

Route Businesses National Teams Strategic Plan

V3.5 – March 2019

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Route Businesses National Teams Strategic Plan

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1. Purpose, role & vision

1.1. Purpose

The Route Businesses National Teams facilitate the operation of the Network Rail (NR) matrix structure, generating alignment in delivery of business objectives between Routes and Central Functions and delivering corporate commitments to wider industry communities such as the Department for Transport (DfT), Office of Rail and Road (ORR) and the NR Executive.

The teams provide strategic support and advice to the Managing Director, Strategic Operations and the Route Businesses (including Scotland), provide Route co-ordination, engage Central Functions on national issues and support Routes to deliver industry challenges as well as acting as a critical friend and assurance function.

The Route Businesses National Teams work across the Routes within the matrix structure.

1.2. Role

There are five key functions within the Route Businesses National Teams providing support to Route Businesses:

- Finance
- Performance
- Transformation
- Incident Management and Operational Security
- Access Optimisation

In addition, MD Strategic Operations has a small support office within Route Businesses.

1.3. Vision

The National Teams exist to enable delivery of Route objectives by providing operational support, strategic insight and challenge.

2.Objectives & Stakeholder priorities

2.1. Stakeholders & priorities

The key stakeholders for the National Teams are the Route Businesses, NR Executive, ORR, DfT and British Transport Police (BTP). The Routes have been consulted throughout the devolution process and development of the National Teams.

National Teams also interact with Central and Route support functions and Infrastructure Projects in order to deliver Route objectives and facilitate the operation of the NR matrix structure.

2.2. Specific objectives

The National Teams exist to support Route delivery of their objectives as set out in Route Strategic Plans. The key activities that the National Teams will undertake to deliver this within CP6 are indicated below:

Finance

- Support Routes to deliver CP6 objectives within the agreed funding.
- Improve value for money and efficiency of Route Businesses.
- Support the development of CP7 plans.

Performance

- Support the Delay Attribution Board and the development of the Delay Attribution Principles and Rules.
- Develop a performance management system defining the capability, systems and processes

required to deliver performance improvement in the current railway setting.

- Report on data quality and process compliance.
- Provide systems, reporting and analysis to improve decision making in relation to performance.
- Facilitate the sharing of good practice between Routes.
- Coordinate performance target setting and forecasting.
- Work with routes to build delay attribution, Schedule 8 and performance analysis competence.
- Manage the Enterprise Risk for Train Service Delivery.
- Own the suite of performance systems and analysis tools (including 3000+ automated reports), maintaining and developing them as appropriate.

Transformation

- Deliver the Route Businesses Transformation Programme.
- Support delivery of the deeper devolution agenda.
- Support Route delivery of CP6 objectives.
- Support the development of CP7 plans.

Incident Management and Operational Security

- Provide a National Operations Centre available 24/7 to support the national direction for management and control of the day to day operational delivery on the Network.
- Develop and implement national weather resilience and contingency plans.
- Support Routes through implementation of national strategies for planned and unplanned incident and

event management.

- Provide support, advice and guidance to the Routes in discharging our operational security responsibilities under the NRSP (National Railways Security Programme) and act as second line assurance for operational security measures.
- Develop and coordinate business continuity plans across NIMOS priorities and functions.

Access Optimisation

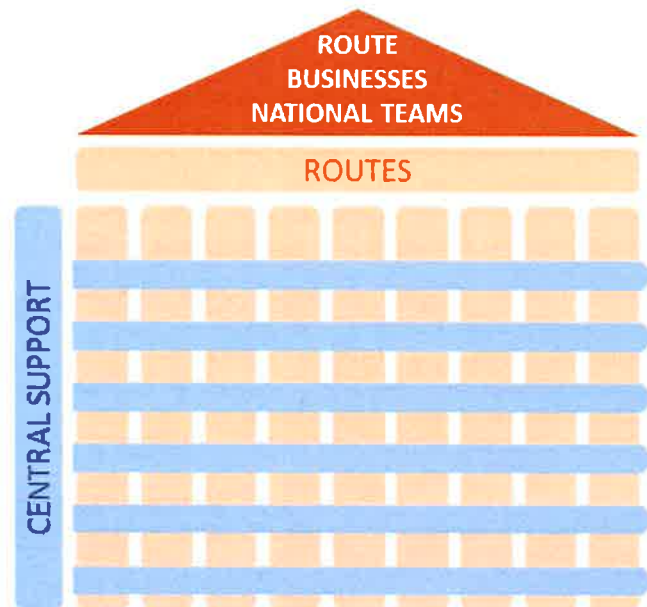
- Target the root causes of inefficient engineering access in order to minimise disruption and increase TOC and FOC revenue.

