electric power to Swindon. We remain on schedule to enable GWR services to run under electric power to both Bristol Parkway and Newbury by early January 2019.

We have focused on the complex planning and delivery of an additional two tracks of railway between Bristol Temple Meads and Bristol Parkway to enable more and faster services, as well as supporting freight movements.

To help new, longer trains serve more destinations we have delivered platform extensions at Twyford, Theale, Aldermaston, Thatcham, Goring and Streatley, Stonehouse and Bradford-on-Avon. We have also extended the track at Bedwyn station to enable new high speed intercity express trains to serve Bedwyn from early 2019. Work on extending the platforms on the North Cotswold line is about to start.

We installed flood drains at Cowley Bridge north of Exeter to reduce the risk of flooding and protect the main line to Devon and Cornwall. In the summer we also completed phase one of a project to improve network capacity, reliability and improved line speeds through the Oxford area.

In October we successfully commissioned the second phase of Cornwall re-signalling scheme which will improve the resilience and enable increased passenger services in 2019.

We continue to work with GWR on two new ticket entrance/exits at Bristol Temple Meads to reduce congestion on Platform 1 and improve passengers journeys. These new entrances will come into use in December 2018.

We completed formal consultation on our plans for a Western Rail Link to Heathrow and we continue to work towards submitting a Development Consent order for this project to the Secretary of State for Transport in 2019.

In November, as part of the South West Rail Resilience programme, we will begin rebuilding the breakwaters at Dawlish to improve the resilience of the railway between Exeter and Newton Abbot. We are continuing detailed geological and marine surveys to help determine the best longer term solution and will consult on in summer of 2019.

## Asset Management

We continue to deliver strong volumes of renewals in the first half of the year, particularly significant signalling volumes completed successfully as a result of the latest phase of the Bristol Area Signalling Renewals project and the completion of the final phase of Cornwall re-signalling.

Two volume categories are currently behind plan: Switches & Crossings (S&C); and under bridge volumes. S&C has been affected by access challenges. However, a recovery plan is in place and volumes are forecast to target for the year-end. Under bridges has been affected by contracting delays following the collapse of Carillion. However, a recovery plan is also in place which will see recovery by the end of the year.

Asset reliability remains behind target, principally due to train detection and track geometry issues. Concerns with train detection reliability are focussed on three principle issues: axle counter failures due to electromagnetic interference from the new InterCity Express Trains which, by working with Hitachi Rail Europe they are looking to improve; poor performance of signalling in the Bristol area; and high levels of track circuit failures in the Thames Valley area. We have put in place an improvement programme in the Thames Valley area which includes upgrading some track circuits to digital technology so they can be remotely monitored whilst planning to replace all track circuits between Paddington and Heathrow Airport Junction with more reliable axle counters from the start of CP6.

Track geometry issues have occurred primarily as a result of the record hot temperatures during the summer which saw a significant destabilisation of clay core embankments. A recovery programme is underway involving a significant volume of additional tamping to support affected areas of track in Oxfordshire, Wiltshire and Somerset.

## Train performance

Train performance continues to be mixed; we are seeing strong levels of improved reliable performance between London Paddington and Airport Junction but levels of performance for our Alliance partner GWR remain well below where we both want them to be. We continue to work closely with GWR to improve train performance through a joint ten point performance improvement plan.

Overall PPM for GWR has improved in quarter two compared to quarter one this year by 1.6 percentage points. This is because of improved asset reliability, improvements to reactionary delays, new support for operations in our Thames Valley signalling centre and fewer cancelled trains as a result of fleet and traincrew issues. We have also focussed with GWR on the performance of specific service groups and are now seeing improvement on service sectors such as the North Downs, Thames Valley and Bristol suburban lines.

Performance for TfL Rail (MTR Crossrail) has been above target, improving by 9.1 percentage points in the second quarter. Heathrow Express PPM improved by 3 percentage points for the second quarter. Both improvements were driven by improved infrastructure.

Freight performance achieved 91.8 per cent year Freight Delivery Metric (FDM) versus a target of 94.4 per cent, largely as a result of the combined effects of delivering electrification, track defects and train detection under performance. Freight performance has started to improve as the recovery plans noted in the asset section above take effect.

## Locally driven customer measures

We are yet to receive an update to the Spring 2018 National Rail Passenger Survey (NRPS) results where two of the route's managed stations scored within the top five in the country - Paddington (4th) and Reading (5th).

