

Wales and Western Regional Strategic Plan



Wales and
Western



OFFICIAL

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Introduction by our interim regional managing director

Mike Gallop

Network Rail is changing and the world around us is changing too. The future looks different for our country, industry and region - we have a critical role to play in shaping a new direction.

In 2019 Wales and Western was formed – we are the region's railway. Our geographic footprint creates a unique opportunity for us to lead in transforming transport and economic growth, and in enhancing social value across Wales, the Thames Valley and the West of England. We proudly serve diverse communities with a unique cultural heritage, providing them with a safe, reliable, affordable and sustainable railway that meets their needs.

Our strategic business plan translates the Network Rail story into a vision for our region's railway that focuses on what matters most to passengers, our colleagues, our customers and our communities. It sets out what we want to achieve and what we want people to say about us. It will drive us to be more ambitious, forward-thinking and to continuously seek to do better. It will guide everything that we do, and we will measure our success against it.

The impact of COVID-19 on our industry has been significant; but has also shown how quickly we can adapt. In today's fast-changing world, agility must become the new normal for our business and so we will evolve this strategy to help us respond to that change.

We want to be led by, and listen to, our passengers, customers, stakeholders and others who interact with and depend on the railway, supporting the ambitions of our communities and promoting

economic growth. We invite you to help shape our plans to develop the railway and its people.

We have ambitious plans to transform our business:

- We will ensure passengers and freight users are at the heart of everything we do. We will invest to provide an excellent and safe end-to-end journey experience and collaborate with passenger and freight operators to ensure our network delivers value for those using it
- Our people are central to our vision for the future. We will empower and develop them, keep each other safe, and become an employer of choice with a workforce that reflects the diversity of our regional community
- We will lead our community to collaboratively plan for the future of our region. We will lead the transportation industry in adopting technology, enhancing how we operate, our sustainability credentials and our contribution to the government's Net Zero 2050 targets
- We will become easier to do business with by fostering closer relationships with our communities and supply chain to introduce new ideas and ways of working, to deliver a safer, more reliable, affordable and sustainable railway.

Mike Gallop,
Interim regional managing director,
Wales and Western

The world is changing

- Customer expectations are growing for value-adding services, connectivity, integration and accessibility
- Emerging technologies include automation, connected systems and advanced analytics
- Shortages of critical skills linked to technology are growing
- The UK is targeting net zero greenhouse gas emissions by 2050
- UK Government strategy is to raise total research and development to 2.4% of GDP by 2027
- COVID-19 has impacted our society and our industry, significantly affecting passenger numbers

Context

The COVID-19 pandemic is sweeping the winds of change across society. Our working patterns and the needs of the people, businesses and communities we serve are changing rapidly.

Great uncertainty remains – we simply don't know how long the pandemic will be with us, or what the world will look like once we begin to emerge from under its shadow. However, we can be sure that after decades of steady passenger growth, the paradigm for our industry has shifted radically.

Demonstrating that it is safe to return to rail, is of course, our key immediate challenge. Beyond that we must be ready to adapt to a world where people are working more flexibly and where the peaks in demand are just as likely to reflect changing patterns in leisure travel as they are the daily nine-to-five.

Throughout its history, the railway in Wales and Western has transformed to reflect great changes in society, industry and the economy. From powering the industrial revolution and the golden age of the railways, through two world wars, rationalisation, privatisation and now a global pandemic – as an industry we have always evolved and adapted to shifting circumstances.

Critically, there is consensus that the railway is more, not less, important to Britain's future and we know that rail is key to unlocking the great challenges of our age: whether it's climate change and the decarbonisation of transport – or supporting the recovery and building a fairer economy for the future and driving regional growth.

We are Wales and Western

Connecting two nations and two capital cities – Wales and Western serves people, business and communities the length and breadth of Wales and Borders, Oxfordshire and the Thames Valley, west of England and the South West Peninsula.

Although passenger numbers remain well below pre-pandemic levels – reflecting COVID-19 restrictions and Government advice on working from home – rail continues to play a vital role moving key workers, and those not able to work remotely, to and from their place of employment. As we look towards the future, we have a critical part to play in supporting the recovery: connecting key employment hubs, creating economic opportunity, and powering industry, commerce and prosperity.

We also connect people for leisure, culture and are an economic and social lifeline for the communities we serve. As we saw in summer 2020, leisure markets bounced back strongly as lockdown restrictions were eased which is a great opportunity for Wales and Western as we link some of the most breathtaking landscapes anywhere in the world, as well as many of Britain's greatest towns and cities.

Although the aviation industry has been hit particularly hard by COVID, and its recovery is expected to take some time, as part of Britain's wider strategic transport network, we connect to what is normally Europe's busiest airport, London Heathrow, and support onward connectivity to key regional airports at Cardiff, Bristol, Birmingham, Manchester, Liverpool, Exeter and Newquay. We also move people and goods to sea-ports - including Holyhead with its critical onward connection to Ireland - and Avonmouth and Portbury which are vital for the UK automotive industry.

The freight we transport across our network includes intermodal containers, steel and oil from South Wales and aggregates from the Mendip Hills for the construction industry. As was underlined starkly at the height of the pandemic, we play a vital role in keeping our country moving, and our shops, supermarkets and pharmacies supplied with the goods and medicines we all need.

We are on the side of passengers and freight

In a rapidly changing world – and a time when we are encouraging people to return to rail – delivering a safe, reliable railway, is more important than ever. To support this, we're investing record amounts in operating and maintaining the network; refurbishing and replacing rail infrastructure.

We're helping to keep people and goods moving by reducing the number of incidents that delay trains and recovering and re-opening the railway more quickly when things do go wrong. This means delivering everyday operational excellence – in our control rooms, signalling locations and across the network – and working in partnership with our train and freight operators to improve performance.

We're also focused on delivering a better overall experience for our passengers; transforming the rail network so that it is accessible for all, improving facilities for passengers at our stations and empowering rail users by providing accurate and timely information during disruption – harnessing the power of social media.

Although we are part of one the safest rail networks in the world, recent tragedies at Margam and Stonehaven, as well as the derailment at Llangennech, have served as a painful reminder of what a dangerous place the railway can be.

Delivering world class performance and safety go hand in hand and our basic promise to get everyone, passengers and our people, home safe, every day – must begin with providing a COVID-secure network that gives passengers the confidence to return to rail.



On the side
of passengers
and freight
users

We are proud to work for Network Rail

A world-class railway is always built on its people and developing the workforce we need for the future will be critical to our success. We know that a large proportion of our current team is due to retire over the next 15 years and we must prepare for and manage that process carefully – so that their institutional knowledge, skills and experience are not lost to the next generation.

We are not immune from the national skills shortages, and with data and technological skills in particularly high demand across all sectors, we must become an employer of choice if we are to attract the talent we need to build, operate and maintain the railway of the future.

Ultimately, that means developing a workforce that is empowered, engaged, and proud to work for Network Rail – but it must also mean changing so that we start to look more like the people and communities we serve.

The need to increase diversity in rail has never been in sharper focus: we are accelerating programmes to attract more women, more people from the LGBT+ community, and more black and minority ethnic colleagues to our industry. But diversity does not end at good recruitment – it's about us welcoming difference at work, caring for and respecting each other and challenging outmoded practice and behaviours.



We will be an instinctive industry leader

Despite the unprecedented challenges currently facing our industry – including the global pandemic – we know that rail will play a vital role in our national economic recovery.

We will lead our industry across Wales and Western: first by encouraging people to return to rail, and as passenger numbers recover – by designing and delivering a railway that will meet the needs of the next generation of passengers and drive future economic growth and prosperity.

Rail is at the very forefront of the debate on many of the great challenges of our age – from the future of the economy, automation and the technological revolution that is transforming transport, to decarbonisation, climate change and the impact of extreme weather.

As the guardians of Brunel's legacy, across Wales and Western we have always taken great strength from our rich industrial heritage. We are proud of our past, but also firmly focused on the future and that means embracing modern technology, innovation and new ways of working with the very same zeal as the railway pioneers of the industrial revolution.



We will be easy to engage with, efficient and dependable partner

The pandemic has been a stark reminder that an interconnected railway does not operate in isolation. It's essential that we work to open up lines of communication with our stakeholders to align our plans with theirs so that we are working towards shared objectives and delivering on local priorities for rail.

We must also recognise our wider responsibilities to the people and places we serve and that now – perhaps more than ever before – we must prove ourselves a reliable custodian of taxpayers' money with which we have been trusted to operate, maintain and improve the railway.

We have shown that we can deliver truly transformative projects and work through incredibly complex engineering challenges – electrifying the Great Western Main Line and the Severn Tunnel are testament to that – but never has every penny of taxpayers' money been more important.

That must mean working with our regulators, funders and suppliers to challenge standards, drive down costs, and above all – consistently deliver on time and on budget.

In our approach to flagship projects, including the new line and sea wall at Dawlish, the new roof for Bristol Temple Meads and the restoration of Barmouth Viaduct in North Wales – we are demonstrating that we have changed and learned lessons from past mistakes, become much more efficient, disciplined and better at working with the communities we serve.



How has the region changed?

Our new organisation is focused on the delivery of safe, efficient and effective operations, maintenance, renewal and enhancement of our infrastructure through our two routes and Capital Delivery. These three delivery functions are supported by other regional business functions.

In June we consolidated our finance, human resources, and communications capabilities into business functions to provide support to the region. On 14 September 2020 we made the following changes to the region's organisation:

- **Our two routes (Wales & Borders, Western):**

New structures align with our customers, clarifying accountabilities and defining the support framework we need to deliver effectively and efficiently

- **Capital Delivery:**

New matrix structure in line with best-practice construction organisations, maximising efficiency and resources across projects and programmes

- **Health, Safety & Environment:**

Safety is delivered in the line, with a regional team to give a professional, independent overview of health, safety and environment across the region

- **Engineering and Asset Management:**

New regional asset management organisation to provide expert asset management and assurance for our routes and Capital Delivery

- **Investment:**

Re-aligned to fit more closely with our customers, communities and stakeholders, with increased long-term strategic planning capability

- **Commercial:**

Capability consolidated to provide a dedicated specialist service for our three delivery functions and the region

- **Property team:**

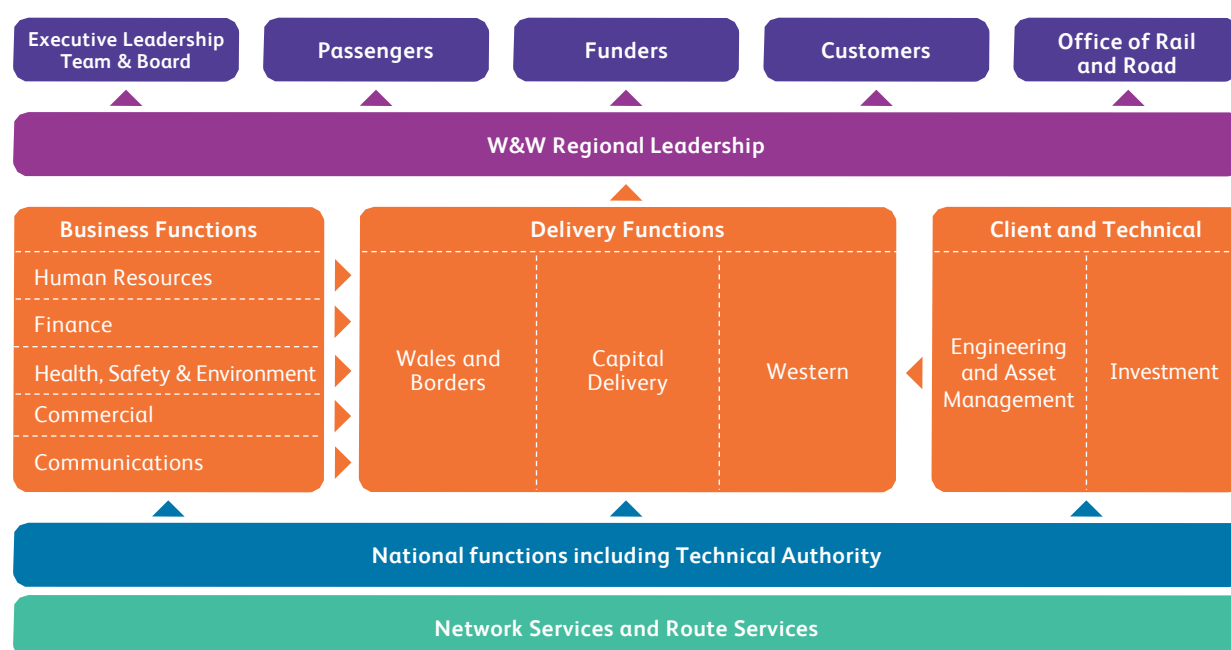
Team welcomed into our regional finance team to manage our property portfolio and deliver value for our stakeholders and customers

Across the business, other regions are also changing. National functions are continuing to embed with internal reorganisations and there is a continuing focus on to assess where activities are best undertaken to best serve our passengers and freight users.

How we operate

Our region operates as a matrix structure, with three delivery functions (our two routes and Capital Delivery) supported by business functions, and our client and technical functions. This enables our delivery teams to focus on delivery to passengers, freight users and customers, while receiving the right support.

This model is illustrated below, which also shows the relationships with stakeholders and national functions.



Our region's new operating model is aligned with 16 core business processes that have been identified across Network Rail nationally. These processes help assure the business, and each process has a functional director within the region who has local responsibility for it.

The table below summarises the role of our functions within this framework. The following pages provide an overview of the purpose, structure and activities of each of our teams.

Team / function	Role
Regional executive	The regional director holds ultimate accountability for the region's performance, supported by the leadership team Provides overall strategy and regional leadership within delegated authority
Wales & Borders route, Western route, Capital Delivery	Accountable for the delivery of safe, efficient and effective operations, maintenance, renewal and enhancement of regional infrastructure Priorities shaped by the needs of passengers, customers and funders
Business functions	Support deliverers to achieve the strategy set by the regional leadership Pooling of professional expertise enhances regional capability
Engineering and Asset Management	Accountable for the asset performance and reliability, spanning all delivery functions providing direction, expertise and assurance
Investment	Provides the interface between funders and deliverers for capital works

Wales & Borders route

We operate and maintain infrastructure in Wales, from Cardiff to North Wales and we are at the forefront of delivering an on-time railway. We are the main day-to-day interface with our key customer, Transport for Wales and collaborate with all operators to deliver excellent passenger experience. We support prosperity by enabling freight's key strategic role.