Continual engagement with Routes through the processes set out in the Business Performance Management Framework, as well as regular discussions around priority areas ensures alignment with Route priorities.

3. What the Route Businesses National Teams are

3.1. Structure

The Route Businesses National Team sits outside the matrix structure to facilitate the operation of the organisation.



Supporting MD Strategic Operations, the National Team Directors work alongside Route Managing Directors to support delivery of Route plans and to provide assurance to NR Executive and analysis on behalf of the industry.



Finance and Performance provides analysis, insight and oversight to support delivery of Route objectives. The Access Optimisation team also reports into the Director, Finance and Performance.

National Finance Team – responsible for providing financial insight, support and governance to the National Teams and Freight and National Passenger Operators Route. Acting as a functional lead for income from TOCs/FOCs and providing analytical support and risk management expertise to Route Businesses.

National Performance Team – provide assurance for delay attribution, Schedule 8 payments, performance target setting and forecasting. Provide national level performance analysis and insight and support the suite of performance systems and databases.

In CP6 the team will develop a performance management system which defines capability, systems and processes to drive performance improvement in addition to delivering performance analysis.

Access Optimisation – Work with the Routes to develop a change methodology to improve engineering access to maximise use of available access and minimise the impact on passengers and freight users.

Transformation supports Routes to deliver change including deeper devolution to drive cultural transformation and closer collaboration between Route managing directors and train and freight operating companies.

Provide support and guidance to Routes in relation to organisational design.

Incident Management and Operational Security provides national leadership and direction in the development and implementation of national strategies for incident and event management, operational security, emergency planning, weather resilience, business continuity and contingency planning for planned and unplanned events.

Security – Responsible for oversight of the Route Businesses security portfolio which includes all CNI (critical national infrastructure) sites which are regulated by the NRSP (National Railways Security Program) and owned by the DfT. Within this function is the management of the Route based security and contingency planning team and the National Fusion unit, an intelligence cell placed within British Transport Police.

Disruption management – Responsible for national strategies for common disruption themes to support Routes in their devolved management of the railway. Leading on national themes such as; crime, CCTV, weather, events, major incidents and co-ordination of national standards, strategies and technologies.

National Control and Business Continuity – Provide direction on the National Operations Centre (NOC) that manages the heartbeat of the railway. Within this function is also the national weather resilience function and owner of the Adhesion Working Group (AWG) who liaise with routes to inform tactics and national strategy regarding seasonal changes. Develop and coordinate national business continuity plans for incident management and operational security priorities.

3.2. Operating model – present & future

The National Teams are a key component of Route Businesses but also play a role acting as a bridge to the wider industry and to the NR Executive.

The structure is likely to evolve over time reflecting changing business needs, priorities and opportunities, including the outcome of the 100-day-plan.

There are a number of identified factors which will change the required services or delivery over CP6:

Introduction of Technology is expected to result in changes which drive efficiency and increased automation in finance and performance processes and reporting.

Deeper Devolution may result in further changes to the balance of work being performed in Routes, in central teams and the National Teams. Our plan currently assumes no efficiency or inefficiency will arise from these changes in National Teams.

Industry Challenges may require the team to change in size, structure or focus.