### Level Two Scorecards

HEx and GWR level two scorecards are forecasting to outturn under the 50 per cent target; HEx forecast to outturn 43.49 per cent and GWR 46.9 per cent. Train performance is below target for both although HEx is improving as mentioned above.

## Third-party funding

We have secured third party funding from the Swindon and Wiltshire Local Enterprise Partnership for a new third lift and concourse improvements at Chippenham Station.

We are supporting both North Somerset and the West of England Combine Authority (WECA) on proposals for Metrowest phases one and two. We are also supporting the WECA and Bristol City Council redevelopment of Bristol Temple Quarter Enterprise Zone.

We continue to support the DfT's work to identify funding options for a Western Rail Link to Heathrow.

## CP6 Readiness

Our readiness for CP6 has been tracked each period through the last year of CP5. Development of the 'OnePlan' linking maintenance and renewals activity to track access has seen 96 per cent of the CP6 work bank having identified access. Over 70 per cent of year one work has received authority with remaining authority due within 2018. We have reviewed work force requirements so we have resources in place to deliver the work bank, and where gaps exist we are now recruiting.

Core efficiencies have milestone plans in place which are on track to be delivered and are reported on each period. Plans for how we achieve an additional £12 million stretch efficiency target set by the ORR are under development.

In October we engaged customers and stakeholders through a series of workshops to get more input from them on our plans for CP6.



# Route performance Period 7

## Freight and National Passenger Operators

Safety - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Work related absence	5.0%	N/A	40	20	0	0	↔	10	75%
Derailements	4.0%	10	13	10	7	8	↑	13	0%
SPADs	4.0%	59	48	40	32	30	↔	50	0%
Close calls raised	2.0%	276	131	175	219	143	↔	229	100%
Close calls closed within 90 days	2.0%	100%	80%	90%	100%	100%	↔	90%	50%
Operator lost time incidents on NR infrastructure	3.0%	3%	16	12	8	2	↔	6	100%
Train Performance Measures - (PRP 20%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Freight Delivery Metric (FDM-R)	6.0%	93.5%	92.5%	94.0%	94.5%	92.9%	↓	93.3%	27%
Right time Departures - Freight	3.0%	79.0%	78.0%	81.0%	84.0%	78.4%	↓	79.2%	20%
FOC on TOC (DM/100 train km)	2.0%	1.27	1.25	1.18	1.16	1.06	↓	1.18	50%
Delay per Incident - Freight	0.0%	N/A	26.30	27.10	28.00	27.20	↓	26.00	0%
CrossCountry - PPM	3.0%	87.7%	89.2%	90.0%	90.8%	83.6%	↓	82.1%	0%
CrossCountry - CaSL	3.0%	4.90%	4.00%	3.90%	3.80%	6.58%	↑	6.84%	0%
CrossCountry - Time to 3 minutes	0.0%	N/A	72.5%	73.5%	74.5%	67.1%	↓	64.9%	0%
CrossCountry - Cancellations	0.0%	N/A	3.0%	2.9%	2.8%	3.3%	↓	3.2%	0%
Caledonian Sleeper-Right Time	3.0%	75.1%	75.0%	80.0%	85.0%	76.1%	↑	80.0%	50%
Charter Trains - performance measure	0.0%	N/A	86.0%	88.0%	90.0%	91.0%	↓	88.0%	50%
Investment & Asset Management - (PRP 10%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
CP5 SFN schemes - current year GRIP 6 completion vs baseline	10.0%	N/A	80%	90%	100%	90%	↔	90%	50%
Customer - (PRP 30%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Net tonne miles moved - Freight (Great Britain) - (billions)	4.0%	N/A	9.4	10.4	11.4	6.2	↑	11.33	97%
Freight service plan reviews - delivery against agreed milestones	3.0%	N/A	80%	90%	100%	94%	↔	90%	50%
Strategic capacity - Freight	3.0%	N/A	5%	10%	15%	21%	↔	10%	50%
CrossCountry - Average minutes lateness	4.0%	N/A	4.40	4.35	4.30	6.01	↑	6.22	0%
CrossCountry - Access planning agreed milestones met	4.0%	N/A	75%	80%	85%	77%	↓	78%	30%
Caledonian Sleeper - Roll up of customr scorecard	3.0%	70%	0%	50%	100%	56%	↓	50%	50%
Charter planning compliance	3.0%	N/A	0%	50%	100%	75%	↔	75%	75%
Freight End Use (FEU) satisfaction	6.0%	N/A	68%	73%	78%	61%	↔	73.0%	50%
Financial Performance - (PRP 15%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Financial Performance Measure (FPM)	15.0%	N/A	-10%	0%	10%	0%	↓	-1%	47%
People - (PRP 5%)	PRP %	PRIOR YEAR	WORSE	TARGET	BETTER	YTD		FYF	ACHIEVEMENT
Your Voice Action Plans - delivery against agreed milestones	5.0%	N/A	70%	80%	90%	100%	↔	90%	100%