How we serve the region

We are responsible for the safe, effective and efficient delivery of our service to passengers and freight users, maintaining our infrastructure, operating the railway and undertaking short to long term planning to provide our customers with safe, efficient and reliable access to the network.

Our maintenance plans ensure that our railway is safe to run. Our signalling operations and control ensure that trains run safely and effectively across our route network. Our customer team manages the relationship with our operators, which includes the sale and management of stations, depot and track access, and performance management.

How we have got to where we are today

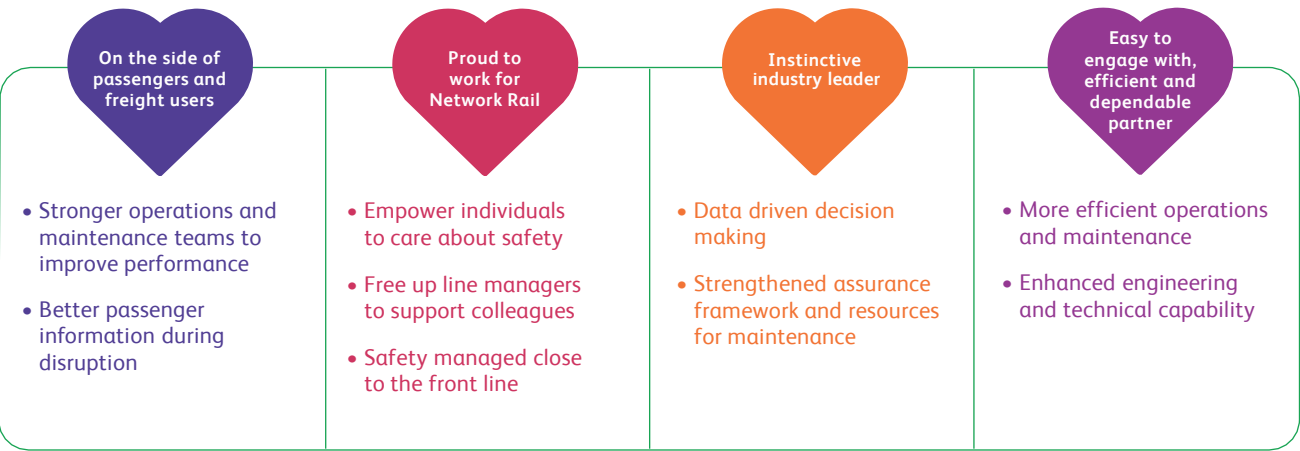
Our structure enables us to focus on the needs of our passengers and freight users. We have clarified accountabilities and structured ourselves into those who run the railway, and those who support those who run the railway.

We have strengthened our operations and maintenance teams to serve our passengers and freight users. Our maintenance delivery organisation has been bolstered to improve our capacity and capability. Control remains in operations delivery with changes to job roles to represent a fit for purpose control. Additional local operation manager resources have improved support for our signallers. Our readiness and resilience team in operations does short to medium term planning, including route crime and security planning, seasonal preparedness and business continuity planning. These changes mean front line staff and delivery teams have the support to focus on performance, safety, efficiency and financial targets. We are supported by regional client and technical functions, and expert business partners.

Our customer strategy and performance team works with our operators to improve performance, including the operator Transport for Wales Rail Services. We work closely with Transport for Wales and the Welsh Government on the new interface arrangements following divestment of the Core Valley Lines.

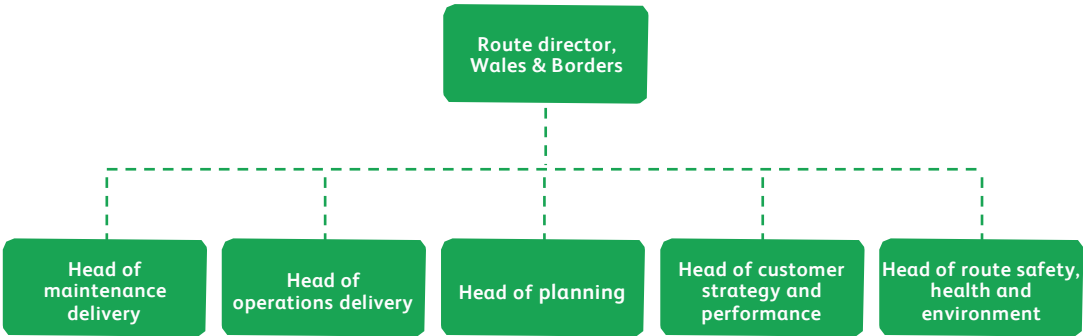
Safety is managed as close as possible to the front line, with roles transferred from Health, Safety & Environment (HSE) into our maintenance and the operational teams. Project interface responsibility moves from Capital Delivery. Level crossing management also moves into our operational team. Our head of route safety, health & environment is established to provide support and advice to the route director.

Our organisation design objectives support the outcomes of our strategic vision.



Our leadership and accountabilities

We are led by the route director, Wales & Borders. Our top line consists of maintenance and operations delivery, planning, customer and performance strategy, and safety, health and environment.



The table below lists the accountabilities of the roles reporting to the route director.

Role	Key accountabilities
Head of maintenance delivery	Safe, effective and efficient maintenance of route assets Health and safety of front-line maintenance colleagues
Head of operations delivery	Safe, effective and efficient delivery of operations and route control Short-medium term planning for route operations Health and safety of front-line operations colleagues
Head of planning	Access planning for effective delivery of maintenance and renewals
Head of customer strategy & performance	Primary interface with Transport for Wales Rail Services Long-term strategic planning and performance improvement
Head of route health, safety & environment	First line assurance of the health and safety roles supporting operations and maintenance

Western route

We operate and maintain the infrastructure from London Paddington and the Thames Valley to Bristol, Penzance and the Severn Tunnel. We are at the forefront of delivering an on-time railway and are the main day-to-day interface with customers: Great Western Railway, MTR Elizabeth Line and Heathrow Express. We support the prosperity of the Thames Valley and the West of England by enabling freight's key strategic role, and by collaborating with operators to deliver excellent passenger experience

How we serve the region

We are responsible for the safe, effective and efficient delivery of our service to passengers and freight users, maintaining our infrastructure, operating the railway and undertaking short to long term planning to provide our customers with safe, efficient and reliable access to the network. Through our framework alliances, we work with Great Western Railway and MTR Elizabeth line to put passengers at the heart of everything we do.

Our maintenance plans ensure that our railway is safe to run. Our signalling operations and control ensure that trains run safely and effectively across our route network. Our customer team manages the relationship with our operators, which includes the sale and management of station, depot and track access.

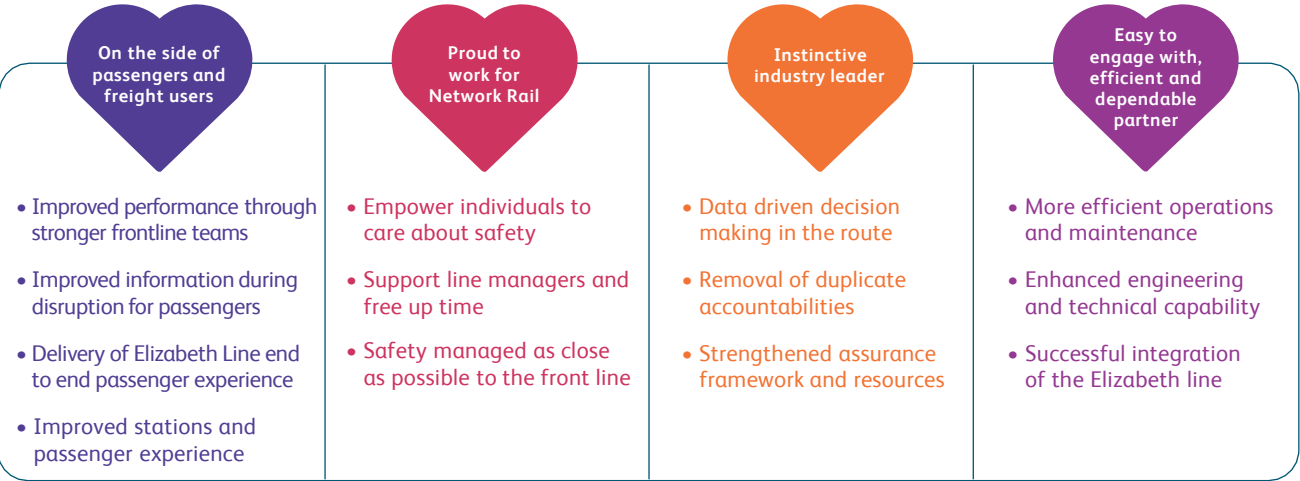
How we have got to where we are today

Our structure enables us to focus on the needs of our passengers and freight users. We have clarified accountabilities and structured ourselves into those who run the railway, and those who support those who run the railway.

We have strengthened our operations and maintenance teams to serve our passengers and customers. Our maintenance team is unchanged having recently been reorganised to improve our capacity and capability. Control has moved back into the operations teams with changes to job roles. Additional local operation manager resources have improved support for our signallers. We host the operations training centre at Bristol Parkway, on behalf of the region. Our readiness and resilience team is responsible for short and medium term planning (e.g. route crime and security planning, seasonal preparedness and business continuity planning). Front line staff and delivery functions now have the support to focus on performance, safety, efficiency and financial targets. We are supported by regional client and technical functions, and expert business partners.

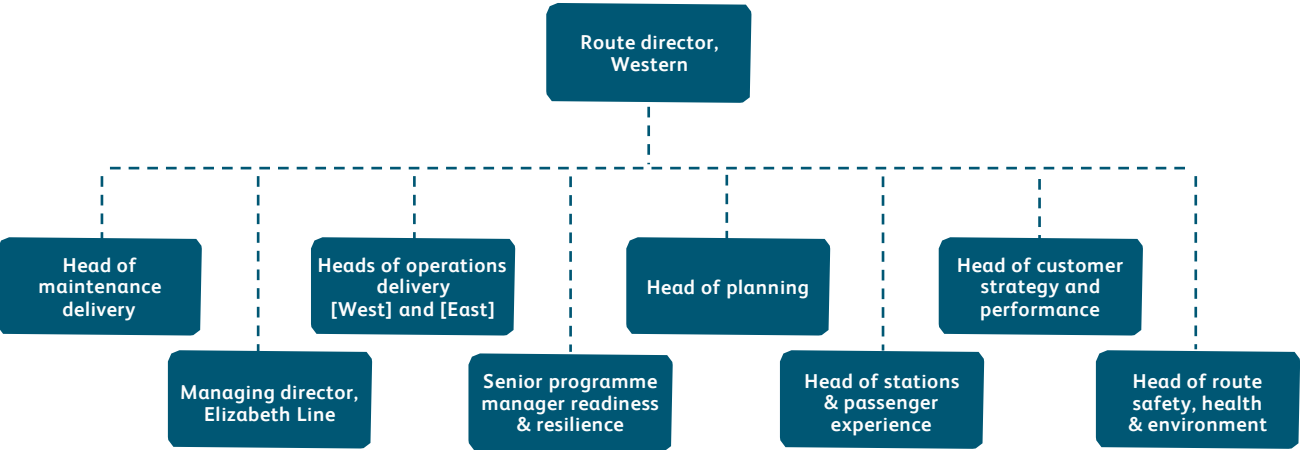
Alongside are our support teams who have an enhanced focus on delivery of customer benefits. Our customer strategy and performance team work to improve performance with our customers. The stations team now reports to the route director, increasing accountability for stations and passenger experience. Safety is managed as close as possible to the front line, with roles transferred from Health, Safety & Environment into our maintenance and the operational teams. Project interface responsibility moves from Capital Delivery. Level crossing risk management also moves into our operational team. Our head of route safety, health & environment is established to provide support and advice to the route director.

Our organisation design objectives support the outcomes of our strategic vision.



Our leadership and accountabilities

Our route is led by the route director, Western route. Our top line consists of maintenance delivery, operations delivery (split between the eastern and western parts of the route), planning, customer and performance strategy, and safety, health and environment. We have roles in the top line responsible for stations and passenger experience, readiness and resilience and the Elizabeth line.



The table below lists the accountabilities of the roles reporting to the route director.

Role	Key accountabilities
Head of maintenance delivery	Safe, effective and efficient maintenance of route assets
Heads of operations delivery	Safe, effective and efficient operations and route control
Head of planning	Supporting the route to deliver access plans for effective delivery of maintenance and renewal
Head of customer strategy & performance	Primary interface with our train operating companies Long-term strategic planning and performance improvement
Managing director, Elizabeth Line	Successful integration of Elizabeth Line infrastructure and operations with the wider network
Senior programme manager, readiness & resilience	Short to medium term planning including seasonal preparedness and route crime, and the operational impact of projects
Head of stations & passenger experience	Management and operation of three managed stations including safety and passenger experience
Head of route safety health & environment	First line assurance of the health and safety roles supporting operations and maintenance

Our strategic ambitions

The Network Rail story was launched in 2020 to explain what we stand for, why we're important and our future.

Our 15-year Wales and Western strategy outlines our ambitions for how we will fulfil the Network Rail story and what we want people to say about us as a result.

It is fired by our ambition to serve and enhance our region, its customers and communities, and informed by the external opportunities and challenges we face.

Our eleven vision statements describe our ambitions for the future. They are aligned with our current scorecard which is how we will measure success.

The following pages explain each of these vision statements, what's driving our ambitions and our emerging plans as to how we will deliver them.

We will continue to develop our plans and our scorecard measures of success as we talk to our customers, our community and our people about developing the railway and its people, and we invite you to be involved in helping to shape it.