4. Risks, opportunities, constraints & assumptions

Summary of objectives		Facilitate delivery of Route plans		
No.	Key constraints, risks and opportunities	What we plan to do	Owner	Timescale (start/finish)
1	R/O: Efficiency delivery is behind target	<ul style="list-style-type: none"> Provide analytical support Strengthen governance processes 	Finance	Ongoing
2	R: Routes unable to deliver objectives within agreed funds	<ul style="list-style-type: none"> Provide analytical support Strengthen governance processes 	Finance	Ongoing
3	R: CP7 settlement insufficient or objectives undeliverable	<ul style="list-style-type: none"> Engagement with central finance team to support negotiation with external stakeholders 	Finance	Ahead of CP7
4	R: Failure to deliver performance trajectories in Route plans	<ul style="list-style-type: none"> Analytical support and insight Increased resource in NPAT (National Performance and Analysis Team) and NIMOS (National Incident Management and Operational Security) teams Development of performance management system 	Performance	Ongoing
5	R: Failure of key performance reporting systems	<ul style="list-style-type: none"> Engagement with IT Plans to improve system reliability and reduce technical debt are being developed 	Performance	Ongoing
6	C: Lack of funding for IT improvements limits ability to provide insight and drive performance improvements	<ul style="list-style-type: none"> Ongoing engagement with IT Development of robust business case to be undertaken to identify critical improvements 	Performance	FY19
7	R: Reliance on business Intelligence projects to deliver performance outputs	<ul style="list-style-type: none"> Ongoing engagement with BI teams 	Performance	Ongoing
8	R: New performance metrics do not deliver intended benefits	<ul style="list-style-type: none"> Strong engagement with TOCs and Routes 	Performance	FY19/20
9	R: Individual route needs and aspirations do not fit within overall framework	<ul style="list-style-type: none"> Ongoing engagement with routes, ExCom and external stakeholders to facilitate continued alignment 	Transformation	Ongoing
10	R: Funding constraints restrict routes ability to implement transformation programme including deeper devolution	<ul style="list-style-type: none"> Engagement with routes and Director Finance & Performance Align implementation plans to individual route needs 	Transformation	Ongoing
11	R: Significant incident at a managed station is not mitigated	<ul style="list-style-type: none"> Desktop reviews of all managed stations and development of robust plans. Increased resource 	NIMOS	FY19
12	R: Increased threat of terror incident not managed effectively	<ul style="list-style-type: none"> Review of critical national infrastructure underway. Regular review and update throughout CP6 Increased resource. 	NIMOS	Ongoing

4.1. Notable assumptions

Business Change: We have assumed that implementation costs associated with business changes are included in the plans alongside those changes, or has been consulted into Route plans, other than strategic oversight to be provided by the National Teams directly.

Legislative Change: We have assumed that any onerous legislative changes will be funded. In particular our plan assumes no significant change to the level of funding of security on the rail network while changes to this requirement could be costly.

5. Expenditure & efficiency

5.1. Cost & volume summary

Unit of measure		CP5	CP6						CP7	
		18/19	19/20	20/21	21/22	22/23	23/24	CP6	24/25	25/26
Renewals	£m	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Controllable OpEx	£m	13.181	20.720	15.612	16.107	16.628	17.164	86.230	17.717	18.287
Non-controllable industry costs	£m	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total	£m	13.181	20.720	15.612	16.107	16.628	17.164	86.230	17.717	18.287
Permanent Headcount		107	156	138	136	136	136	136	136	136
Agency		2	2	1	1	1	1	1	1	1
Total headcount		109	158	139	137	137	137	137	137	137

Basis for costs

Costs above are presented in cash prices. The key cost driver for all of the National Functions is headcount, accounting for c.70-80% of planned spend. A significant decrease in costs was observed in CP5 due to changes in organisational structure with a number of teams moving out of the function. The increase in spend between CP5 and CP6 is due to planned addition of resource to the NPAT (National Performance and Analysis Team), NOC (National Operations Centre) and NIMOS (National Incident Management and Operational Security) teams to target key business priorities, primarily focused on train performance. The higher level of spend in 19/20 relates to two key project deliverables; access optimisation and development of a performance management system. These areas of increased spend were flagged as risks in previous iterations of this plan. Now that proposals are more fully developed they have been included in the core plan as scope changes.

