

## Statement of Sufficiency of Resources supporting letter

John Larkinson  
Chief Executive  
Office of Rail and Road  
25 Cabot Square  
Canary Wharf  
London  
E14 4QZ

Network Rail  
Waterloo General Office  
London  
SE1 8SW

17<sup>th</sup> November 2023

Dear John

### **Resources Statement made in accordance with Condition 9.5 of Network Rail Infrastructure Limited's network licence**

I enclose the Resources Statement ('the Statement') required from Network Rail Infrastructure Limited (Network Rail) under Condition 9.5 of its network licence, which I have been authorised to sign following a resolution of the Board of Directors of Network Rail.

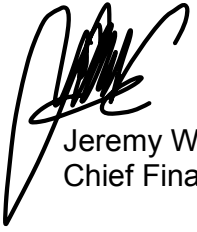
After due and careful consideration and having taken into account the view held by the Regional Businesses and the System Operator the statement confirms that, in the Board's reasonable opinion, Network Rail has adequate management resources and financial resources and facilities to enable it to carry out its activities for the period of 12 months commencing on the date of the statement. The main factors that the Board has taken into account in making this statement are as follows:

- For 2023/24 we have agreed funding with DfT and Transport Scotland which are sufficient to deliver our Business Plan 2023. In addition, we have agreed with DfT that any schedule 4 and schedule 8 costs in excess of targets will be returned to Network Rail through extra grants, significantly reducing the risk of delivering the 2023/24 plan.
- The Statement of Funds Available was published by DfT in December 2022 and Transport Scotland in February 2023. This set out £45.1bn of funding being made available for CP7 for the day-to-day running of the network. Our Strategic Business Plan has been prepared accordingly. Successfully concluding PR23 with outputs that are realistic will be important in our future considerations regarding our ability to deliver CP7.
- Network Rail delivered gross efficiency of around £2.9bn by the end of 2022/23 – marginally ahead of our Business Plan 2022 targets and ahead of ORR's target (£2.7m). We are well placed to deliver the remaining efficiencies in the final year of the control period to achieve £4bn of efficiencies during CP6.

In making the attached statement, we have assumed that the current structure and regulatory framework of the industry will remain unchanged for the 12 months following this statement and would not hinder our ability to recruit and retain the quality of people we require to manage and transform the business. We have also assumed that there are no material legislative alterations in the next 12 months that would adversely impact our financial or operational capabilities.

OFFICIAL

Yours sincerely

A handwritten signature in black ink, appearing to be 'J Westlake', written over a faint, illegible stamp or watermark.

Jeremy Westlake  
Chief Financial Officer