# Freight and National Passenger Operators



**Paul McMahon**  
Managing director

Our overall scorecard in the first half of 2018-19 has been mixed with continuing poor train performance affecting our overall results. Some of the challenges that have contributed to this are the serious derailment at Hams Hall in Period 7, which although off-network severely impacted our customers due to the impact on the timetable. We have been reviewing our performance plans and developing and implementing performance plans which should help us improve train performance. We have seen an additional freight flow start between Teesport to Mossend and also there is a new freight campus site at Bristol East. Freight and National Passenger Operators has also over the last quarter established a programme of work to support the efficient and effective introduction of haulage of materials by rail for HS2 construction. This is expected to see a significant volume of freight traffic across the network, with a focus on LNW and Western routes, over the next few years.

## Safety

FNPO has achieved most of its safety targets to date. In terms of Signals Passed at Danger (SPADs) there have been 30 SPADs in the year-to-date against our target of 21. We continue to work closely with the sector to drive focus on SPADs through the National Freight Safety Group and at safety meetings with our customers. As many of these incidents happen in sidings or yards where there is a low speed limit, the risk profile is relatively low. We have supported DB Cargo's National Safety Day to develop further ideas to reduce SPADs, working with their drivers and the trade unions. Our work on derailments continues to focus on the use of GOTCHA (lineside measuring technology) to identify offset load trends. We continue to challenge loading points where loading issues are evident following data analysis. In addition, our joint safety tours to customer leased freight sites and network connections with Route Maintenance Teams and FOCs to assess their asset condition will help define our CP6 safety improvement programme.

## Financial performance

At Period 7, our year-to-date financial performance measure is in line with budget. This is despite Schedule 8 where Schedule 8 payments are significantly greater than budget given our underperformance against our train performance targets. The Schedule 8 position was offset by favourable results against budget on Schedule 4 and on the volume incentive, which has benefitted from higher than budgeted intermodal and construction traffic.

## Investment

There are nine Strategic Freight Network (SFN) schemes due for completion by the end of CP5. We are currently on target to deliver the core elements of eight of these with the ninth (GWML W12 gauge clearance) deferred following route cancellation of component works at Severn Tunnel and Chipping Sodbury, part of the SFN Great Western Main Line (GWML) W12 gauge clearance programme. The money not

spent here will now be redirected toward instigating the initial design stages of freight interventions we have identified as priorities for CP6 delivery. Both Southampton Freight Train Lengthening and Felixstowe Capacity Enhancement schemes have both received approval in terms of planning applications. We have worked with the DfT in establishing the 'Freight Enhancements Programme Board'. This will give an appropriate process of oversight and interaction with other Route Enhancement Boards so as to ensure freight schemes and their specific funding is protected.

## Train performance

Freight Delivery Metric (FDM), continues to perform below where we expect it to be. At the end of Period 7, the FDM moving annual average (MAA) dropped below 93 per cent, to 92.9 per cent, the lowest value this control period. In Period 7, we were impacted by, amongst other issues, the derailment at Hams Hall. Although this was off Network Rail infrastructure it caused a significant impact to our customers lasting over a week due to access to the terminal restricted to the western end. As a result of this we have amended our year-end forecast to 93.3 per cent. This is 0.7 per cent lower than our scorecard target. We have put in place an improvement plan focusing on five key themes: Communications, planning, network operations, weather resilience and asset reliability. Our biggest performance challenges are delivery of CrossCountry's Public Performance Measure (PPM) and Cancellations and Significant Lateness (CaSL). ORR have placed Network Rail's delivery of performance for CrossCountry on the Regulatory Escalator. We are working closely with other route businesses to establish a credible performance improvement plan for the coming periods.