Summary of costs by team or activity within the function

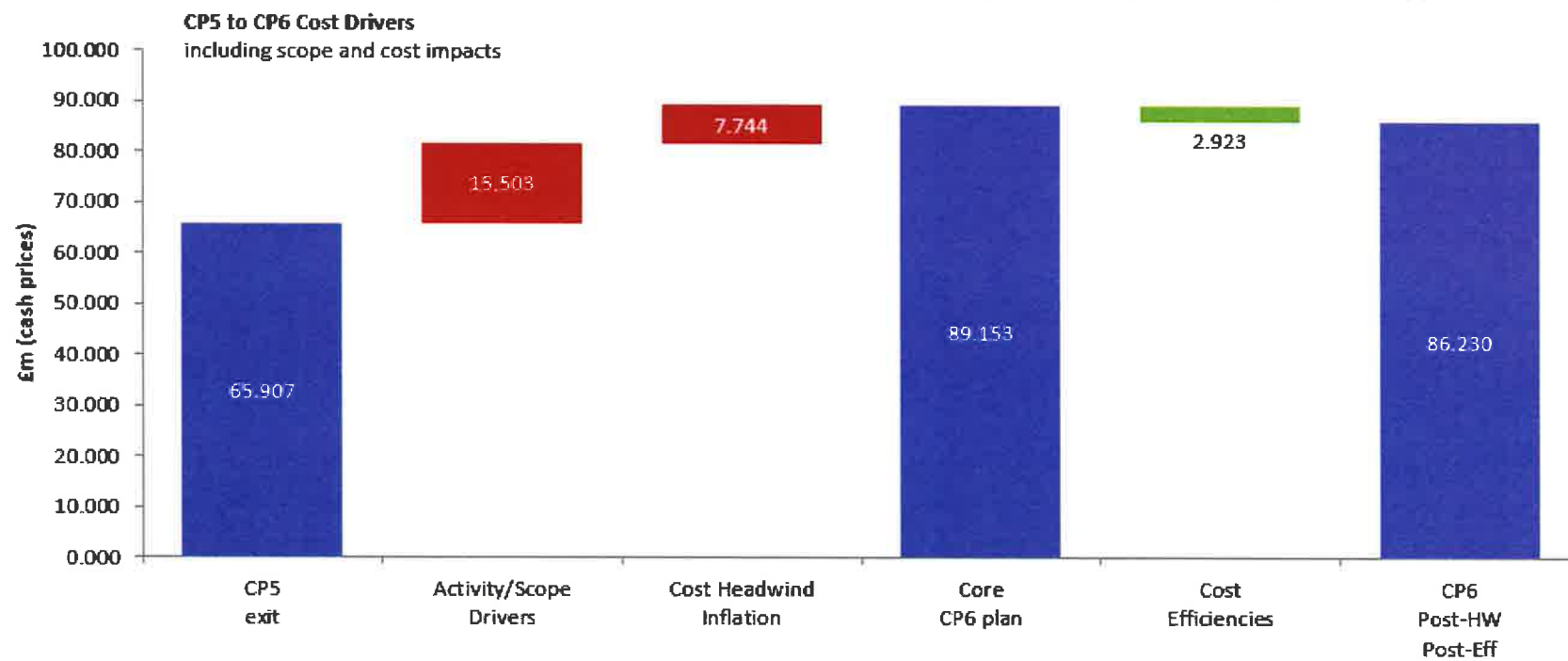
Activity/team £m	19/20	20/21	21/22	22/23	23/24	CP6	Comments
Director - Route Businesses E & W	2.785	2.809	3.112	3.213	3.317	15.236	Director, Support Team and national cost (inc. Railway Chaplains, Poppy Fund, Leadership meetings, etc). Includes an element for managing emerging risks in Route businesses
Incident Management and Operational Security	6.510	6.719	6.718	6.935	7.158	34.040	Director, National Operating Centre (NOC) and Security Team
Transformation	1.305	1.346	1.389	1.434	1.480	6.955	Supporting transformation and change work streams within Network Rail
Finance & Performance Director - Route Businesses	1.707	1.734	1.789	1.847	1.907	8.985	Funding for finance teams responsible for providing financial support and analysis to Routes.
National Performance and Analysis Team	6.045	3.003	3.098	3.199	3.302	18.646	Funding for performance team, responsible for provision of performance insight and support of performance systems.
Access Optimisation Programme	2.368	0.000	0.000	0.000	0.000	2.368	Programme of work to maximise efficient use of access to the network.
Total	20.720	15.612	16.107	16.628	17.164	86.230	