ON THE SIDE OF PASSENGERS AND FREIGHT USERS



We provide a safe railway for customers



We deliver a reliable railway and excellent customer experience

Measures of success

- ♥ Passenger safety
- ♥ On time
- ♥ Freight Cancellations
- ♥ Passenger satisfaction

PROUD TO WORK FOR NETWORK RAIL



Our people feel engaged, empowered, and proud



We care about and keep each other safe



We develop all our people for the future

Measures of success

- ♥ People surveys
- ♥ Personal accountability for safety
- ♥ Fatalities and Weighted Injuries

INSTINCTIVE INDUSTRY LEADER



We lead long-term whole railway planning for our region



We are a responsible and sustainable organisation



We lead technology adoption in the transport industry

Measures of success

- ♥ Effective volumes
- ♥ Environmental sustainability index

EASY TO ENGAGE WITH, EFFICIENT AND DEPENDABLE PARTNER



We manage an efficient, value for money railway for taxpayers, customers and funders



We are easy to do business with, a dependable partner



We support regional society and business

Measures of success

- ♥ Financial performance
- ♥ Dealing with complaints
- ♥ Enhancement milestones

On the side of passengers and freight users

On the side
of passenger
and freight
users

Putting passengers and freight users at the heart of our decisions means excelling at providing a safe and outstanding customer experience for all the users of the railway. What's driving our ambition?

- Our population is ageing and there is growing demand for passenger assistance – everyone needs equal and safe access to the railway
- COVID-19 has disrupted our industry and created uncertainty and opportunity – we need to stay close to our customers to understand their changing needs
- Passengers want seamlessly integrated end-to-end journeys – technology makes this possible and introduces potential competitors, including providers of autonomous vehicles and Mobility as a Service
- Passengers expect their journeys to be more valuable and tailored to their individual needs – post-COVID an increasingly discretionary leisure focused market means passengers will have higher expectations from their journey
- Independent research shows that passengers' priorities remain our core product – safety, punctuality and access to information
- Freight users need partners that can help them adapt to changing business needs and support growth – key external trends include decarbonisation, Brexit, increasingly integrated supply chains and COVID-19



Key statistics:

- Two thirds of disabled passengers in Great Britain experience difficulty at some point on their rail journey¹
- The over 65s are the fastest growing age group in England and Wales²
- By 2030 the global value of Mobility as a Service is expected to grow to more than US\$1trillion³

¹ Transport Focus research

² Office of National Statistics

³ KPMG Mobility 2030 MaaS Research



1. We provide a safe railway for customers

We will always put the safety of our passengers, freight users and the community at the heart of everything we do by working with our partners and the community to continually improve safety. We will make passengers' whole journeys safer and more inclusive, reducing route crime and fatality risk. We will commit to eliminate high potential risks that could result in a train accident with a focus on asset failures, operational errors and level crossing protection.

What will people say about us?

The rail industry cares about the safety of the community

I feel safe and looked after when I'm using the railway

Key initiatives

- We will collaborate with partners and the community to improve the safety of stations and where our network interacts with other transport modes through jointly owned safety plans, and embed safety into our long-term station development plans
- We will further improve passenger welfare and wellbeing facilities at our stations with enhanced public conveniences, rest areas and other amenities
- We will collaborate with our partners and actively engage our communities to reduce route crime and support fatality risk prevention activities
- We will improve monitoring and information about the condition of our network to inform how we best maintain and enhance our railway to keep our customers safe
- We will enhance training and supervision for operational activities that pose the greatest risk, embedding safety by design, and use digital technology to equip all operational duties with fail-safe procedures to significantly reduce the risk of human error
- We will improve safety at our level crossings by implementing risk-reducing technologies and by eliminating the higher-risk crossings on the fastest train lines





2. We deliver a reliable railway and excellent customer experience

We will become a customer-led region that provides a reliable and excellent end-to-end journey experience for everyone who uses our network. We will collaborate with passenger and freight operators to ensure our network delivers value for those using it.

What will people say about us?

I have a great journey because my end-to-end travel is seamlessly integrated, I do valuable things on my journey

I trust the railway to get me the goods I need, when I am promised

I get to my destination on time

I feel safe and, if things go wrong, I am looked after



Key initiatives

- We will enhance the value that our passengers get from using our network through improving the services and facilities available. We will provide electric vehicle charging points and Wi-Fi at managed stations and enable seamless integration between station and on-train Wi-Fi
- We will provide timely, easy-to-access and easy-to-understand information about our passengers' end-to-end journeys using industry-leading digital technologies, and recommend alternative travel arrangements if there is disruption on our network
- We will develop our stations and network to provide mobility solutions, so all our passengers complete their journeys seamlessly, safely and reliably. We will get the basics in place with reliable lifts and escalators, and promote long-term investment in accessibility
- We will provide dedicated customer training for our people and collaborate with train operators to provide a consistent high-quality passenger experience across all stations
- We will implement an operations-led technology-enabled strategy to support delivery of a high-performance train service benefitting the end to end passenger experience. We will invest in the culture, engagement and capabilities of our operations teams to support realisation of this strategy
- We will listen to passengers and freight users and communities to understand what they want from the railway and develop a joint approach to enhance our network, and attract and recover usage of the railway post-COVID
- We will support sustainable economic growth through strong, collaborative relationships with freight operators, and a culture that puts freight users at the heart of our decisions
- We will deliver reliable end-to-end journey experiences through a precision timetable, enhanced operations capability and a reliable infrastructure

Proud to work for Network Rail

Proud
to work for
Network Rail

Our people are at the heart of our region which means that our future success is dependent on how we develop, empower and invest in them. What's driving our ambition?

- A large proportion of our colleagues are due to retire over the next 15 years – the potential loss of valuable skills and knowledge must be addressed
- There is a national challenge with the supply of key skills – data and technological skills are in high demand
- We are not yet reflective of the community we serve – embracing inclusion and diversity will help us to serve our communities and our customers
- COVID-19 has accelerated change in employee expectations – benefits such as flexible working and technology-led working practices are expected to continue
- Job satisfaction and engagement are important motivational factors – salary and benefits are not the only factors contributing to a favourable employee proposition
- Union relationships are likely to change over the next 15 years – these will be crucial for implementing change successfully



Key statistics:

- Two thirds of our people will be eligible for retirement over the next 15 years
- Fewer than 20 % of our people are female and just 9 % are from BAME backgrounds⁴
- 55 % of Wales and Western's people are actively engaged⁵



3. Our people feel engaged, empowered and proud

We will become innovative, collaborative and inclusive: an employer of choice. We will proudly put safety and service at the heart of everything we do. Our pride in who we are and our agility means together we can confidently meet the challenges of the future.

What will people say about us?

I feel proud to work for an organisation that puts safety and customers at the heart of everything it does

I enjoy working with my colleagues and our partners to keep myself and others safe

We are a diverse and inclusive place to work, a regional employer that reflects the community

Key initiatives

- We will help line managers throughout our region to support our people so they can work more effectively and safely
- We will celebrate diversity, sustainability and our social purpose as a distinct local employer, attracting and retaining people from across our communities
- We will transform how we listen and communicate through face-to-face and digital means, making it more rewarding for everyone to engage with each other and our leaders
- We will put innovation at the heart of our business; we will inspire and empower our teams to find creative solutions to future challenges through new ideas and technologies, and embrace new ways of working
- Our development programmes will help our leaders to promote more customer-focused and collaborative ways of working – a culture of empowerment – and to care about the railway, its users and each other





4. We care about and keep each other safe

We will become a transformational leader in safety and wellbeing, proactively learning and self-improving. Our people will feel a true sense of ownership and pride in keeping each other safe and well. We are focused on eliminating activities which place our people in harm's way.

What will people say about us?

I am accountable for my behaviour at all times, and I challenge myself to be better

I am proud to work for an organisation that cares

I always feel safe in my place of work

I keep my colleagues safe and they keep me safe

I understand the risks to safety and how to tackle them

Key initiatives

- We will create a safety and wellbeing focused culture by promoting transparency and everyday mutual accountability by all our people, who take pride in effectively finding and fixing issues in their local areas
- We will invest further in health, safety and environment training for our people, and ensure the outcomes are truly owned by our region through coaching whilst learning from our industry partners, supply chain and other organisations who are leaders in safety and culture change
- We will engage and empower all our people directly through roadshows, lunch and learns and safety hours. We will empower our leaders to take collective ownership of safety and wellbeing through our leadership development programmes and by giving them clearer responsibility for safety leadership in their teams
- We will take a data-led approach to actively redesign and transform all activities that place our colleagues in significant harm's way
- We will take a data-led approach to remove our people from significant at-risk activities through changing our asset, procurement and wider investment policies on all renewals and enhancements and designing out risk





5. We develop all our people for the future

All our people will be empowered with the skills required to meet the future challenges facing our region and to deliver our 15-year vision for Wales and Western. We will have strong relationships with our people and Trade Unions, and will invest in development, training and recruitment.

What will people say about us?

I feel I have the training and support I need to adopt new ways of working

I am encouraged to be curious and find new ways of doing things

I feel my manager is interested in my development

Key initiatives

- We will create a workforce which is more diverse and reflective of our communities, that meets the future requirements of our business through a strategic approach to planning
- We will enhance our regional training capability to ensure we can address future resource requirements with agility and provide opportunities for our people to develop
- We will build strong relationships with our people and Trade Unions to design solutions that achieve benefits for everyone
- Our clear training and recruitment plan will support the future competence and capability needs of our business, driving excellence in our operations capability and performance, and restoring operations to the heart of our business; it will also enable rapid adoption of technology and new ways of working
- We will enhance our responsiveness to stakeholder needs through strategic development of new capabilities, for example, the ability to integrate plans for the whole transport network

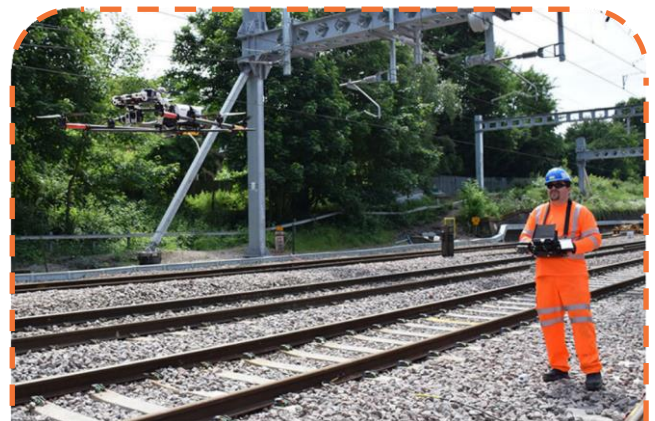


Instinctive industry leader

Instinctive
industry
leader

We want to be recognised as an industry leader: helping to shape the future of the whole railway, supporting the ambitions of our regional communities, embedding technology into our railway and becoming a more agile, responsible and sustainable organisation. What's driving our ambition?

- **Integrated and long-term planning across the transport sector and across our regional community could enable greater benefits for customers and society** – including sharing innovations, developing skills, creating jobs and serving the region in the best, most cost-effective and sustainable way
- **Data quality and volumes, and how data is used will determine the success of new technology** – currently data exploitation is at a fraction of its full potential
- **Technology can enable us to enhance, assist and make our work safer** – changing how we work and removing our colleagues from harm's way
- **Rail is the lowest carbon emitting mode of transport** – achieving modal switch could support reducing carbon from other modes
- **Capturing the full extent of carbon emissions across the value chain is challenging** – rail projects and their associated supply chains can be large and complex
- **Climate change can have adverse effects on all aspects of our infrastructure** – requiring long-term planning and building of resilience into assets



Key statistics:

- Estimates suggest adopting the internet of things can improve efficiency⁶
- Weather impacts cost the railway and wider economy £200-£300m a year⁷
- The UK is targeting removal of diesel-only trains by 2040⁸

⁶ The concept of a network of connected devices and people which can be shared. Source: Inmarsat

⁷ Network Rail - Weather resilience and climate change adaptation strategy

⁸ <https://www.gov.uk/government/news/carbon-cutting-rail-schemes-share-in-multi-million-pound-government-funding-boost>



6. We lead long-term whole railway planning for our region

The priorities of our customers and communities will shape our long-term plans. We will lead greater integration across our industry, and across Wales and the West of England, to plan for the future of the whole railway, ensuring that it is reliable, supports sustainable growth, enhances social value, and aligns with the wider transport network.

What will people say about us?

I trust the railway to lead and shape a shared vision for future of transport in our region

The railway drives inclusive and sustainable economic growth for our region

I trust the railway to make the right decision for the future of our community

Key initiatives

- We will create and evolve long-term plans for our business, informed by the needs of people who rely on the railway and our communities, and delivered through multi-billion-pound investment programmes by our people, suppliers and partners
- We will lead whole railway planning across Wales and the West of England, including creating a reliable timetable for our network; we will develop the capability, frameworks and tools, and external relationships across the rail industry and communities to support this
- We will lead beyond the railway to integrate transport planning across Wales and the West of England to enhance mobility, drive sustainable economic growth and generate social value for our communities
- Our new governance arrangements will enable us to secure, plan and prioritise investment, and maximise the outcomes by responding quickly to changing circumstances and bringing customer and community needs to the heart of decision-making
- We will pursue opportunities to enhance social value through our long-term plans by including initiatives to reuse and regenerate in order to reduce waste
- We will review and refresh our long-term plans to reflect learnings from the COVID-19 pandemic and ensure we are quick to pre-empt and adapt to change in the future
- We will demonstrate alignment to the international standard for asset management (ISO 55001), with a project team in place to meet this commitment by March 2021





7. We are a responsible and sustainable organisation

We will be a resilient region, aware of and meeting the challenges presented by the effects of climate change on our railway. We will lead collective action, across Wales and the West of England, to the national objective for Net Zero carbon by 2050, promoting the value of our business in providing low carbon transport.

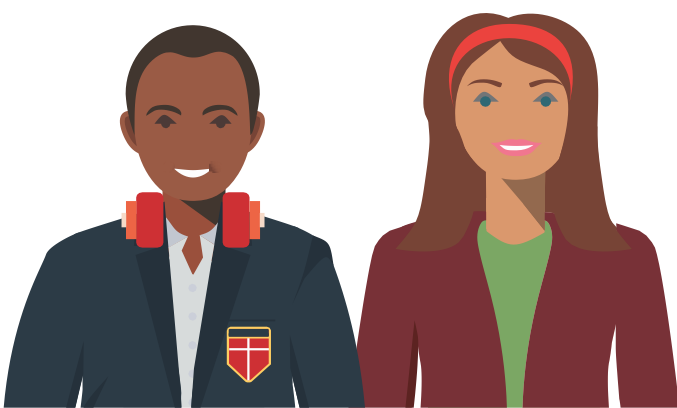
What will people say about us?