## Locally driven customer measures

We have agreed four specific scorecard measures with all the FOCs to capture key measures of common interest. These are: Delay per Incident (DPI) in the performance section of the scorecard, net tonne miles, service plan

reviews (running longer/heavier trains) and strategic freight capacity. We are on track to achieve our year end targets for all customer measures except for CrossCountry's, access planning agreed milestone and average minutes lateness. We have supported the introduction of new services by our customers on the network, including:

A new intermodal service commenced between Mossend (Scotland) and Peel Ports Liverpool Docks facility operated by DB Cargo. Notable traffics include Walker's Shortbread with an anticipated 700 containers per annum. Kinross-shire based Cygnet PG has also committed to the new service.

We've seen a new flow from Teesport to Mossend in Scotland come on-line. Operated by DB Cargo this is the second service and provides a boost for intermodal traffic into Scotland.

New traffic flows of waste materials for BIFFA working with GB Railfreight at Miles Platting in Manchester and Whitehall Road in Leeds. Both sites were previously redundant freight sidings and have been brought back into use.

We also welcomed our first customer, Tarmac, to our first freight campus facility at Bristol East.

The potential scale of materials to be transported by rail to support HS2 construction is significant. FNPO has appointed a dedicated programme manager to coordinate work with HS2, Routes, SO, FOCs, aggregates companies and construction consortia to develop a picture of materials by rail and help facilitate an effective and efficient outcome.

The regulator has also made a point that they wish to see an enhanced analytical and modelling capability in our performance team. We will continue to work closely with our stakeholders and route colleagues ahead of the finalisation of the Delivery Plan.

## Digital Railway

---

Since May 2018, FNPO became the 'client' for freight cab fitment Programme we have been working closely with the Digital Railway Programme to manage the transition.

Steady progress is being achieved with a number of 'First in Class' locomotive types being surveyed by Siemens and on target with the early stages of the programme.

Development of the business case for the next tranche of funding for freight cab fitment continues with the DfT.

## People

---

Last years FNPO Employee Engagement survey (Your Voice) resulted with a response rate of 98 per cent and 72 per cent satisfaction. Our plans for 2018 build on this and are structured around: team knowledge sharing, communication raising FNPO profile, team resources and priorities, team training and developments. We are currently forecasting to achieve our year end target.

## CP6 Readiness

---

The FNPO ORR final settlement was broadly in line with what we were expecting from the Draft Determination. There is also an acknowledgement that there is further work to be carried out for CrossCountry, particularly now that the re-franchising process has been paused.



# System Operator Period 7

Safety & Sustainability	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Everyone home safe every day (work related absence incidents - total)	0.0%	40	35	30	4/3	17	↓	31.6	
Workforce safety (% close calls closed within 90 days)	20% 10.0%	80%	85%	90%	100%/85%	100%	↑	97%	100%
Health and wellbeing (improvement plan - milestone delivery)	10.0%	60%	80%	100%	2/1	22	↓	100%	100%
Sustainability - supporting our communities (0.5 volunteer days per employee per	0.0%	303	319	335	34/24.5	180	↑	334.3	
Finance	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Financial performance measure – opex (£m)	20% 20.0%	29,801	29,361	28,921	2,230/2,234	14,263	↓	29,361	50%
People	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Your Voice action planning (roll up of all functional plans - milestone delivery)	2.5%	60%	80%	100%	12/13	92%	↓	83%	57%
Operational planner vacancy gap (against Capacity Planning recruitment plan)	10% 2.5%	12%	10%	8%	1.25%/10%	4%	↓	4%	100%
Continuous improvement training	2.5%	277	312	347	193/190 (Rolling total)	193	↑	326	70%
Diversity & Inclusion - 20by20 (improvement plan - milestone delivery)	2.5%	60%	80%	100%	2/2	100%	↔	100%	100%
Train Performance	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Impact on train performance (delay minutes)	20% 0.0%	388,472	369,973	351,474	35,956/26,653	214,677	↓	398,686	
Impact on train performance (incidents)	20.0%	27,006	25,720	24,434	1,843/1,854	13,188	↑	24,492	98%
Planning a better network	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Strategic planning milestones (annual plan - milestone delivery)	5% 5.0%	60%	80%	100%	2/2	83%	↓	89%	73%
Managing output changes to the network	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Department for Transport (funded project development milestones)	0.83%	60%	80%	100%	0/0	67%	↔	86%	65%
Transport Scotland (funded project development milestones)	0.83%	60%	80%	100%	0/0	0%	↔	80%	50%
Welsh Government/Transport for Wales (funded project development milestones)	5% 0.83%	60%	80%	100%	0/0	100%	↔	100%	100%
Subnational transport bodies (TfL; TfN; MC) (funded project development milestones)	0.83%	60%	80%	100%	7/7	94%	↑	95%	89%
Franchising milestones (by competition)	0.83%	60%	80%	100%	0/0	100%	↔	100%	100%
HS2 programme milestones	0.83%	60%	80%	100%	0/0	100%	↓	100%	100%
Managing the access rights framework	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Sale of access rights review (key milestones)	2.5% 2.5%	60%	80%	100%	0/0	100%	↓	100%	100%
Planning the timetable	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
WTT production milestones	5% 5.0%		4		0/0	0	↔	2	25%
TW-12 compliance	0.0%	85%	90%	95%	0%/90%	0%	↔	0%	
Cross-functional improvement programmes	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
CP6 delivery plan/PR18 (key milestones)	1.0%	60%	80%	100%	0/0	100%	↓	100%	100%
End to end planning (key milestones)	1.0%	60%	80%	100%	0/0	0%	↔	80%	50%
Capacity planning improvement portfolio (key milestones)	5% 1.0%	60%	80%	100%	2/2	100%	↑	100%	100%
Role of the client & early stage project development (key milestones)	1.0%	60%	80%	100%	0/0	0%	↔	80%	50%
Analytical Capability (key milestones)	1.0%	60%	80%	100%	0/0	0%	↔	80%	50%
Customer advocacy	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Routes	1.88%	3.32	3.66	3.94	N/A	0	↔	3.66	50%
Operators	7.5% 1.88%	2.41	2.69	3.01	N/A	0	↔	2.69	50%
Funders and Franchising Authorities	1.88%	2.95	3.24	3.52	N/A	0	↔	3.24	50%
Other infrastructure managers	1.88%	3.21	3.54	3.86	N/A	0	↔	3.54	50%