5.2. Route Business Scotland details

	CP5	CP6					CP6 total	CP7	
	18/19	19/20	20/21	21/22	22/23	23/24		24/25	25/26
National Cost (£m)	13.181	20.720	15.612	16.107	16.628	17.164	86.230	17.717	18.287
Scotland Cost (£m)	1.265	2.002	1.483	1.531	1.584	1.636	8.237	1.689	1.744
Scotland (%)	9.6%	9.7%	9.5%	9.5%	9.5%	9.5%	9.6%	9.5%	9.5%
Basis for allocation to Route Business Scotland	Costs allocated based on headcount (except Operations Initiatives and Performance and analysis management which are based on Train Miles).								
Activity	Support to the Scotland Route from the national teams including finance, analysis, contract management services, risk, performance reporting, Transformation/change workstreams, National Operating Centre and Security.								

5.3. Cost drivers, headwinds & efficiencies

Summary of cost changes between CP5 & CP6



Summary of Route Businesses National Team efficiency

Totex (O,M,R)	CP5	CP6					CP6 total	CP7	
	18/19	19/20	20/21	21/22	22/23	23/24		24/25	25/26
Pre-efficient plan[1] (£m)	13.397	13.181	13.181	13.181	13.181	13.181	65.907	13.181	13.181
Activity/scope drivers (%)	0.0%	56.3%	15.3%	15.3%	15.3%	15.3%	23.5%	15.3%	15.3%
Headwinds - inflation (%)	0.0%	5.0%	7.4%	11.3%	15.4%	19.6%	11.7%	24.0%	28.4%
Core plan (£m)	13.397	21.268	16.178	16.690	17.231	17.786	89.153	18.359	18.950
Efficiency (%)	-1.6%	-2.6%	-3.5%	-3.5%	-3.5%	-3.5%	-3.3%	-3.5%	-3.5%
Post-HW, post-Eff spend (£m)	13.181	20.720	15.612	16.107	16.628	17.164	86.230	17.717	18.287

Headwinds and efficiency by theme

CP6 spend is higher than CP5 exit because scope has increased to target business priorities as described above. Efficiency will be delivered by a combination of vacancy management, absorbing additional work into existing teams and non-pay review. The only headwind identified is inflation.

5.4. Risk & uncertainty in the CP6 plan

This section provides an explanation of the how we have built up our overall plan and sets out our estimate of the degree of financial uncertainty within this plan.

5.5. Uncertainty ranges for CP6

Pre-efficient costs in our plan are based on 'current rates' but include any additional scope needed to deliver the outputs in the plan. We have used CP5 exit rates for expenditure forecasts. Drivers of rate increases (headwinds/inefficiencies), or rate reductions (efficiencies/tailwinds), where there is a reasonable expectation they will occur, have been identified separately from the core CP6 plan.

The combination of our core CP6 plan, headwinds/tailwinds and efficiencies/inefficiencies is our 'submission' and represents the 'most likely outcome' for CP6. The content of our plans reflects the funding that we understand to be available in CP6. We consider this plan to be realistic and, therefore, deliverable in CP6.

Current unit rates are likely to include some risks that were not originally included in CP5 plans but that have materialised during the current control period. As a result of this approach, it is likely that some risk and uncertainty is already included in our core CP6 plan, as we have not sought to remove the impact of these unplanned events from our unit rate estimates.

Whilst it is difficult to precisely estimate the likelihood of delivering our plan in CP6, it seems reasonable to suggest that overall, there is a 45% to 55% likelihood of the outputs in the plan being delivered for the forecast cost in our CP6 plan (i.e. our plan is set at around P50). This means that approximately half of the time, we will be able to deliver our plan for the forecast cost. However, financial uncertainty varies between expenditure categories. For example, there is significantly more uncertainty in later years of the Control Period.