Network Rail is leading and collaborating with the rail industry to reduce carbon emissions and meet government targets

Network Rail is a responsible and sustainable organisation

Key initiatives

- We will lead carbon reduction in transport by collaborating with our industry and community to drive greater attraction to rail transport and promoting our low carbon credentials, including investing in electric vehicles for our road fleet
- We will further reduce carbon emissions by continuing to develop traction decarbonisation projects across the region and enabling the removal of diesel-only trains by 2040
- We will review and refresh our regional plans to improve our resilience to climate change and the projected increase in extreme weather conditions
- We will share our plans and strategies with local government and communities to create opportunities for combined funding, improving taxpayer value for money
- We will create opportunities to promote biodiversity and ecosystem resilience, whilst ensuring our network remains safe for our people and customers





8. We lead technology adoption in the transport industry

We will become a technology-led region, driving greater pursuit of research and development for the benefit of our industry and collaborating with our supply chain to deliver a safer and more efficient railway that meets the needs of our customers.

What will people say about us?

Network Rail uses technology to unlock the potential of its people

I feel Network Rail is agile, innovative and constantly driving new ways of doing things

Network Rail uses technology to provide excellent customer service and a value-for-money railway

Key initiatives

- We will pursue technologies to accelerate achievement of our region's ambitions, align regional governance to support us in realising the benefits of innovation more quickly and collaborate with stakeholders to achieve our long-term plans
- We will support suppliers to innovate, share learnings, increase research and development, and pilot new technologies to drive a more customer-focused, efficient and safe railway
- We will engage with a wider range of suppliers to bring new perspectives and generate potential efficiencies, including those new to the rail industry, specialists, and small and medium-sized enterprises
- We will accelerate opportunities to address data quality, availability and speed of access within our region (and where appropriate share this with our stakeholders) to drive a long-term data strategy for the future
- We will further embed our data-driven culture to form the foundation for robust decision-making to meet the needs of our customers, to optimise our business, and to understand, monitor and address waste



Easy to engage with, efficient and dependable partner

Easy to engage with, efficient and dependable partner

Being easy to work with is key to unlocking the potential in our partners and suppliers for innovation, collaboration and efficiency. As a region we want to deliver what we say we will, on time and at the right price, supporting regional communities and growth. What's driving our ambition?

- **The railway has been challenged to improve value for money and COVID-19 has put pressure on public finances** – we must demonstrate that we can deliver what we say we will at the right price, deliver value and promote a strong case for investment in the railway
- **Structural changes in the supply chain and external forces such as Brexit and COVID-19 illustrate the risk of potential disruption** – stronger, more collaborative and flexible relationships are needed
- **Collaboration across the value chain can support greater innovation** – an opportunity to develop better ways of working, access new and sustainable materials and to support regional economic growth and employment for Wales and the West of England
- **The railway has the potential to attract private sector investment** – an opportunity to deliver greater value to Wales and the West of England
- **There is potential value to be harnessed by bringing local solutions to local challenges** – the Rail Sector Deal encourages a greater role for small-medium enterprises to drive innovation and growth



Key statistics:

- Network Rail has reported £385m of efficiency improvement in 2019-20, £69m ahead of its delivery plan target⁹
- Since 2019 the region has attracted over £130m of committed third-party investment
- The UK Government aspires for 33% of public spending to go to small-medium enterprises by 2022¹⁰

⁹ Office of Rail and Road's annual efficiency and finance assessment of Network Rail 2019-20

¹⁰ Rail Sector Deal



9. We manage an efficient, value-for-money railway for taxpayers, customers and funders

We will operate an affordable, value-for-money railway and continually strive to become more efficient as we enhance, maintain and operate our network. Our agility, innovative culture and professionalism are critical in enabling us to deliver what we say we will, on time and at the right price.

What will people say about us?

Network Rail provides an efficient and value-for-money service

I feel Network Rail delivers what it says it will, on time and at the right price

We trust Network Rail to spend taxpayers' money



Key initiatives

- We work with our suppliers to put new ideas and technologies into practice to support all of our people, our productivity and our wellbeing
- We will align our contracts, performance management and benchmarking to support our strategic procurement priorities with a focus on outcomes for customers, safety and affordability
- We will partner and collaborate with other regions and organisations to find opportunities to improve value, including how we use our land and property, taking a long-term view of our business needs and those of our communities
- We will develop a clear understanding of our capital delivery cost drivers and make decisions which maximise the whole-life industry costs and benefits, reduce the need for inefficient and reactive spend, and increase the reliability of our network for customers
- We will focus on delivering our maintenance plans more efficiently by planning our work bank and access requirements further ahead and in a way that increases the outputs we achieve, whilst minimising disruption to our customers
- We will focus on creating the optimal balance of internal and external capability to support us in delivering our long-term plans and responding to change efficiently and effectively



10. We are easy to do business with, a dependable partner

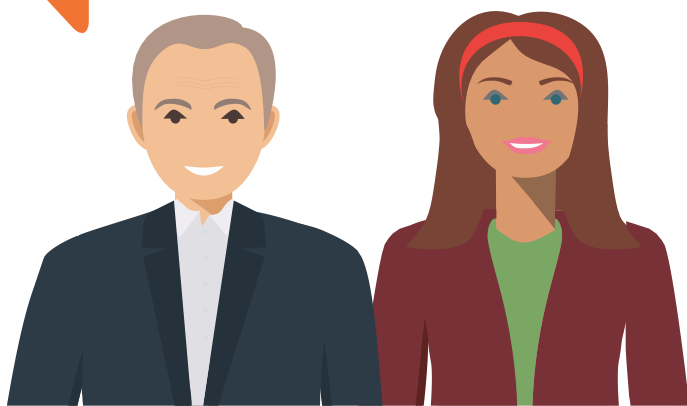
We will be a client that industry suppliers of all sizes want to work with because we are easy to engage with, transparent and fair. We will support economic growth across Wales and the West of England, and promote innovation and the local supply chain through strong relationships.

What will people say about us?

We understand the opportunities for our business to work with the rail industry

The rail industry is committed to developing local businesses and stakeholder aspirations, making people's lives better and enhancing connectivity choices

We feel the railway is a great client and a dependable partner that is willing to work with us to support our outcomes



Key initiatives

- We will collaborate with new and existing suppliers to share opportunities for years ahead to enable them to plan engagement effectively and to support us in driving better value
- We will ensure that the commercial function has clear and simple processes, and that our colleagues can depend on us
- We will build capability in our teams to work more effectively and collaboratively with suppliers through engaging supplier relationship management
- We will communicate transparently with suppliers, including through openly sharing data on our assets, activities and future investment plans to promote innovation
- We will actively promote opportunities for local small-medium sized enterprises to work with us, by simplifying and streamlining our procurement processes where possible
- We will build strong relationships with our suppliers and update our contracting framework to meet the needs of customers and communities
- We will facilitate investment into the industry through streamlining navigation of our investment processes and by creating a regional handbook about investing in the network
- We are committed to engaging with all funders and stakeholders to improve our responsiveness and approachability as a business partner



11. We support regional society and business

We will become a region that stimulates local economic growth and promotes sustainability and social value, actively contributing to our local society because we make investment choices that consider local needs. Our communities in Wales and the West of England will want to engage with us because we listen, we collaborate and we communicate openly about the things that matter to them. Our local communities will be advocates for our region.

What will people say about us?

We understand the railway better and feel that the railway works for us

We feel the railway is supporting us in making our lives better

We feel that the railway is a valued neighbour and part of the community



Key initiatives

- We will promote the needs and objectives of our communities through forums, including local employment, accessibility, housing plans and transport integration
- We will facilitate early development of investment ideas generated by our communities through seed funding and enabled by community engagement plans
- We will develop a regional investment strategy to meet the needs of our communities and drive local growth by strengthening the capability of our teams to do integrated transport planning and promoting rail's sustainability and social value credentials
- We will build trust with our local communities by creating an online portal to give easy access to our project information on forthcoming works
- We will encourage our people to develop strong relationships within their communities and to represent the railway, building advocacy with stakeholders through local engagement

Developing our strategy

Our strategy is founded in research of the long-term trends affecting our region and its customers, supply chain, people, technology and environment. We held factfinding interviews with stakeholders and our own subject matter experts to support this. This research underpinned development of our strategic ambitions as shown opposite.

We have created sub-strategies underpinning each of our eleven strategic ambition statements through workstreams led by our senior leaders. These plans reflect our existing plans and have allowed us to begin to shape our priorities as a business as we move into 2021.

The last 12 months have demonstrated the fast pace of change in our society, and we must build on the flexibility and agility we demonstrated in response to COVID-19. We will review our strategy each year to understand what has changed and what we need to do differently in response. This will be underpinned by further research into wider trends in our communities and our region, as well as in technology, the environment, our customers and our workforce, including engagement with our stakeholders. This approach will ensure we stay relevant and continue to adapt.

Key messages from research and stakeholder engagement

Those 60+ will account for 75% of the South West population growth to 2035

Post-COVID we expect to become an increasingly leisure use railway

Freight users need partners that can help them adapt to changing markets

Passenger expect more value from their journeys and increasing connectivity

Two thirds of our people will be eligible for retirement over the next 15 years

There is a significant long-term skills problem, especially in technology

COVID has radically altered working patterns, with an unknown impact

Fewer than 1 in 5 of our people are female and only 55% feel engaged

By 2022 there will be over 0.5 million installations of robots per year

The UK is targeting net zero greenhouse gas emissions by 2050

Cultural adoption and behaviours remain the greatest barrier to adoption

Weather impacts cost the railway and wider economy £200–£300m a year

There are weaknesses in construction: an ageing workforce and low margins

There is potential value by bringing local solutions to local challenges

The railway has been challenged to improve value for money

Collaboration across the value chain can support greater innovation

15-year strategic ambitions

Supporting sub-strategy

ON THE SIDE OF PASSENGERS AND FREIGHT USERS



We deliver a reliable railway and excellent customer experience



We provide a safe railway for customers

Operations and performance

Supporting freight growth

Passenger experience and accessibility

Integration with other networks

Passenger information during disruption

PROUD TO WORK FOR NETWORK RAIL



We develop all of our people for the future

Our people feel engaged, empowered and proud



We care about and keep each other safe

Workforce safety programmes

Transforming culture and engagement

Talent and diversity – an employer of choice

INSTINCTIVE INDUSTRY LEADER



We lead technology adoption in the transport industry

We lead long-term whole railway planning for our region



We are a responsible and sustainable organisation

Regional sustainability strategy

Embed new technology and innovation

Long-term asset management strategies

EASY TO ENGAGE WITH, EFFICIENT AND DEPENDABLE PARTNER



We manage an efficient, value for money railway for taxpayers, customers and funders