# System Operator



Jo Kaye

Managing director

We continue to focus on strengthening the capability of our teams, both in readiness for Control Period 6, but also to respond to industry feedback and learning arising from the May 2018 timetable change. This caused significant and deeply regrettable disruption to the lives of many passengers over a period of several weeks, leading to an inquiry by the ORR into the causes of the timetable disruption.

The ORR's interim findings were published on the 20th September 2018 and its recommendations are to be published in December 2018. We have collaborated fully with the inquiry and we are working with ORR and the rest of the industry to put in place a range of initiatives to address the root causes identified by the inquiry.

As we continue to develop our role as System Operator, we will look to address issues highlighted by the ORR's inquiry into the May 2018 timetable. We will take the greater leadership and co-ordination role that has been identified as having been lacking, and to ensure that passengers and end users are at the centre of our thinking in everything we do.

## Safety

A key workforce safety measure relates to close calls attributed to the function being closed within 90 days. After the first half of the year we are exceeding our year to date target; our forecasted performance for year end is also above target. The closure of close calls, and application of learning is key to influencing our role in system safety, and as such remains an area of focus for teams to date and going forward.

The number of volunteer days taken by System Operator colleagues supporting local communities and causes has improved significantly over the last seven periods with our full year forecast now above target.

## Train performance

At Period 7, the year to date position for timetable related performance, measured by number of delay incidents attributed to defects within the timetable, was 1.26 per cent better than target.

The delay minutes associated with these defects year to date at Period 7 was 9.84 per cent behind YTD target, with a large volume of minutes associated with an emergency timetable to respond to a derailment at Hams Hall.

Timetable performance is also impacted by the disruption to GTR and Northern services associated with the May 2018 timetable, which constituted the biggest timetable change in recent history. Approximately 46 per cent of all train schedules required alteration to accommodate the level of change requested. The changes included:

- 43,200 amendments
- 28,000 change records
- More than 1,000 rejected schedules
- Approximately 92,000 train slots offered

The offer was originally made on time in November 2017. Subsequently the cumulative effect of a number of factors

necessitated a complete re-write of substantial elements of the May 2018 timetable post-offer.

## Finance

We have continued to maintain control of costs throughout the year and sit at 0.2 per cent favourable to our forecast year to date. Our scorecard performance shows we expect to exit the year in line with our forecast. We continue to build our organisation in line with our plans to allow us to exit the year in readiness to deliver our CP6 outputs, supported by a number of accelerated plans to strengthen our capacity planning capability.