5.6. CP6 financial uncertainty ranges

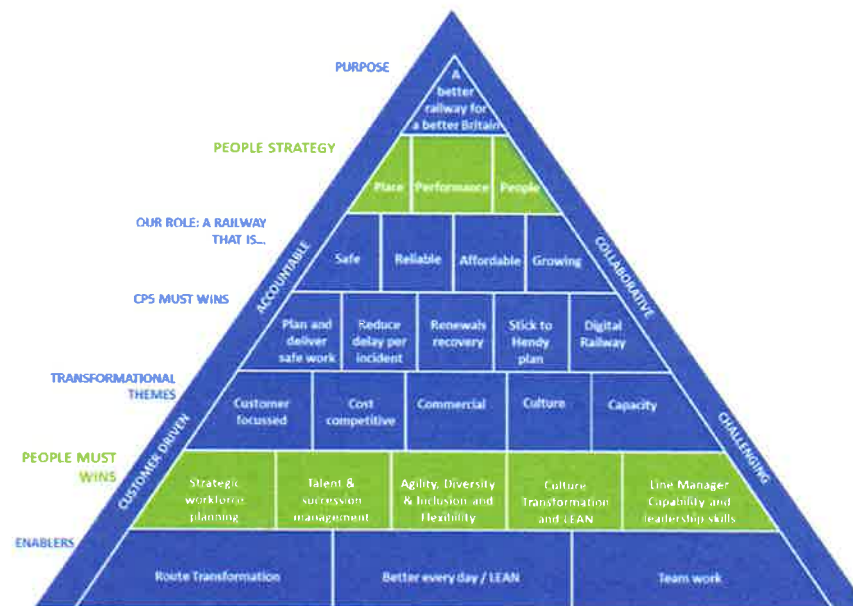
The information in the table below, presents our estimate of the overall range of uncertainty across our expenditure and income for CP6. We have also identified the main drivers of the uncertainty ranges. The information in this table is based on the detailed inputs provided in our submission. Headwinds/tailwinds and efficiencies/inefficiencies are included in the spot estimates. The spot values in the Figure below include headwinds/tailwinds and efficiencies/inefficiencies. The financial uncertainty ranges represent our assessment of the outturn income and expenditure that could occur in 95% of scenarios in CP6.

Area	Potential range (low – spot – high)	Summary of key drivers of the uncertainty range	% of range	
		Driver of range	Lower %	Upper %
Support and operations	<p>Financial uncertainty ranges - support and operations</p>	Pay: This represents the majority of the plan (70%-80%). Any changes to pay values, e.g. additional work being demanded of the teams, would result in a commensurate impact on our outturn. Based on past experience this is more likely to result in an increase rather than decrease in pay costs. As a result we have modelled an increase of 5% and decrease of 2% on pay costs, although the nature and scale of any risk or opportunity is not yet known. (CP6 range +4.8% / -1.9%)	+4.8%	-1.9%
		Emerging Risks: The cost of emerging risks that require central support is assumed to be in line with CP5 in our plan. It has been estimated +/- £1m will be required with any items smaller than this absorbed by Routes. (CP6 range +1.7% / -1.7%)	+1.7%	-1.7%
Total expenditure	<p>Financial uncertainty ranges - support and operations</p>			

6. People and Culture

"Organisations should manage people within a planned and coherent framework that reflects the business strategy. This helps ensure that the various aspects of people management work together to develop the performance and behaviours necessary for the delivery of organisational value."

Chartered Institute of Personnel and Development



6.1. Objectives

The Route Businesses National Teams' People Strategy forms part of our "Better Every Day Plan". This has been aligned to the National People Strategy theme of 'great people', 'great place to work' and 'high performance'. It also links into the priorities that have been identified going forward into CP6, these being structured around the five key People Must Wins; Strategic Workforce Planning, Talent and Succession Management, Agility, including D&I and Flexibility, Culture Transformation and Line Manager Capability and Leadership Skills. This in turn supports the delivery of a safe and efficient reliable railway; while allowing for the activities necessary to engage, recruit, reward, recognise and retain our people and people managers. By defining specific areas to focus on, this strategy can be adapted and adopted flexibly as it matures within the Route Businesses National Teams.