We are easy to do business with, a dependable partner



We support regional society and business

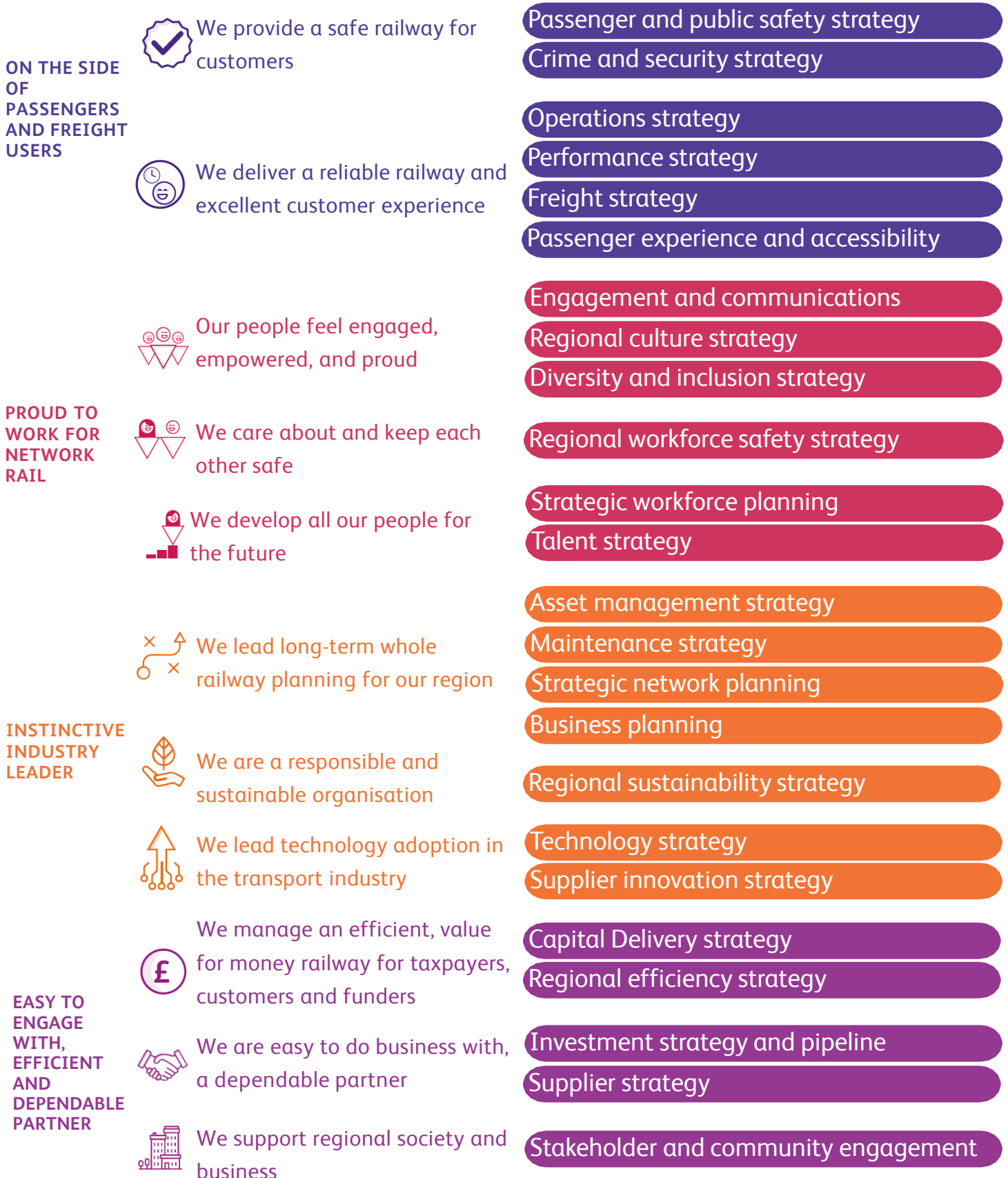
Supplier management and collaboration

Work with stakeholders and communities

Regional efficiency programme

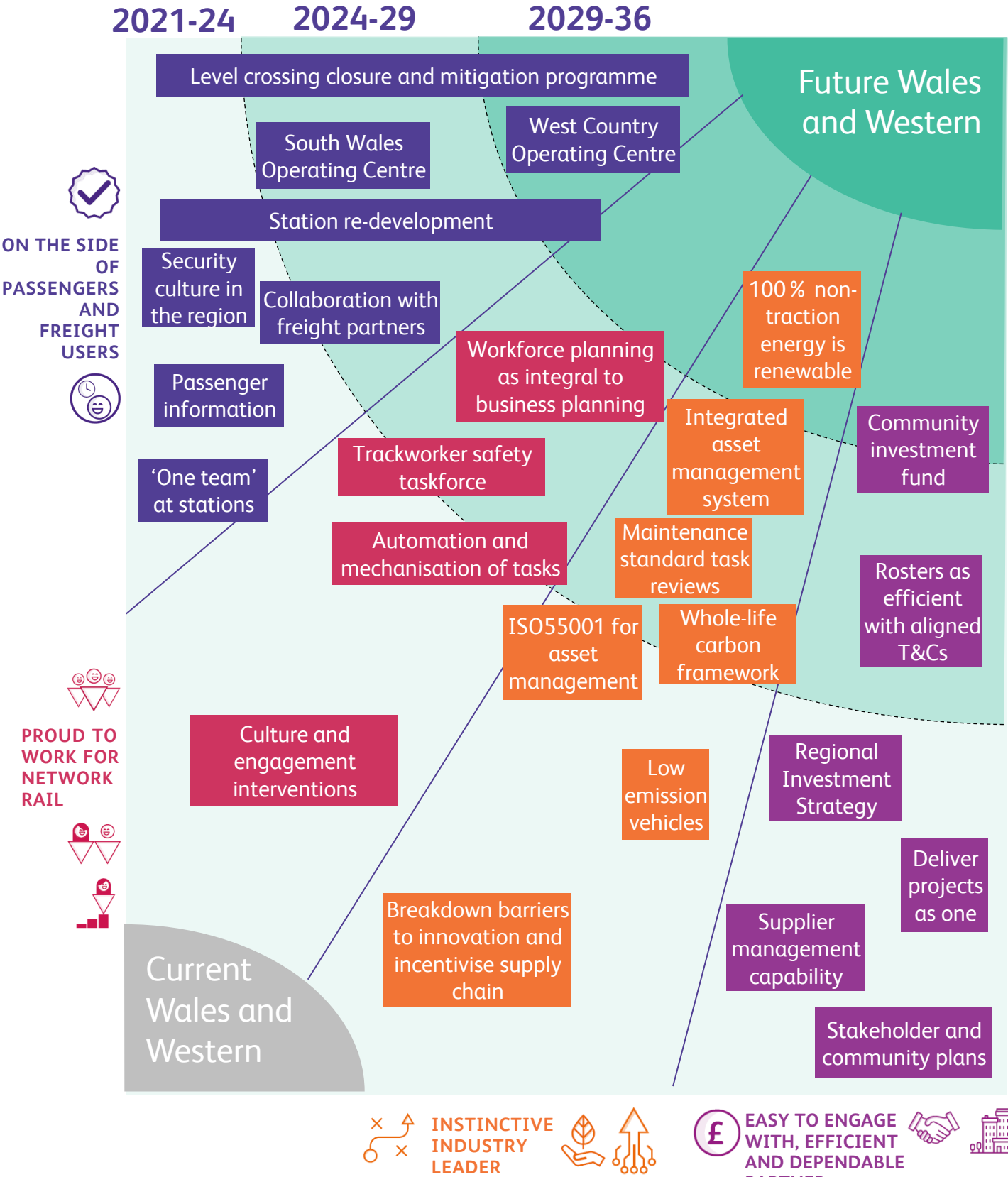
Our sub-strategies

Our sub-strategy workstreams have developed more detailed plans to deliver the initiatives required to realise our strategic ambitions.



Achieving our 15-year strategy

These are our priority initiatives across all our sub-strategies to achieve our 15-year vision.



Outcome and financial information

This section of our regional strategic plan sets out our commitment to our passengers, freight users and communities, represented through our long-term regional scorecard.

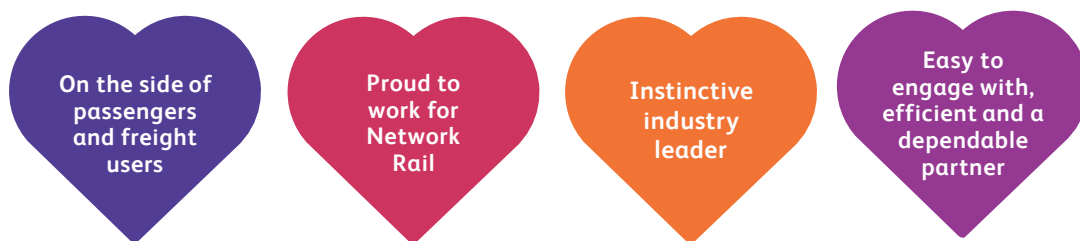
This section also sets out detailed financial information on the expenditure and income position for the region for the Control Period, as well as information on the level of efficiency we are delivering as part of our commitment to be wise stewards of public money.

Information is also provided on asset volumes and costs for the renewals work we are undertaking across Wales and Western during CP6.

Our regional scorecard

Our regional scorecard is a way of measuring how we are performing on the Network Rail Vision and how we are Putting Passengers First. It's important so that everyone can understand how we are performing and to help take action to drive improvements where they are needed. The scorecard is also used to demonstrate to our stakeholders how we are performing against the key objectives of our region. It makes our performance transparent and helps our stakeholders hold us to account.

It aligns closely with the new national scorecard that has gone live this year, with measures now based on the four key elements of our vision:



Our regional scorecard has the same structure as the new national scorecard and also includes the 12 national scorecard measures. It also contains five local customer focused measures to track delivery of passenger focused measures along with seven measures to allow comparisons across other regions. For each measure, we track delivery at the region level along with reporting progress for Wales & Borders Route, Western Route and Capital Delivery. The scorecard is designed for colleagues but should also make sense to passengers and stakeholders and reflect their experience of Network Rail. It acts as a barometer for the organisation.

Some of the measures were new to the scorecard for 2020/21 and some have been used before. A summary of the new measures on the scorecard is below:

- Ontime
- Complaints handling
- Employee engagement;
- Fatalities and Weighted Injuries
- Personal Accountability for Safety
- Environmental Sustainability Index
- Effective Volumes.

The challenge for all of us is to **make sure everything we do contributes to delivering for the passenger and freight users** and therefore the measures on our scorecard.

We are currently reviewing the composition of the scorecard so that it can effectively balance measuring outcomes with being clear and easy to understand. The scorecard shown overleaf is draft and will be confirmed in 2021. The targets shown represent our strategic plans. We continue to refine our annual targets to reflect changing circumstances so they are appropriately challenging.

		CP6					Achiev- ability
		19/20 (actual)	20/21 (forecast)	21/22 (forecast)	22/23 (forecast)	23/24 (forecast)	
On the side of passengers and freight users							
On Time	Current forecast	n/a	77.2 %	78.3 %	69.7 %	70.7 %	
	Last year's plan	n/a	66.5 %	68.2 %	69.7 %	70.7 %	
Consistent Region Measure - Performance (CRM-P)	Current forecast	1.62	1.10	1.04	1.63	1.60	
	Last year's plan	1.88	1.58	1.51	1.45	1.42	
Freight Delivery Metric (FDM)	Current forecast	94.8 %	95.7 %	94.6 %	94.0 %	94.0 %	
	Last year's plan	93.6 %	94.6 %	94.6 %	94.6 %	94.6 %	
Passenger satisfaction (NRPS)	Current forecast	n/a	85.0 %	*	87.0 %	88.0 %	
	Last year's plan	n/a	85.5 %	85.5 %	85.5 %	85.5 %	
Passenger satisfaction (Managed stations)	Current forecast	n/a	n/a	*	89.2 %	90.2 %	
	Last year's plan	n/a	n/a	89.3 %	89.3 %	89.3 %	
Passenger safety (Train Accident Risk Reduction)	Current forecast	100 %	92 %	95 %	90 %	90 %	
	Last year's plan	80 %	90 %	90 %	90 %	90 %	
Freight cancellations	Current forecast	n/a	0.80 %	1.04 %	1.09 %	1.09 %	
	Last year's plan	n/a	1.09 %	1.09 %	1.09 %	1.09 %	
Transport for Wales customer scorecard	Current forecast	n/a	75 %	50 %	50 %	50 %	
	Last year's plan	n/a	50 %	50 %	50 %	50 %	
Great Western Railway customer scorecard	Current forecast	67 %	75 %	50 %	50 %	50 %	
	Last year's plan	50 %	50 %	50 %	50 %	50 %	
Heathrow Express customer scorecard	Current forecast	85 %	70 %	50 %	50 %	50 %	
	Last year's plan	50 %	50 %	50 %	50 %	50 %	
CrossCountry Time-to-3 (Bristol Temple Meads, Gloucester)	Current forecast	n/a	77.4 %	79.8 %	73.0 %	73.5 %	
	Last year's plan	n/a	72.0 %	72.5 %	73.0 %	73.5 %	
MTR Elizabeth Line Time-to-3	Current forecast	91.3 %	95.4 %	94.0 %	92.0 %	92.0 %	
	Last year's plan	91.3 %	92.0 %	92.0 %	92.0 %	92.0 %	
Proud to work for Network Rail							
Employee engagement	Current forecast	n/a	58 %	58 %	64 %	67 %	
	Last year's plan	n/a	58 %	58 %	58 %	58 %	
Fatalities and Weighted Injuries (FWI)	Current forecast	n/a	0.075	0.061	0.060	0.053	
	Last year's plan	n/a	0.057	0.054	0.049	0.045	
Personal accountability for safety	Current forecast	n/a	140	121	131	118	
	Last year's plan	n/a	149	149	149	149	

		CP6					Achievability
		19/20 (actual)	20/21 (forecast)	21/22 (forecast)	22/23 (forecast)	23/24 (forecast)	
Instinctive industry leader							
Environmental Sustainability Index	Current forecast	n/a	35 %	50 %	50 %	50 %	
	Last year's plan	n/a	50 %	50 %	50 %	50 %	
Effective volumes	Current forecast	n/a	104 %	100 %	100 %	100 %	
	Last year's plan	n/a	100 %	100 %	100 %	100 %	
Composite Reliability Index (CRI)	Current forecast	2.7 %	12.0 %	5.4 %	8.1 %	10.5 %	
	Last year's plan	-2.5 %	0.3 %	3.2 %	6.0 %	8.7 %	
Service Affecting Failures (SAF)	Current forecast	3270	2854	3098	3015	2936	
	Last year's plan	3345	3311	3231	3135	3043	
Passenger growth	Current forecast	n/a	-26.4 %	n/a	n/a	n/a	
	Last year's plan	n/a	7.6 %	1.5 %	2.5 %	0.0 %	
Freight growth	Current forecast	n/a	-18.3 %	n/a	n/a	n/a	
	Last year's plan	n/a	2.2 %	4.9 %	4.9 %	7.8 %	
Easy to engage with, efficient and a dependable partner							
Complaints handling	Current forecast	n/a	87 %	50 %	50 %	50 %	
	Last year's plan	n/a	50 %	50 %	50 %	50 %	
Financial Performance Measure (FPM)	Current forecast	(-£43.9m)	-£16m	£0m	£0m	£0m	
	Last year's plan	£0m	£0m	£0m	£0m	£0m	
Enhancements milestones	Current forecast	78 %	78 %	50 %	50 %	50 %	
	Last year's plan	50 %	50 %	50 %	50 %	50 %	

* NRPS is not being conducted during 2021, alternate measures of passenger satisfaction are in development.

Passenger and Freight growth metrics have been removed from the Regional Comparison Scorecard. Long term targets and forecasts are not provided as a discussion needs to take place to determine whether these remain on the Regional scorecard moving forwards.

2020/21 forecast data is correct to period 2020/21_P11.

The targets shown represent our strategic plans. We continue to refine our annual targets to reflect changing circumstances so they are appropriately challenging.

Achievability assessment	
Very challenging, likely to require substantial organisation and cultural change to achieve, and / or highly dependent on third party involvement	
Challenging, likely to require moderate organisation and cultural change to achieve, and / or dependent on third party involvement	
Achievable, builds on existing organisation and cultural capabilities to achieve, and little or no dependence on third party for delivery	

Scorecard commentary

For 2020/21 we are expecting to meet or exceed target for most of our scorecard measures. The COVID-19 pandemic has presented a number of challenges for the rail industry but it has also been a catalyst for change, not only in terms of technology adoption, but also in prompting a review of maintenance cycles and gaining a greater insight into the factors affecting network performance.

On the side of passengers and freight users

Throughout the pandemic passengers have benefited from improved levels of train performance. The reduced train timetable coupled with the overall reduction in passenger numbers resulted in a less congested network and therefore fewer delays. Freight has also seen fewer cancellations and a higher rate of on time deliveries. Looking ahead to the next three years, the region will reflect on increased train performance during the pandemic and take forward valuable insight to work towards increasing performance in a post-COVID environment. Our priority as an industry is to encourage passengers to return to the network whilst demonstrating that it is safe to do so. There is a degree of risk associated with this and future years have been coloured amber to reflect this. Timetable changes will present a risk to performance during the transition phase and planned works at Bristol Temple Meads, Bristol East Junction and Old Oak Common (related to HS2 construction), whilst contributing towards improving station facilities and train reliability, may cause disruption in the interim. There is also uncertainty around what restrictions will still be in place once passengers return in greater numbers and this poses a risk to trains departing on time from stations if social distancing is to be maintained.

Due to COVID-19 restrictions, we have been unable to survey as many passengers as we would normally do at our stations. The Spring survey indicated close to target levels of satisfaction and whilst we were unable to run the Autumn survey, we are developing alternate ways of assessing passenger satisfaction for next year. We are continuing to focus on improving train performance and are making many improvements to our managed stations. However, Covid-19 presents a long-term risk to passenger satisfaction as services and retail continue to be impacted.