## Strategic Planning

Milestone delivery for the first seven periods of the year has been broadly on track, and we are forecasting to exceed our target at year end.

Activity delivered by the SO Strategy and Planning teams in the first half of the financial year has included the publication of the Cumbria Study; the publication of the East Coast Route Study and ongoing work to develop options for East Croydon. Pre-appraisal material has also been provided to Transport Scotland on a number of initiatives.

We continue to engage with our customers and stakeholders to develop a plan of strategic planning activity to be undertaken next financial year using our continuous modular approach to strategic planning. This will bring the needs of passengers and freight users to the heart of our strategic planning process.

## Rail development programmes and franchising

We continue to work closely with our funders, sub-national bodies and other partners with regards to project development delivering output changes to the network and at

Period 7, our overall milestone delivery is favourable to target.

In the past six months, DfT has championed the Enhancement Pipeline process and we have been undertaking development activity in line with the investment decision framework across both England and Wales. We are also working with Transport Scotland and colleagues within Network Rail to develop plans to deliver the requirements of the Scottish Ministers' HLOS, and to ensure effective tracking of delivery of these requirements.

We are a partner of Transport for the North and have most recently been working with them to develop the Northern Powerhouse Rail strategic outline business case.

We continue to collaborate with HS2 around system integration, as well as plans for Crewe Hub and the redevelopment of Euston station, seeing us work with a wide range of stakeholders. We await the deferred Phase 2b Hybrid Bill submission and have re-aligned our plans and milestones in line with the dates indicated by the Secretary of State.

We are working with Transport for London and DfT to develop the Independent Affordability Review Response Papers on the South West branches and West Anglia Main Line for Crossrail 2.

We have also led project development on a number of smaller projects around the country and provided an enhanced level of advice and support to the DfT to inform on the deliverability of Invitation to Tender phases for franchises, albeit this activity has now been suspended.

## Managing the access rights framework (Sale of Access Rights review)

We have completed our planned milestones related to reviewing the Sale of Access Rights framework. We have stakeholder engagement sessions both externally with industry and internally across our routes to identify improvements to the current process, make better and more informed decisions and be more transparent. Initial changes are already being implemented to improve our processes and capabilities and more extensive changes are planned to be implemented in collaboration with our routes in CP6. Final changes will be aligned with various external reviews currently underway.

## Timetabling

Planning the timetable is measured through completion of the working timetable production milestones informed by the Network Code, and compliance with the Informed Traveller timescales. We have worked and continue to work with operator colleagues and the industry readiness Project Management Office, to deliver a de-risked hybrid timetable for December 2018 and May 2019 changes and capture learning from the issues experienced in operational implementation of the May 2018 timetable.

This approach resulted in the requirement to implement an industry plan which could not achieve the timescales set out in the Network Code, and therefore the first two milestones of the year could not be achieved. The approach enabled recovery of the industry timescales for the May 2019 timetable.

At the end of August 2018, we established a revised national recovery plan for Informed Traveller short term planning work, taking into account the work required for the de-risking of the December 2018 timetable development. As of Period 7, we were in line with our revised plan, which sees final publication of timetable at six weeks out (rather than the usual 12 weeks). It is expected that the industry will not recover until April 2019.

As a result of this Network Rail is continuing to make substantial Schedule 4 payments owing to the late publication of the amended timetable, and the associated loss of discount factors.

Over this same timescale Capacity Planning have been driving an ambitious People Plan to address retention and planner resource issues. This has driven improved retention, with loss of staff better than halved over this same timescale, and 73 new planners have been recruited into the team.

## Cross-functional improvement programmes

Performance across the System Operator improvement programmes has been strong throughout the first half of the financial year, with year to date performance above target, and a forecasted performance for the remainder of the financial year equally favourable. Largely cross-functional, this suite of programmes continues to deliver key areas of work to ready the System Operator to deliver our CP6 commitments and enables us to work in improved ways across teams. In part this includes work to improve line of sight between strategic planning activity and train service outputs, and a cross-functional focus on applying continuous improvement to our ways of working.

## Customer advocacy

The first System Operator customer advocacy pulse survey was issued to System Operator customers at the end of the last financial year, resulting in both positive and constructive feedback. The purpose of the survey was to benchmark the level of awareness by our customers of the System Operator, to understand their views regarding the quality of our products and services, and build a picture of the quality of the relationships our customers have with us.