6.2. Strategic workforce planning

Strategic workforce planning is more important than ever before. The skills required are constantly adapting, for example, with the introduction of devolution and Digital Railway; and as such we must address the skills level gap which has been identified within the industry. This will enable us to meet the necessary performance level and operational needs of the Route Businesses National Teams (e.g. the right number of people, with the right skills and capabilities at the right time). There needs to be a clear view of the numbers of people, the locations where they will be needed, and the skills sets they will require to perform the roles we have now, and in the future. Analysis needs to be far enough ahead to give us time to recruit, develop and retrain the people to fill the roles.

6.3. Talent & succession management

The Talent Matrix is used to identify people with key skills and high potential in order to drive business performance across the Route Businesses National Teams by developing, deploying, engaging and retaining talent. The purpose of this is to identify potential and develop individuals into their next role or provide sufficient challenges to retain them at their existing level. Personal Development Plans (PDPs) are used to document their development goals. This provides a pipeline of staff with the required skills that the Route Businesses National Teams will need in the future.

Succession plans are the key control to confirm the resource pipeline for key roles in the Route Businesses National Teams. It enables HR and line management to identify and address resource gaps for future requirements. This is by recruitment or long term projects to attract candidates that can be developed into those roles.

6.4. Agility, Diversity & Inclusion and Flexibility

The Route Businesses National Teams' activities align with Network Rail's vision to be an open, diverse and inclusive organisation. Achieving this will make us more receptive to new ideas, creativity and innovation, and help us to be more transparent and accessible. The Route Businesses National Teams have a structured diversity and inclusion strategy which includes collaboration internally within Network Rail and the wider rail industry. This includes work to improve the health and wellbeing of our employees as well as further improving the gender diversity within the Route Businesses National Teams. We also have a focus on agile and flexible working which enables attraction and retention of a diverse and inclusive workforce.

6.5. Culture transformation and LEAN

Integrating continuous improvement into the business will help to increase collaboration and share best practice, resulting in greater innovation and more efficient ways of working whilst focusing on our customers' and creating more capacity to deliver strategic priorities / Must Wins. Within the Route Businesses National Teams, we are striving to embed continuous improvement in all aspects of the business, including the employees' life cycle from Recruit, Reward, Recognise, Retain and Relate (Engage). We recognise that with opportunity and change comes risk, however change is possible when we involve our people from the outset. With strong leadership; and to anticipate and meet these risks, we should engage and communicate effectively with our employees and their trades unions.

6.6. Line manager capability and leadership skills.

Line manager capability and leadership skills are central to the successful implementation of the Route Businesses National Teams' People Strategy. Leaders have a crucial part to play, not only in the consistent demonstration of leadership behaviours and leading by example with both customers and employees, but in the day-to-day management of people and operations and in the implementation of HR policies. It's therefore important that proper consideration is given to the way line managers are selected, developed and managed on an ongoing basis.

7. Sign-off

- This document and accompanying templates are owned by the Director, Finance and Performance
- Submission of this document indicates confirmation that:
 - all appropriate level 1 assurance activities have been undertaken (see separate advice on definition of level 1 assurance);
 - the Director, Finance and Performance is satisfied with the quality, currency and appropriateness of the content of this document as well as the cost and activity projections to which it refers;
 - the signatories are satisfied that the plan has been assessed as deliverable, subject to the assumptions articulated in Appendix B.

Authorised by:

Amanda Hemmings



Financial Controller
Route Businesses National
Finance Team

8th February 2019

Mike Gurtenne



Director Finance and Performance
Route Businesses National
Finance Team

8th February 2019

Appendix A N/A

Appendix B Key assumptions

Ref no.	Topic (e.g. dependency, deliverability, climate etc.)	Assumption	Areas of spend impacted (e.g. all opex, single team, all spend etc.)	Is this a change of assumption for CP6?
1	Business Change	We have assumed that implementation costs associated with business changes are included in the plans alongside those changes, or have been consulted into Route plans, other than strategic oversight to be provided by the National Teams directly.	OpEx, esp performance team	No
2	Legislative Change	We have assumed that any onerous legislative changes will be funded. In particular our plan assumes no significant change to the level of funding of security on the rail network while changes to this requirement could be costly.	OpEx, esp NIMOS	No
3	Security Costs	We have assumed that all security costs will continue to be borne by Routes, including the emerging cost of plans to protect critical national infrastructure.	OpEx, NIMOS	No
4	Reliance on the National Teams	We have assumed that the level of reliance on the National Teams will remain comparable with CP5, although we have seen increased levels of dependency in some areas, for example delay attribution.	OpEx, esp finance and performance	No
5	Further Devolution	We have assumed that further changes to the National Teams will be limited. If there were future devolution or centralisation there may be efficiency or inefficiency not factored into these plans.	OpEx	No
6	Overheads	Overheads continue to be funded by the business	OpEx	No