Train Accident Risk Reduction (TARR) targets present a challenge in future years due to the risk posed by climate change on the region's infrastructure. The region has ambitious targets for the rest of the control period, including work to drainage and scour sites.

In terms of delivering for our train operators (GWR, HEx, TfW) we are expecting to meet our targets for the control period. The region will continue to collaborate with industry partners to share best practice and deliver for our customers and as part of this our award-winning alliance with GWR will remain.

Proud to work for Network Rail

In terms of Fatalities and Weighted Injuries (FWI), the region continues to champion a safe-working culture and has initiated new programmes such as the Safety Task Force, allocating specific resource to improving trackworker safety. The Personal Accountability for Safety measure has also challenged us to improve safety amongst our workforce and we are expecting to end the year with fewer breaches to life saving rules and high potential incidents than expected. As we make improvements to safety, our targets for the rest of the control period for these measures will become ever more challenging.

The region continues to place a high importance on how engaged the workforce is surveying employees to understand responses to questions surrounding job satisfaction and likelihood of recommending Network Rail to friends and family. The region has experienced a year of change as the new organisational structure has been implemented as part of the national Putting Passengers First programme, coupled with changed working practices as a result of the pandemic. Recent surveys have had promising results, indicating a level of employee engagement in line with target. For future years the targets will be increased, placing greater pressure on the region to maintain and increase employee engagement.

Instinctive industry leader

As with all industries, Network Rail is being challenged to review the way we operate and make changes to improve environmental sustainability. The region is progressing well with identifying key priorities and there is already great work being undertaken in all areas with specific resource allocated to this. The region's Sustainability Delivery Plan is taking shape, emulating the road map in the national strategy with ambitious and considered plans.

The number of Service Affecting Failures (SAFs) this year has been positively impacted by COVID-19 with the reduction in failures proportionate to train service levels. The reliability of our assets measured through the Composite Reliability Index (CRI), has also been more favourable as a consequence. The region will strive to maintain lower levels of failures throughout the control period, but with the expected increase to service levels over the latter part of next year, forecasts are cautious of the effect of increased traffic on train reliability.

We are expecting to exceed targets for Effective Volumes for the current year and anticipate meeting our targets for future years. This reflects that our renewals activities are effectively extending the life of our assets, sustaining them for years to come.

Easy to engage with, efficient and dependable partner

For this year we are expecting to exceed target for complaints handling. This means that the region is working hard to reduce the number of complaints we receive and reduce the time it takes to respond to and resolve these. We are expecting to perform in line with target for the next few years.

COVID-19 has affected the region financially, particularly in terms of driving additional costs and causing planned work to be paused or rescheduled. The region has responded quickly to reprioritise work and distribute protective equipment to front-line workers to ensure that as much of the workbank can go ahead in a COVID-secure manner, yet we still face the challenge of delivering efficiencies in what has become a more costly environment. We have budgeted and planned on known factors for next year, mindful that the changing environment and unknown recovery of passenger numbers is putting great strain on our finances.

We are currently expecting to exceed target for the number of enhancement milestones delivered for our customers this year. This needs to be coupled with a degree of caution for future years of the control period as the wider economic impact of COVID-19 has put the funding of some projects at risk.

Financial information

We continue to deliver our Control Period 6 commitments within our funding, managing risks to remain compliant to our financial targets. The COVID-19 pandemic has had a major impact on our financial situation, with adverse impacts on our expenditure with additional costs arising from social distancing and other mitigation measures, as well as increased costs due to works postponed during the March lockdown and the impact on revenue from our property portfolio. These have been offset through other favourable changes to our income, mainly due to better than forecast train performance.

We have experienced an increase in renewals costs due to COVID-19 restrictions and increased complexity in some renewals projects, notably in the track asset. Extensive work has been undertaken to understand the cost drivers which has successfully reduced the Year 2 variance by over 50 % and stabilised the remaining overall CP6 impact. We have undertaken extensive commercial reviews into our contracts to reduce costs, benchmarking our costs with other regions and implementing new governance improvements.

Post-efficient financial overview for CP6 (inclusive of headwinds)

	Unit of measure	CP6					Total
		19/20 (actual)	20/21 (forecast)	21/22 (forecast)	22/23 (forecast)	23/24 (forecast)	
Total Income	£m	(305.8)	(351.8)	(338.4)	(363.1)	(353.7)	(1,712.8)
Maintenance	£m	243.4	264.3	256.3	248.0	253.2	1,265.2
Operations	£m	111.0	114.6	118.4	123.4	122.0	589.5
Support	£m	21.0	29.1	23.4	22.5	22.0	118.0
Total MOS	£m	375.4	408.0	398.2	393.9	397.3	1,972.7
Risk (Region-controlled)	£m	0.0	0.0	0.0	12.9	36.8	49.7
Risk – GPF	£m	0.0	0.0	0.0	0.0	18.9	18.9
Total Controllable costs	£m	375.4	408.0	398.2	406.8	453.0	2,041.4
Non-controllable costs	£m	0.3	0.3	0.4	0.4	0.4	1.8
Renewals	£m	409.8	528.0	583.5	617.0	571.8	2,710.2
Total OMR	£m	785.5	936.4	982.1	1,024.2	1,025.2	4,753.4
Enhancements (approved)	£m	334.2	164.0	307.8	243.3	233.4	1,282.6
Headcount	FTE	5,409.5	5,496.5	5,412.0	5,412.0	5,412.0	5,412.0
Permanent	FTE	5,248	5,424	5,370	5,370	5,370	5,370
Agency	FTE	161.5	72.5	42	42	42	42

Income

	Unit of measure	CP6					Total
		19/20 (actual)	20/21 (forecast)	21/22 (forecast)	22/23 (forecast)	23/24 (forecast)	
Variable charges (VUC, EAUC)	£m	(39.2)	(27.4)	(37.3)	(39.7)	(40.6)	(184.1)
Stations LTC	£m	(8.0)	(8.2)	(8.3)	(8.4)	(8.6)	(41.4)
EC4T	£m	0.0	0.0	0.0	0.0	0.0	0.0
Schedule 4 ACS	£m	(22.4)	(22.3)	(25.1)	(25.7)	(18.6)	(114.0)
FTAC	£m	(128.4)	(187.6)	(191.9)	(199.4)	(183.6)	(890.9)
Network Grant (SOMR)	£m	0.0	0.0	0.0	0.0	0.0	0.0
Income from FNPO	£m	0.0	0.0	0.0	0.0	0.0	0.0
Other single till income	£m	(0.9)	(2.5)	(2.2)	(1.6)	(1.0)	(8.3)
Total turnover within scope of PR18	£m	(198.8)	(248.0)	(264.7)	(274.8)	(252.4)	(1,238.7)

Our income forecasts are based on the assumption of a return to pre- COVID-19 levels of train services during the latter part of 2021/22, and will be subject to change depending on actual train service volumes.

Efficiencies

	Unit of measure	CP6					Total
		19/20 (actual)	20/21 (forecast)	21/22 (forecast)	22/23 (forecast)	23/24 (forecast)	
Capex (renewals)	£m	37.8	50.8	88.2	122.2	83.0	382.0
Opex	£m	14.0	26.0	34.9	37.0	39.6	151.6
Total	£m	51.7	76.8	123.2	159.2	122.7	533.6

We have implemented a number of improvements to our efficiency management process, including a new quarterly efficiency reporting cycle, a new regional change control process and a new efficiency delivery management system which has improved our tracking of efficiencies.

Renewals activity

Costs (post headwinds and efficiencies in cash prices)	Unit of measure	CP6					Total
		19/20 (actual)	20/21 (forecast)	21/22 (forecast)	22/23 (forecast)	23/24 (forecast)	
Track	£m	147.6	180.6	184.9	180.9	168.8	862.8
Signalling (excluding Digital Railway)	£m	75.3	101.3	131.1	182.3	177.9	667.9
Signalling (Digital Railway)	£m	0.0	0.0	0.0	0.0	0.0	0.0
Structures	£m	60.6	78.7	73.2	83.2	70.1	365.8
Earthworks	£m	44.0	37.6	38.7	39.3	35.9	195.4
Buildings	£m	27.8	50.7	69.2	55.7	41.8	245.2
Electrification & Fixed Plant	£m	34.4	35.0	29.8	25.5	25.7	150.4
Drainage	£m	10.1	11.0	8.8	10.5	7.7	48.2
Telecoms	£m	2.3	5.5	6.4	14.3	10.9	39.3
Other Renewals (Region Only)	£m	2.0	17.3	23.4	17.7	27.1	87.5
Other Renewals (Functions)	£m	5.7	10.3	18.1	7.7	5.8	47.6
Total Renewals	£m	409.8	528.0	583.5	617.0	571.8	2,710.2

Effective volumes	CP6					Total
	19/20 (actual)	20/21 (forecast)	21/22 (forecast)	22/23 (forecast)	23/24 (forecast)	
Track (plain line)	198.8	186.3	239.7	272.5	215.7	1,113.0
Track (S&C)	40	42.5	42.1	43.1	49.2	216.9
Signalling	84.8	8.325	239	411.56	413.42	1,157.1
Electrification and fixed plant (overhead line)	0.0	0.0	0.0	0.0	0.0	0.0
Structures (bridges)	3,483.1	3,074.0	3,163.1	5,980.4	5,228.9	20,929.5
Earthworks	115.4	121.1	153.1	103.5	93.8	586.8

Our asset management strategy focuses on providing a safe, reliable infrastructure, balancing renewals and maintenance interventions to deliver efficient asset sustainability.

For the **track** asset, our approach for CP6 is to sustain a steady state asset condition throughout the control period, through a focused programme of renewal and maintenance activities.

In **signalling** we will be resignalling along the south Wales mainline towards west Wales and undertaking targeted life extension interventions of mid-north Wales mechanical signalling assets. We are investing in the replacement of track circuits with axle counters between Paddington and Heathrow Airport Jn to improve asset reliability.

In CP6 we are focused on reducing risk at our higher risk passive **level crossings**, removing risk at our lower risk crossings and developing plans for potential closure of our more difficult public road crossings. Active level crossing renewals will be undertaken to replace obsolete or elderly equipment with modern form equivalents integrating improved technology as and when it becomes available.

Our **electrification** system will benefit from the installation of a new pantograph monitoring system at strategic locations across the region to allow the real time identification of faults arising from damage to the OLE infrastructure or train pantograph. We will complete renewals to **fixed plant** assets, such as the pumping system at Sudbrook (Severn Tunnel) to maintain availability at its highest possible level and to mitigate against an increased risk of severe weather events. We will undertake life extension and upgrade to our hot axle box detectors of the Fues variety, so they remain reliable and contribute to accident and derailment risk reduction. We will also complete significant volumes of signalling power cable works to improve signalling power reliability and availability.

The CP6 plan for **structures** will focus on the major renewal of the timber Barmouth viaduct, as well as increasing maintenance interventions to improve asset condition.

The **geotechnical** asset investment plan will target soil cutting and crest drains to improve asset resilience during adverse and extreme weather events. We are increasing investment in earthworks in response to the Stonehaven accident.

Targeted interventions will be carried out on key assets across the **buildings** portfolio to maintain asset condition, with major works are being progressed to renew the trainshed roof and to rewire Bristol Temple Meads. This is being managed alongside the enhancement to Bristol East Junction to minimise passenger disruption.

We are progressing on a programme of renewal and maintenance activities to maintain **telecoms** asset condition and are focused on transitioning legacy systems to a single internet protocol telecoms network and removing end of life assets to improve availability and security, as well as minimising cost and complexity.

Risk and uncertainty

The region has a comprehensive risk management framework overseen by a business assurance committee comprising enterprise risk specialists and the regional executive team. Items being managed include risks related to the introduction of new train fleets on the Wales route, preparations for the operation of through Elizabeth line services, progress with business continuity management and efficiency delivery. This plan complies with the Network Rail corporate risk appetite. Risks managed to a successful conclusion included the completion of the electrification programme and the successful introduction of the December 2019 timetable.

The region is managing financial uncertainty against a range of issues, notably the continued impact of the COVID-19 pandemic on income from property and from train operators, and on the cost of undertaking work.

Approval

This document and accompanying templates are owned by the Managing Director.

Submission of this document indicates confirmation that:

- **all appropriate assurance activities have been undertaken**
- **the Managing Director and Finance Director are satisfied with the quality, currency and appropriateness of the content of this document as well as the cost, volume and activity projections to which it refers.**

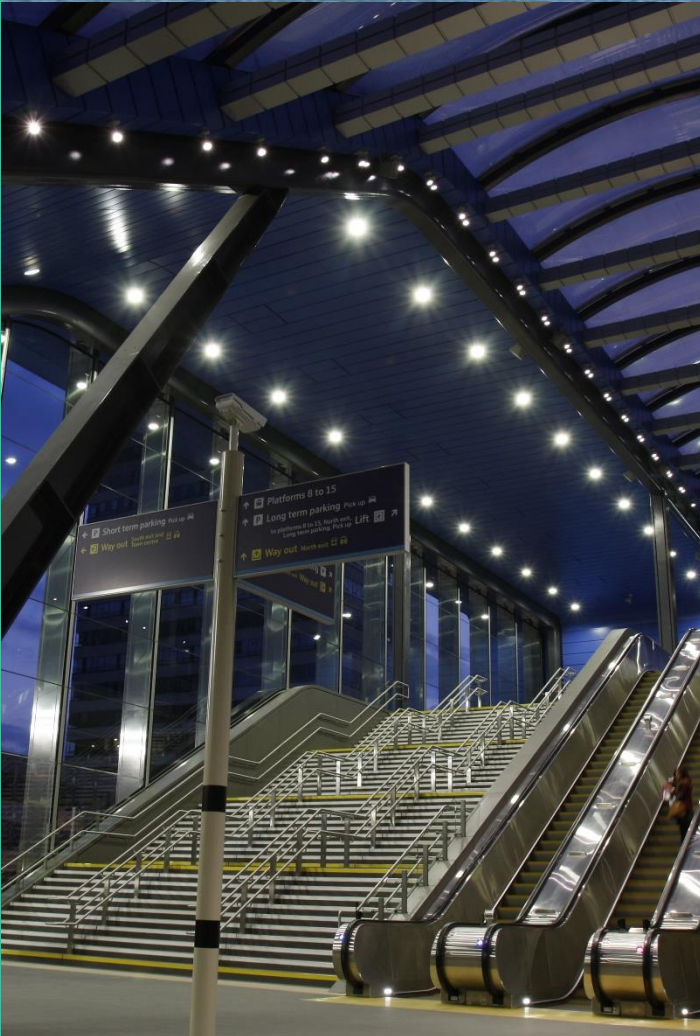
Authorised by:



Mike Gallop
Interim Managing director, Wales & Western



Mike Gurtenne
Finance director, Wales & Western





Appendices



Wales and
Western



Appendix A:

assumptions

Our plans for CP6 have been built using the following assumptions.