The next survey will be undertaken in the second half of this financial year. Notably, the first iteration of the survey was undertaken before the release of the May 2018 timetable; we have nonetheless set a target of maintaining the satisfaction levels amongst our customers.



# Control Period 6 Readiness

To successfully deliver our CP6 plans we will need to hit the ground running from the very start of the control period. In order to ensure we are ready for the beginning of CP6, we are monitoring our preparations through the last year of CP5.

The CP6 Strategic Business Plan contains an ambitious programme of works across the control period. To deliver this challenging plan we will need to hit the ground running from the very start of the control period. Recognising the difficulties we faced in delivering our plan at the start of CP5, we are monitoring our preparations more closely to ensure we are ready for the beginning of CP6.

We are monitoring our readiness for CP6 in the following areas:

- Access bookings – Do we have sufficient access to deliver the planned renewals and maintenance activities?
- Workbank planning – Are project plans sufficiently well developed and do they have approved funding in place?
- Efficiency plans – Do we have robust, milestone-based initiatives in place with accountable owners to drive efficiencies?
- Commercial/Supply chain – Do we have the right delivery contracts in place and sufficient external resources to deliver the workbank?
- Maintenance capacity – Do we have sufficient internal resources to carry out the activity based maintenance plans?

We use leading indicators, aligned to the areas identified above, to monitor our progress in terms of CP6 readiness. In the previous ORR Monitor, the leading indicators were raised as an area of concern and potential risk to the delivery of our CP6 plan. We recognise ORR's challenge and working with the routes to improve readiness and to make their planning priorities more visible. This is a new suite of management information introduced at the start of the year and is going through continued refinement. Development of the leading indicators will continue into CP6 to ensure there is ongoing focus on forward planning across the business to reduce delivery risk. As part of our monitoring of CP6 readiness, these indicators feed into local and national reviews including route quarterly business reviews and regular executive level meetings.

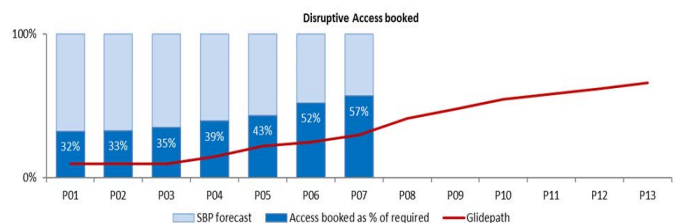
Recent route visits were held by ORR with LNE, Scotland and Wessex. These visits provided an opportunity to take a wider view of the activity being delivered by routes as part of their preparations for CP6. The visits demonstrated that while each route has taken its own approach, this was consistently underpinned by detailed planning and governance structures within routes. The routes have made good progress in terms of readiness for CP6 and have demonstrated active engagement with relevant third parties in agreeing access, developing robust workbanks and finalising performance targets.

## Access bookings

Network Rail follows a clearly defined access planning timetable with most routine access recorded within the Possession Planning System in accordance with defined deadlines. Where maintenance and renewals will disrupt operations for train operators, this requires engagement across industry to agree access. This is referred to as disruptive access and given, the industry engagement required to put in place, has been the focus in terms of CP6 readiness.

The level of disruptive access booked by routes is monitored against historic norms. The access for previous years includes a level of unplanned disruptive access which is arranged in year. As a result, we would not expect routes to have all disruptive access in place prior to the start of the year and this is reflected in our glidepath.

Currently we are ahead of trajectory in terms of disruptive access agreed and recorded within the Possession Planning System. While there is some variation at a route level in the proportion of estimated access in place, all routes are ahead of the projected glidepath. The routes report a high degree of confidence in their access plans.



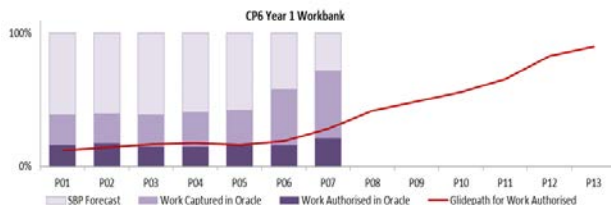
## Workbank Planning

The level of capital projects that have detailed forecasts and authorised expenditure will give an indication of how confident we are in project delivery. As part of the workbank planning cycle, routes have been sharing their CP6 2019/20 workbank with delivery partners. Sharing initial workbank information with deliverers provides visibility of upcoming activity to the supply chain and enables routes to develop robust plans for authorisation.