Ref no.	Topic (e.g. dependency, deliverability, climate etc.)	Assumption	Areas of spend impacted (e.g. all opex, single team, all spend etc.)	Is this a change of assumption for CP6?
7	Specialist knowledge	Specialist knowledge continues to be available in the National Teams. Should key individuals not be available there may be a high cost to replacing their expertise.	OpEx, esp performance	No
8	100-day-plan	We have not included provision for any impact of changes arising from the implementation of the 100 day plan.	OpEx	No

Appendix C N/A

Appendix D Scenario planning

Part 1: decrease in total remaining expenditure for CP6

This section describes the impact of a 10% decrease in expenditure across CP6 based on all risk funding has been exhausted.

Area of spend	Outstanding CP6 expenditure	Maximum potential saving	Risk of curtailing expenditure				Comment on impacts/issues
			Safety	Performance	Sustainability	Reputation	
National Performance and Analysis Team	£18.646m	£1.865m					<ul style="list-style-type: none"> Reduced insight for internal and external stakeholders including NR Exec, National Task Force, DfT and ORR as a result of reduced capability or resource. Information may not be available to support key decisions impacting passengers and freight users. Data integrity and accuracy may be at risk. Increased industry financial exposure including Schedule 8 and performance related insurance claims due to lack of evidence and insight. Ability to respond to urgent requests or add focus to high priority topics diminished.

Area of spend	Outstanding CP6 expenditure	Maximum potential saving	Risk of curtailing expenditure				Comment on impacts/issues
			Safety	Performance	Sustainability	Reputation	
							<ul style="list-style-type: none"> Potential loss of coordinating role around performance improvement Best practice sharing reduces as ability to centrally administer Route engagement opportunities declines – RPMG, RPMMG, Analytical Community. Expert input into regulatory framework reduces increasing the likelihood of ineffective decisions and enforcement action. Limited ability to influence franchising agenda to protect performance for passengers and freight users
National Finance Team	£8.985m	£0.896m					<ul style="list-style-type: none"> Reduced oversight of Route and National Team spend. Longer timeline for delivering required reporting. Inability to deliver analytical insight.
NIMOS	£34.040m	£3.404m					<ul style="list-style-type: none"> Inability to deliver agreed outputs including improved train performance and security response.
Transformation	£6.955m	£0.696m					<ul style="list-style-type: none"> Inability to deliver agreed outputs
Other	£17.605m	£1.761m					<ul style="list-style-type: none"> Includes Director - Route Businesses E & W, Initiatives, PDSW and various other legacy cost centres. Decreased ability to manage emerging risks.
			R	R	A	R	
Total	£86.230m	£8.623m					

Key to risk colours

G: no additional risk

A: some additional risk

R: considerable additional risk

Part 2: CP6 scenario planning: investment options

Given the nature of the activity of the National Team, there is limited scope for capital investment. Some potential technology improvements have been identified by the National Performance and Analysis Team. These are already captured within the Route Services IT CP6 Submission, although at a lower level than is desirable to deliver full benefit realisation.

The key benefits from this investment in technology/automation are below:

- Faster reporting with better granularity of detail and shared industry data
- Increased stakeholder ownership and engagement
- Less manual intervention so reduced likelihood and opportunity for errors – right first time
- Removal of legacy systems from the estate which carry a reliability and supportability risk

Most of the benefits will drive improved understanding of performance or direct savings through automation.

Any investment options identified by the NIMOS or Transformation teams would require Route backing and funding before they progress and are therefore not included here.

Appendix E N/A

Appendix F N/A

Appendix G N/A