Route	Ref no.	Topic	Assumption	Areas of spend impacted
Wales	A.2	Franchise Change	Volumes within the route strategic plan are derived on the basis that the new Transport for Wales franchise is materially unchanged from the existing agreement and doesn't consider any potential train service requirement changes arising from the re-franchise.	All assets
Wales	A.3	Re-signalling works	The overarching plan for the route is: 1. Port Talbot West (phase 2) which will see the closure of Port Talbot Panel and control of the railway westwards to Ferryside or Carmarthen transferred to the Wales Railway Operating Centre. This is planned for development in CP5 for delivery in mid - late CP6. 2. Life extension schemes in lieu of Modular Signalling schemes to maintain current operational	All assets
Wales	A.6	Access	Any opportunities that can be gained through the engagement with TfW will be dependent upon other routes, FOC and TOCs agreement and will need to align with the national timetable and existing possession planning within the route. Additionally, it is assumed that track access will not materially change due to the introduction of the IET fleet.	All assets
Wales	A.10	On track plant	It is assumed that suitable plant will be available in enough quantity to deliver S&C heavy refurbishment (re- ballasting in-situ) in CP6.	Track
Wales	A.11	E&P renewals	No renewal of points heating associated with re-signalling schemes as it is assumed that these can be re- used and re-connected.	E&P / Track capex
Wales	A.12	Level crossing surfaces	Level crossing lift and replace will be increased to maximise the effectiveness of on track machine treatments on the overall track geometry readings.	Track / off-track & signalling
Wales	A.13	Access roads	Wales Route have several access roads within the asset portfolio; these often provide access to third party properties as well as access to the railway. As with all assets these require works to maintain their condition, an assumption has been made to the length of road as asset information is poor.	All assets
Wales	A.14	Access points	This asset has been neglected over several control periods and many are not fit for purpose. A renewal/refurbishment plan is therefore required to improve workforce safety and reliability. The costs within the plan (£1.3m per annum pre-efficient) assume that improvement work can be undertaken at circa 43 access points per annum with the cost being based on CP5 average unit rate.	All assets
Wales	A.15	Vegetation works	The Wales route vegetation strategy includes a significant quantity of vegetation management to achieve a compliant position. The plan assumes that track access (particularly for felling plant) is available as planned and not restricted especially given that access for off-track work on this scale has not been requested before.	All assets

Route	Ref no.	Topic	Assumption	Areas of spend impacted
Wales	A.16	National habitat compensation project (NHCP)	The operations, maintenance and renewals budget with the Wales route strategic plan do not accommodate any change of asset use to provide sea defence, or habitat replacement in locations where managed retreat has been identified as a long-term strategy by Natural Resources Wales (NRW). Any changes are viewed as enhancements to the infrastructure, and so would fall outside the scope of this document. Network Rail is working to understand the implications of this potential issue via our memorandum of understanding with NRW.	All assets
Wales	A.17	Drainage	The CP6 Plan includes drainage improvement in the Severn Tunnel based upon the assumption that access is available to undertake this work.	All assets
Wales	A.18	Buildings portfolio - managed stations volume and budget	No franchised stations will become NR Managed Stations during CP6: There has been no provision for Managed Station maintenance, renewals or Asset Management resource on the Wales Route during CP6. Allowances for these budgets would be required in the event of any stations within the route changing from Franchised to Managed Estate.	
Wales	A.19	Operational property - light maintenance depot (LMD)	Landore LMD will be leased to a 3rd party, reducing the risk of trespass and vandalism on a large site which the route is scheduled to inherit from Western route following the expiry of GWR lease on 31/03/19. Should a third party lease not be in place, the route will be responsible for the security and maintenance of a large vacant LMD which will be a target for trespassing and vandalism.	
Wales	A.20	Operational property - franchised stations	Franchised Stations will remain on traditional leases to one TOC: Any changes to the operation, inspection or maintenance arrangements at franchise change would impact on annual costs. A consistent interface with one operator is also assumed.	
Wales	A.22	Third party constraints	Certain works will need consents and funding agreements from third parties, e.g. Environmental, Listed Building, BridgeGuard3, etc. Assumed that all consents will be gained to meet timescales for delivery of volumes.	Structures assets
Wales	A.23	Volumes	It is assumed that the structures that are planned for renewal due to Level 1 Policy requirement intervention (e.g. strengthening to meet the required capability) will also have any Level 2 policy volumes carried out as part of that renewal (e.g. Repair/Preventative) to maximise delivery efficiency.	Structures assets
Wales	A.25	Coastal, Estuarine, and River defence	No national policy so volumes based on current information. Further development of the work-bank will be on-going as understanding of risks from climate change and how to manage the resilience of the railway improves.	Structures assets
Wales	A.27	Safety	Funding to meet the requirements of new legislation introduced into Wales (e.g. Environment (Wales) Act 2016) has been included within the core submission.	
Wales	A.28	Community rail	Where reference is made to the development of community rail leases, the current process relies on enough human resource being available off route in the freight property team centrally. The route doesn't have the technical expertise to progress this lease internally as 'Wales route'. We brief lease schemes that they will be charged for the time of the freight team, but the freight property team also have their substantive responsibilities to manage, of which community rail isn't one of those responsibilities.	
Wales	A.29	Electrification to Cardiff	Reduction in track access between boundary and Cardiff due to additional isolation requirements impacting possession length. It is assumed that this reduction will lead to ~20% less productive time than currently experienced for many track / lineside maintenance activities.	Opex / All assets
Wales	A.30	Asbestos	There has been no allowance for the removal of asbestos in CP6 except for buildings.	All assets except for buildings

Route	Ref no.	Topic	Assumption	Areas of spend impacted
Wales	A.31	Opex	The basis of Opex assumption is CP5 exit with major strategic asset management changes noted and considered, including electrification. Costs have utilised the Activity Based Planning tool for both Cardiff and Shrewsbury DU	All assets
Wales	A.32	Impact of the Digital Railway programme on track	While in the long term, digital railway deployment is expected to include plans for Wales route, this is not in the life of the current route strategic plan, so no track volume has been built into the track plan beyond that which is reasonably foreseeable as being needed to support conventional re-signalling (described in A.3).	
Wales	A.33	Unit Cost (Geotech)	The unit costs used in the submission are based on a combination of National figures and route unit costs obtained from schemes delivered in CP5.	
Wales	A.34	E&P Unit Rates	It should be noted that where possible the latest unit rate book has been adopted. Where these revised rates have not been provided locally delivered rates have been used where better route knowledge exists like Severn Tunnel pumping.	E&P
Wales	A.35	ECRO support	It has been assumed that ECRO support for Electrification to Cardiff will be covered by Western Route throughout CP6.	Electrification
Wales	A.36	CEFA Asset Count	This submission is based upon a change in asset count for Electrification, although there is an appreciation that improvements in asset data quality will see numbers increase.	Electrification Asset Data Quality
Wales	A.37	CEFA & Electrification	The impact upon CEFA activities under or adjacent OLE has been considered within this submission although it only affects a relatively small number of assets with electrification only going to Cardiff.	Electrification
Wales	A.38	Electrification manpower	The plan assumes that the output of the safer faster isolations work stream will be completed before entry into service (EIS) on the Wales Route.	Electrification Opex
Wales	A.39	Extreme Weather events	The plan assumes that there is no allowance for Extreme Weather Events in the plan and that the works to reinstate the asset will be funded from a central contingency pot and not from the Wales Route budget.	All assets
Wales	A.40	TOC Fleet	Performance analysis has assumed that the fleet in the new franchise remains in a maintainable condition.	
Wales	A.41	On Track Machines	Is it assumed that suitable and sufficient tamping / stone blowing resource will be available from the supply chain post the award of a new contract by Route Services.	
Wales	A.43	Port Talbot Re-signalling	Track maintenance volumes in Cardiff delivery unit to consider that this project is completed as anticipated in Year three of CP6.	Track
Wales	A.44	Port Talbot Re-signalling	Development of this scheme is well underway but still undefined. The assumption is that the reduction in signal equivalent units will fund resulting works in other assets that are affected but the route will need to review when GRIP3 option selection report is completed.	Track
Wales	A.45	Energy Performance	There are currently no works planned to increase the Energy Performance of the franchised estate as the route is in the early stages of assessing its portfolio. The energy efficiency of the portfolio is therefore currently unclear. The Wales and Borders refranchise would be the first required to meet minimum energy efficiency standards (MEES) criteria under the Energy Act 2011, this is a clear risk to the route and has been included as a headwind in the buildings portfolio.	Operational property
Wales	A.46	Accessible Stations	Application of the Department for Transport's code of practice for accessible stations is also a headwind within the buildings portfolio as the requirements for many of the schemes proposed in CP6 are currently unclear until diversity impact assessments are completed for the proposed schemes.	Operational property

Route	Ref no.	Topic	Assumption	Areas of spend impacted
Wales	A.49	Accessibility at stations	The operational property plan does not allow for upgrades to stations for accessibility where maintenance interventions are planned.	Operational property
Western	WES-CP6-Fin-A-02	Enhancements	The route business plans do not take into account any new committed enhancements post 26/5/2017, and excludes the "Hendy Tail" (with the exception of Bristol East Junction remodelling and Reading Independent Feeder), or arising from refranchising. This is typically projects that move into GRIP 6 (build phase). Change control will apply to the enhancements to align with OMR plans as it is assumed that future enhancement project funding will also allocate additional funds to the route to cover incremental operating, maintenance, support and renewal costs and any shortfall in income	All areas, capex and opex
Western	WES-CP6-Route-A-12	Unit Rates	The unit rates used for the submission are calculated based on current H&S regulations and requirements. No allowance is made for further tightening of health and safety regulations led by either external organisations or internal to Network Rail, as it is assumed that there will be no significant changes to health, safety and environmental legislation or any additional requirements imposed by the ORR above today's standards.	All areas, capex and opex
Western	WES-CP6-Main-A-07	Standards Changes	No allowance has been made for the impact of Standards or Policy changes made during CP6. It is assumed that cost implications of changes are accounted centrally and provisions made by Standards Owners.	All areas, capex and opex
Western	WES-CP6-E&P-A-10	Overhead line	The Great Western Electrification programme deliver against the route Project Requirements Specification in relation to a 5 minute permit to work. Failure to meet this requirement will have an impact on Opex and the resource levels within the OLE maintenance teams.	Maintenance opex
Western	WES-CP6-E&P-A-09	Overhead line	The isolation and earthing strategy and equipment being implemented by the Great Western Electrification programme is accepted by the ORR with no requirement for additional infrastructure or funding from the E&P business plan.	E&P capex
Western	WES-CP6-E&P-A-17	TPCMS SCADA	No allowance or consideration has been made for transfer to, or up keep of TPCMS SCADA.	E&P capex and opex
Western	WES-CP6-Route-A-04	Refranchise	Customer requirements after refranchise will be the same as at the time of submission.	All areas, capex and opex
Western	WES-CP6-CRE-A-05	Franchise	No provision is made for any works required to facilitate the introduction of any new or changed rolling stock as a result of the franchising process.	All areas, capex and opex
Western	WES-CP6-CRE-A-04	HEX	No provision is made for change to Heathrow Express Track Access Contract which is due to expire in 2023	All areas, capex and opex
Western	WES-CP6-Bld-A-01	Managed Stations	Managed Station portfolio of Paddington, Reading and Bristol Temple Meads remains unchanged.	All areas, capex and opex
Western	WES-CP6-Bld-A-03	GWR franchise	New GWR Franchise operational property regime will be per the existing arrangements.	Maintenance, opex
Western	WES-CP6-Route-A-16	HS2	The following HS2 enabling schemes are assumed to be funded for CP6 by HS2: OOC Hex Depot relocation (Langley), OOC GWR West Ealing Sidings Phase 2, HS2 ONW South (OOC enabling, GWML Station, Wil), OOC GWML Station, OOC enabling works, OOC Willesden Euro (HOOB), OOC Depot Decommissioning, HS2 ONW Ground investigation, HS2 ONW HS2 HALO, PH1 enhance - HS2 mass haulage strategy	All areas, capex and opex
Western	WES-CP6-Fin-A-06	OMR costs and income	No Impact of HS2 on costs and efficiencies built into the plan. It is assumed that HS2 will re-imburse such costs or lost revenue.	All areas, capex and opex
Western	WES-CP6-Trk-Bld-A-08	Stepping distances at Crossrail stations	Any required correction or adjustment to stepping distances at stations to be used by Elizabeth line services or other new trains will not be funded through renewals.	Track and buildings, capex and opex
Western	WES-CP6-Trk-A-02	Access	Minimum of 8 hour midweek access is available for the delivery of High Output campaigns. 9 hrs will be available in axle counter areas	All areas, capex and opex
Western	WES-CP6-Trk-A-06	Rail milling	Rail milling technology and resource will be available to the route to treat rolling contact fatigue.	Track capex
Western	WES-CP6-Data-A-03	Intelligent infrastructure	The Intelligent Infrastructure programme delivers the various tools and systems required	All areas, opex

Route	Ref no.	Topic	Assumption	Areas of spend impacted
Western	WES-CP6-SHE-A-04	Level Crossing Risk Reduction	The route will achieve the necessary external permissions to enable planned level crossing closures to take place.	Safety and signalling, capex
Western	WES-CP6-SHE-A-06	Home Safe Plan	National programmes contained in the Home Safe Plan will be delivered and funded nationally.	Safety, opex
Western	WES-CP6-Route-A-01	Boundary Change	Assets which will transfer to NW&C region as part of the proposed boundary change have been included in the Wales & Western Regional Strategic Plan. The areas controlled by following signal boxes which currently form part of Western route will be resignalled and control transferred to Central route: Droitwich Spa; Henwick; Ledbury; Malvern Wells; Newland East; Norton Junction; Worcester Shrub Hill; Worcester Tunnel Junction.	All areas, capex and opex

Appendix B: significant changes

We live in a changing world. The COVID-19 pandemic has seen dramatic changes in usage of the railway, and social distancing measures have forced changes to our delivery methods and projects.