In recent periods, routes have focussed on progressing their workbank through to financial authorisation. In Period 7, 72 per cent of the workbank (by value) has been captured within our corporate project management system, Oracle Projects, and 21 per cent (by value) has financial authorisation in place. The recent uplift in work captured is reflective of the business planning timescales. Routes have been working to submit their updated business plans providing a more granular view of renewals activities, supported by detailed forecasts within Oracle Projects.

Variation exists at route level, reflecting different approaches to developing and finalising the workbank. LNW and Western have financial authorisation in place for over a third of their

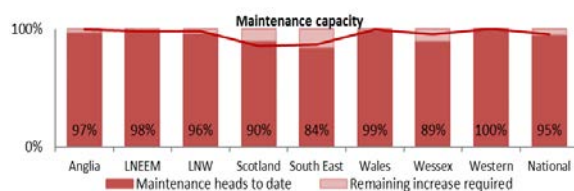
workbanks. Scotland has seven per cent financial authorisation but has fully developed its workbank and shared this with deliverers; it also advised that it will obtain financial authorisation in batches as it approaches next year. Wessex currently has no financial authorisation because it has been waiting until it has certainty and its renewal budget and a new renewals framework contract before progressing projects through authorisation. This approach is intended to reduce a need for re-authorisation at later stages; as a result it is forecasting a steep increase in financial authorisation in the last quarter of this year.



### Maintenance Headcount

Routes have identified required maintenance headcount from the activity based planning tool, which was used to create the maintenance bottom-up workbanks for CP6. This tool captures forecasts for the activity required and identifies the number of maintenance staff required to carry this out at an efficient level. We need to ensure that each Delivery Unit and route has the capacity to deliver the planned maintenance works, particularly where the projected hours exceed current levels.

Most routes are on track to have the necessary maintenance headcount required in place for the first year of CP6. , Scotland, South East and Wessex require the largest increase in maintenance staff numbers but all have clear plans to address this in advance of CP6. Scotland has completed a recruitment campaign and currently has its first tranche of new recruits attending training school. Wessex has also initiated a dedicated recruitment campaign and will take a view as to what further plans are required based on the success of this. As part of the Thameslink Resilience Programme, South East has adopted a new recruitment strategy looking at different ways to attract external talent. It has started to see success in this approach with the increase in headcount over the last couple of periods.



### Efficiency plans

As part of developing bottom-up plans for CP6, routes identified and committed to individual efficiency targets. These efficiency targets have since been increased in the Final Determination and in response, routes have focussed on developing their plans to deliver against these stretching targets.

The efficiencies identified cover a range of initiative areas including access planning and use, standardisation of tasks, improved contracting strategies, continuous improvement and technology programmes such as Intelligent Infrastructure, Eddy Current and ORBIS.

To monitor route readiness to deliver against these initiatives, we have developed a strong governance approach supported by efficiency trackers, working groups and an efficiencies assurance board (EAB). The EAB is chaired by CFO and its outputs feed in to the Executive Leadership Team. The board reviews the progress of central programmes as well as reviewing routes' delivery of their efficiency portfolios. The EAB is supported by two working groups one of which is focused on risk and deliverability of national programmes. It provides a channel through which each route can put forward their concerns about national programme delivery. The second is responsible for providing the definitive methodology for the calculation of efficiency to ensure a level of consistency of efficiency evaluation.

An efficiency tracker is reported alongside other leading indicators and provides a view of the maturity of efficiency plans.

### Contracts in place

Re-negotiation of framework contracts with major suppliers is being undertaken ahead of the start of CP6, in order to ensure continuity of available resources and to optimise framework rates and terms. We have a staggered procurement programme to ensure we do not overload the supply chain with unmanageable bidding activity. We have extended contracts where required to overlap with the award of new contracts and transition plans are in place with any specific risk around contract transition being managed very closely, taking into consideration programme peaks and criticality of works.

Contract awards will start with Southern and Scotland & North Eastern regions in December 2018, with the remaining regions and national programmes to follow over the next 12 months. We are assessing our progress towards successful implementation of these contracts against a milestone delivery plan. Progress against key milestones is currently on track with all necessary contracts scheduled to be in place or extended for the start of CP6.

**Network Rail Limited**

1 Eversholt Street  
London NW1 2DN

Tel **020 7557 8000**

**[networkrail.co.uk](https://www.networkrail.co.uk)**

Company number: 4402220  
Registered in England and Wales

***Working for you***