Our plans also change as a result of routine evaluation of renewals priorities informed by our detailed understanding of asset condition, as well as on-site delivery conditions. These detailed changes are outlined in our renewals databook and in our quarterly volumes report. Our maintenance delivery can also be subject to routine change, which is laid out in our activity based planning reports. There are also changes to our scorecard, informed by stakeholder priorities or evolution of our strategy. These are outlined in our scorecard change log.

This section of our regional strategic plan therefore details the significant changes compared to our CP6 Delivery Plan.

Description of change	Restatement of Wales & Western regional strategy		
Reason for change	Creation of the Wales & Western region as part of the Putting Passengers First programme	Benefits / drawbacks / risks	The principal benefit is a realignment of regional activity to the strategic ambitions and NR Story, creating greater line of sight for delivery
Timescales	Strategy developed during spring / summer 2020, with underpinning delivery plans developed in autumn 2020	Mitigations	Although the overall strategy is being refocused, the core delivery commitments in the scorecard and volume plans remain unchanged
Impact / deliverability	Refocus and resetting of strategic direction for the region, aligned to the Network Rail Story. The change is being delivered through a dedicated project team with external support to minimise impact on core delivery		

Description of change	Implementation of the Putting Passengers First organisation change on Wales & Western region to create the organisation structure described in the beginning of this strategic plan		
Reason for change	The change is implemented as part of the broader Putting Passengers First programme arising from the CEO's 100 day review of Network Rail	Benefits / drawbacks / risks	The change allows the region to absorb accountabilities devolved from NR's central functions, and to place a greater focus on delivery to passengers and freight users
Timescales	Reorganisation developed through 2019/20 and delivered by autumn 2020/21	Mitigations	Although the overall organisation structure of the delivery region and routes was changed, the core delivery plan commitments remain unchanged. Front-line colleagues were not directly affected by the change.
Impact / deliverability	The change was implemented using dedicated project resource with external support to minimise impact on core delivery.		

Description of change	Reorganisation of Western Route maintenance delivery units, moving from four delivery units (Reading, Swindon, Bristol and Plymouth) to three (East, Central and West)		
Reason for change	To provide greater focus on delivery for the Elizabeth line, to strengthen engineering leadership within the delivery units	Benefits / drawbacks / risks	This change provides for a smaller delivery unit focused on service delivery in the critical Paddington – Reading corridor, as well as increasing the number of maintenance engineers
Timescales	Reorganisation developed through 2019/20 and delivered by early 2020/21	Mitigations	Although the overall structure of the delivery units was changed, the core volume delivery commitments remain unchanged. Front-line colleagues were not directly affected by the change.
Impact / deliverability	The change was implemented using dedicated project resource, using a risk-based approach to minimise impact on core delivery		
Description of change	Transfer of the Worcester area from Western Route to the Central Route within the North West & Central region		
Reason for change	To provide greater focus on delivery for services in the West Midlands, responding to stakeholder feedback	Benefits / drawbacks / risks	The change facilitates end-to-end service management of West Midlands Railway services between Hereford and Birmingham
Timescales	Transfer developed through 2020/21 for implementation on 1st April 2021	Mitigations	Core volume delivery commitments remain unchanged despite the change to accountability and line management for colleagues in Worcester. Dedicated project resource is being used to minimise the risk of distraction arising from the change.
Impact / deliverability	The change is implemented using dedicated project resource, using a risk-based approach to minimise impact on core delivery, and applying lessons learned from the Western maintenance delivery unit reorganisation		
Description of change	Divestment of the Core Valley Lines from Network Rail to Transport for Wales		
Reason for change	To facilitate TfW's plans to create a South Wales Metro operating in the core Valleys and through Cardiff	Benefits / drawbacks / risks	This change transfers entirely sections of the network to TfW, including accountability for operation, maintenance and renewal. The change facilitates the electrification of the network as part of TfW's South Wales Metro project
Timescales	Divestment developed through 2019/20 and delivered by early 2020/21	Mitigations	The change was implemented using dedicated project resource and detailed collaboration with TfW and ORR to achieve a successful transfer of the network and relevant accountabilities.
Impact / deliverability	The change rebaselined the CP6 plan for Wales Route, impacting on all aspects of financial and volume information to reflect the transfer of a section of the network to a different infrastructure manager		

Appendix C: stakeholder engagement

In developing our CP6 plans, we engaged in a series of workshops across the region with a wide range of stakeholders including our partners, regulators, funders, passengers and the public. Our stakeholders' views influenced our plans and strategic priorities.

Our stakeholders have told us that we must be easier to do business with; we need to be transparent about our plans and have clearer points of contact. Their overall priority is to see improved performance to support economic growth across Wales and the west. We will continue to engage with our stakeholders to help develop our plans.

We work closely with GWR and TfW to integrate, where we can, our stakeholder engagement. We hold joint events with GWR and TfW in the House of Commons and Welsh Assembly respectively and we hold stakeholder briefings together and issue joint stakeholder updates on key announcements or activities.

We have refreshed our stakeholder engagement plan and have adapted it to include virtual workshops to maintain engagement despite the COVID-19 pandemic.

Next year we will hold workshops across the region to get feedback on our current plans and to hear stakeholder priorities for the future. This will be combined with a rolling schedule of engagement; comprising business breakfasts, an external and internal listening programme and an independently organised stakeholder survey.

Our objectives for stakeholder engagement

1. We are recognised (through feedback and assessment) as being honest, open, clear and trusted in our engagement.
2. We agree with our TOC and FOC stakeholders how we want to work together and regular seek, listen and act on feedback.
3. Our stakeholders shape our plans.
4. We are a good neighbour – caring about the communities we work in – we reduce complaints about our work and meet key performance indicators for handling public cases.
5. We work with stakeholders to minimise disruption on passengers, freight and communities.
6. We work with stakeholders to develop medium and long term plans to help support jobs, housing and the economy.
7. We engage with the supply chain so that they understand our plans for a five year period so that they can help us drive efficiencies and scale appropriately.

Engagement shaping our plans

The Route Strategic Plans for CP6 for Wales and Western routes set out in detail the engagement and feedback from our stakeholders which shaped our plans for CP6 which are covered in this document. We have worked closely with our industry partners to develop joint scorecards and the detail of that engagement is set out in the customer agreement forms.

We have continued to engage with our stakeholders through a listening exercise in early 2020, stakeholder breakfasts, as well as regular virtual engagement events with upper tier local authorities and local enterprise partners.

We completed public consultation for two major schemes in 2020: the proposed Western Rail Link to Heathrow project, and the South West Rail Resilience Programme where we engaged on our plans to improve the resilience of the railway between Holcombe and Teignmouth linking Devon and Cornwall to the rest of the rail network. Following that consultation we will be revising our plans before engaging further with the public.

Activities	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
External listening exercise												
Director breakfasts												
Stakeholder workshops												
Parliamentary receptions												
Welsh Assembly drop-ins												
GWR conference												
Researchers briefing												
Comres surveys												
APPG Great South West												
APPG Wales												
Peers meetings												
Peninsula Rail Task Force Board												
Train namings												
Major engineering work												
Timetable change												

In addition, individual meetings are held with Members of Parliament (MPs), Members of the Senedd (MSs), Ministers, Councillors, Mayors and others throughout the year.

Stakeholder engagement strategy

More information on our approach to stakeholder engagement can be found in our dedicated *Wales and Western Stakeholder Engagement Strategy for Control Period 6*.

Appendix D: supporting documents

Our regional strategic plan is supported by a series of detailed, underpinning delivery strategies which provide more information on our progress and activities to realise our strategic ambitions.

Topic	Supporting strategy
Health, safety and environment	Wales and Western Health, Safety and Environmental Action Plan
Train service delivery	NR / Great Western Railway joint performance improvement strategy Network Rail - Wales Route and Transport for Wales - Rail Services Joint Performance Strategy – CP6 Network Rail / MTR Elizabeth line Elizabeth line Performance Strategy Network Rail and Heathrow Express Performance Strategy
Stakeholder engagement	Wales and Western Stakeholder Engagement Strategy for Control Period 6 CP6 Route Strategic Plan, Wales Route CP6 Route Strategic Plan, Western Route Scorecard customer agreement forms

Appendix E:

glossary

Term	Full description	Supporting explanation
ABP	Activity Based Planning	An established accounting process used widely across organisations and introduced by Network Rail to develop maintenance resource and costs in CP6
APPG	All Party Parliamentary Group	Informal cross-party interest groups of Members of the Commons and Lords
Capex	Capital Expenditure	An accounting term used to classify money spent on acquiring or improving fixed assets which is then depreciated in the accounts and non-consumable. Renewals are treated as capex in the CP6 submission
CEFA	Civils Examination Framework Agreement	The contractual arrangements for the examination of civils assets, such as bridges and buildings
Control Period		The five year timespans used for financial and regulatory planning purposes as part of the Network Licence under which Network Rail owns and operates the rail network.
COVID-19		The novel coronavirus which became a pandemic in 2020
CP5	Control Period 5	April 2014 - March 2019: the previous Control Period
CP6	Control Period 6	April 2019 - March 2024: the current Control Period
CRI	Composite Reliability Index	An indicator agreed between Network Rail and ORR which summarises the contribution of asset reliability to the safety and performance of the railway
DfT	Department for Transport	The government department accountable for rail transport in Great Britain
Digital Railway		Programme introducing digital command control and signalling systems
E&P	Electrification & Plant	The assets which form the traction and signalling power supply systems
EAUC	Electrification Asset Usage Charge	Variable income paid by TOCs to Network Rail relating to electric train operation
EC4T	Electric Charge for Traction	Income paid by TOCs to NR in relation to electricity supplied by OLE to trains
ECRO	Electrical Control Room Operator	An individual who controls the traction power supply systems
Elizabeth line		New railway service linking Reading and Heathrow to Shenfield and Abbey Wood using a tunnel through central London, operated by MTR Elizabeth Line under a concession awarded by Transport for London (TfL), using NR's network, and a central operating section built and managed by Crossrail Ltd
FDM	Freight Delivery Metric	Performance measure for freight operating companies
FNPO	Freight and National Passenger Operators	Train operating companies whose business lies across many of NR's regions rather than being predominantly in a single region
FOC	Freight Operating Company	A freight company with access rights to operate train services on Network Rail infrastructure
FTAC	Fixed Track Access Charge	Income paid by TOCs to Network Rail in relation to providing the fixed infrastructure
FTE	Full Time Equivalent	A measure of the number of employees in the business
FWI	Fatalities and Weighted Injuries	An indicator commonly used in safety assessments and as part of the Common Safety Method to assess the level of safety.
GPF	Group Portfolio Fund	A specific risk fund in NR's CP6 financial settlement
GRIP	Governance for Railway Investment Projects	The management and control process developed by Network Rail for developing and delivering projects on the rail network.

Term	Full description	Supporting explanation
GWR	Great Western Railway	The principal Train Operating Company on Western route
HEX	Heathrow Express Limited	The non-franchised Train Operating Company operating between London Paddington and Heathrow Airport terminals
HS2	High Speed 2	The high-speed railway being constructed by High Speed Two Limited. The main activity on Western route is the construction of a new interchange station at Old Oak Common (OOC)
IET	InterCity Express Train	Hitachi Class 80x trains introduced from 2018
LGBT+	Lesbian, Gay, Bi, Transgender	Along with heterosexual, these are terms used to describe people's sexual orientation or gender identity
LMD	Light Maintenance Depot	A depot licenced and regulated by ORR to provide routine maintenance services to passenger and other trains
LTC	Long Term Charge	Paid by TOCs to NR in relation to long-term repairs for example of stations
LTIFR	Lost Time Injury Frequency Rate	One of a set of key safety metrics used to improve and monitor safety management
MDU	Maintenance Delivery Unit	The main resource centre for Network Rail route maintenance – Wales route has two at Cardiff and Shrewsbury, Western route has three at Reading (East), Bristol (Central) and Plymouth (West)
MOS	Maintenance, Operations, Support	An accounting category which covers Network Rail's expenditure in the daily operation of the railway,, excluding renewals activity
Net Zero 2050		The legally binding commitment to achieving net zero greenhouse gas emissions. Net refers to removals (such as afforestation) balancing emissions. Carbon dioxide is the main greenhouse gas and others can be measured as equivalents
NR	Network Rail	Network Rail: the owner and operator of the railway infrastructure in England, Wales and Scotland as defined in the Network Licence
NRPS	National Rail Passenger Survey	The passenger experience survey carried out every six months by Transport Focus
NRW	Natural Resources Wales	The public body responsible for environmental management in Wales
NW&C	North West and Central region	Network Rail's region which covers lines from Euston to the West Midlands and the North West, including the West Coast Mainline.
OLE	Overhead Line Equipment	The system of assets fitted above track which provides electrical power to the electric trains. The supply on OLE is 25,000 volts and the transfer is between the conductor wire and the train pantograph
Opex	Operating Expenditure	An accounting term used to classify money spent on items necessary for running a system and business. This is not depreciated as it is deemed consumable within a financial year. Operations, maintenance and support costs are opex
ORR	Office of Rail and Road	The economic and safety regulator for Network Rail
PR18	Periodic Review 2018	ORR's phrase for the process which led to NR's CP6 financial settlement
S&C	Switches and Crossings	In railway track, pointwork to switch trains between stretches of plain line
SCADA	Supervisory Control and Data Acquisition	The system for the operation of the electrification system. TPCMS is a particular SCADA system
(S)OMR	(Support,) Operations, Maintenance and Renewals	An accounting category which covers Network Rail's expenditure in the daily operation of the railway, but which does not include enhancements to the network
TOC	Train Operating Company	A company awarded a franchise or concession by DfT to run passenger train services under a Track Access Contract
Track category		A classification of track based on linespeed, tonnage and type of traffic which determines the type of track installed and maintenance regimes
TfW	Transport for Wales	Public transport body in Wales
Transport Focus		The independent passenger watchdog representing the interests of rail passengers in Britain
VUC	Variable Usage Charge	Income paid by TOCs to Network Rail according to train type and mileage run
W&W	Wales and Western	Network Rail's region which covers lines from Paddington to the South West of England, Oxford, Gloucestershire, Wales and the Marches

